

Ireland

The interplay of supply- and demand-side instruments in financing CVT/ adult learning (in particular job-related)

Ireland has a broad offer of publicly funded (supply-side) further education and training (FET) implemented through Education and Training Boards. They provide a large variety of adult education programmes, including initial vocational education and training, re-entry routes for individuals including literacy and basic education and professional or vocational development of individuals. More recently, private providers have been particularly active, e.g. through the delivery of the Springboard+ scheme.

Demand-side instruments in financing CVT/ adult learning (in particular job-related)

- **Key institutions involved and funding sources**

The Further Education and Training Act 2013 established SOLAS as the Further Education and Training Authority responsible for overseeing funding and policy direction in the sector. Ireland coordinates the delivery of publicly funded education and training through 16 Education and Training Boards (ETBs), which were established in 2013 to replace the Vocational Education Committees (VECs). The ETBs manage and operate secondary-level schools, further education colleges, training centres and a range of adult and further education centres to deliver education and training programmes. There are further public providers for vocational upskilling (including Universities, Institutes of Technology and sector specific organisations) and private training providers (private colleges, chambers of commerce, Irish Congress of Trade Unions, and company-based training and employer networks (Skillnets)).

- **Instruments targeting individuals**

The scheme Springboard+ ([#294](#)) is the most relevant demand-side scheme for individuals in Ireland, offering courses at Levels 6, 7, 8, and 9 of the Ireland's NQF. It was established following the financial crisis in order to tackle high levels of unemployment and provide free upskilling and reskilling opportunities. The aim is to reskill people in areas where there is evidence of job opportunities. A feature of Springboard+ is the mixture of provision from the public and private higher education sectors. For people in employment, a 10% course fee contribution for Level 7, 8 and 9 courses is applicable, payable directly to the provider, while all Level 6 programmes are free to all participants. Specific support to disadvantaged people is provided through the Back to Education Allowance (BTEA [#295](#)), which is a scheme for unemployed people, lone parents and people with disabilities who receive certain payments from the Department of Employment Affairs and Social Protection (DSP). The allowance is paid to people who wish to pursue approved second or third level courses of education. In the higher education sector, specific support is provided to students (grants [#116](#), tax incentive, [#111](#)).

- **Instruments targeting companies**

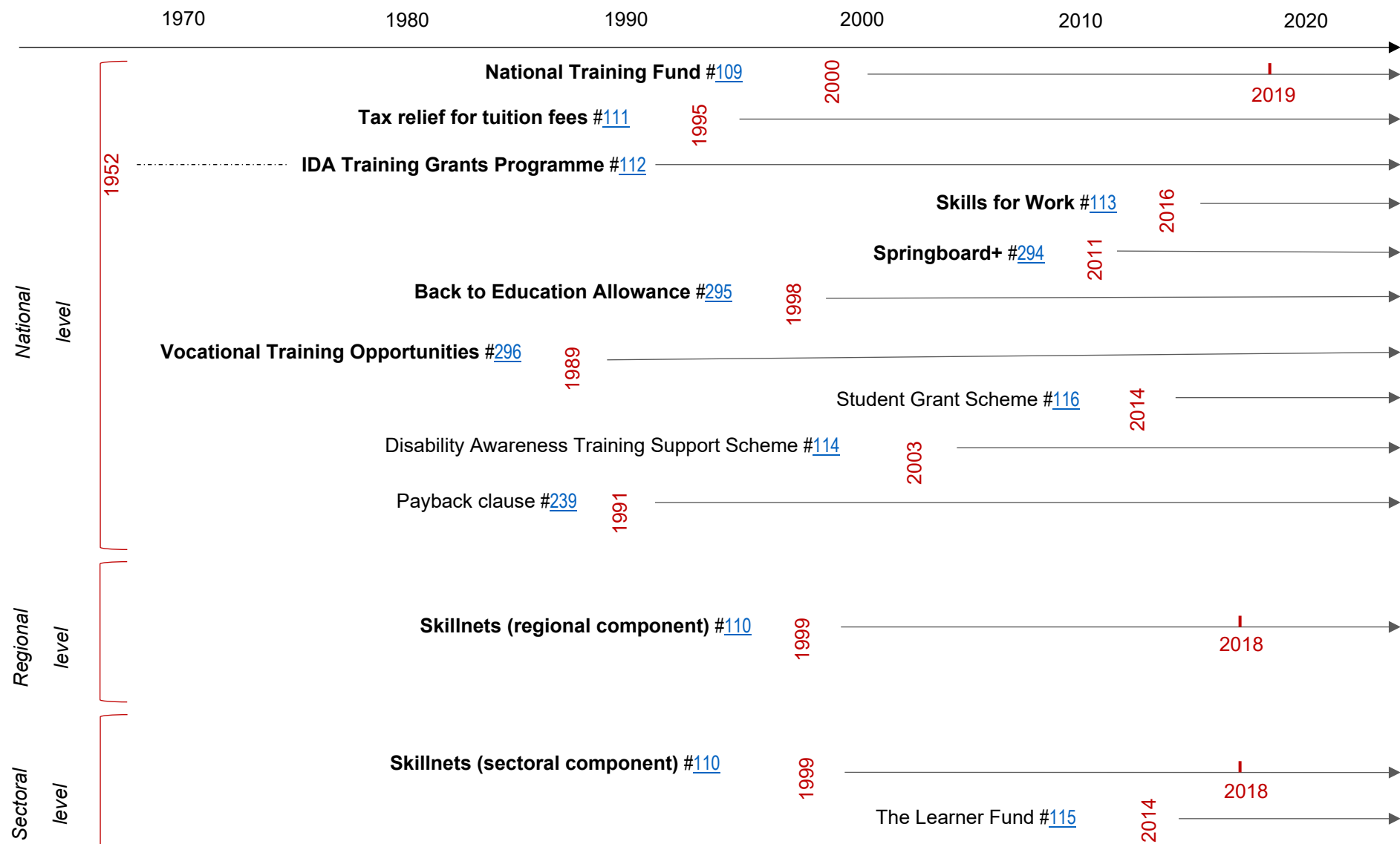
Employers receive state-funded contributions to their training costs for particular types of training activities and groups of employees through a number of different schemes. Foreign-owned companies can apply for the grant in the context of improving the company's long-term competitiveness and transformation ([#112](#)). The eligible education and training activities include specific work-related training and general skills training. The co-funding share is variable: 25% is funded in the case of specific training and 60% is funded in the case of general training. Companies featuring employees with low levels of educational qualifications can apply for a grant to help employees address basic skills demands in the workplace ([#113](#)). There is a specific grant providing support to the promotion of disability awareness to their staff ([#114](#)). The support for training networks is provided through the Skillnets scheme ([#110](#)), which is established at regional and sectoral level.

Table 1. Overview of demand-side financing instruments in Ireland by 2020

Level of implementation	Importance of the level of implementation	Overall importance of the instrument	Demand-side instruments targeting individuals		Demand-side instruments targeting companies	
National level	High	Key instruments	Tax incentives for individuals	Tax relief for tuition fees in respect of third level education #111	Training funds	National Training Fund #109
			Grants for individuals	Springboard+ #294 Back to Education Allowance (BTEA) #295 Vocational Training Opportunities Scheme #296	Grants for companies	IDA Training Grants Programme #112 Skills for Work #113
Regional level	High	Further instruments	Grants for individuals	Student Grant Scheme #116	Payback clause	Payback clause #239
					Grants for companies	Disability Awareness Training Support Scheme #114
Sectoral level	Moderate	Key instruments			Grants for companies	Skillnets #110
		Further instruments				
Sectoral level	Moderate	Key instruments			Grants for companies	Skillnets #110
		Further instruments	Grants for individuals	The Learner Fund #115		

- Evolution of demand-side instruments over time

Figure 1. Overview on the evolution of demand-side instruments in Ireland until 2020



Source: Cedefop, based on the 2020 data collection

Bold = key instruments

- **Statistics on volumes of funding and beneficiaries**

Table 2. Statistical data on volumes of funding and beneficiaries

ID	Name of the instrument	Year of reference	Volume of funding (in EUR)	Year of reference	Beneficiaries (individuals)	Year of reference	Beneficiaries (companies)
<u>109</u>	National Training Fund	2019	684 824 000	2018	185 688	Not available	Not available
<u>111</u>	Tax relief for tuition fees in respect of third level education	2018	17 200 000	2018	33 200	-	-
<u>110</u>	Skillnets	2019	27 159 973	2019	70 270	2019	18 422 ^e
<u>112</u>	IDA Training Grants Programme	2019	110 848 000	Not available	Not available	Not available	Not available
<u>113</u>	Skills for Work	Not available	Not available	Not available	Not available	Not available	Not available
<u>114</u>	Disability Awareness Training Support Scheme	2018	20 214	Not available	Not available	2018	5
<u>115</u>	The Learner Fund	2018	411 758	2018	549	-	-
<u>116</u>	Student Grant Scheme	2019	347 000 000	2019	76 500 ^e	-	-
<u>294</u>	Springboard+	2019	34 300 000	2019	8 053 ^e	-	-
<u>295</u>	Back to Education Allowance (BTEA)	2018	78 690 000	2018	8 816	-	-
<u>296</u>	Vocational Training Opportunities Scheme	2019	71 722 823	2019	7 721	-	-

Source: Cedefop, 2020 data collection (^e = estimate)

Table 3. Short description on the financing instruments

ID	Name	Level of implementation	Importance of the instrument	Short description
(1) Training funds				
109	National Training Fund	National	Key instrument	Employers are obliged by law to contribute a fixed share of payroll (0.7%) to a training fund. The fund provides for expenditure on training for those seeking employment, training for persons in employment, literacy, and numeracy, training for those in the community and voluntary sector, and also provides funding for the identification of existing and future skills needs for the economy. Eligible costs are defined under the separate programmes funded through the National Training Fund.
(2) Tax incentives for companies				
No tax incentives for companies are established.				
(3) Tax incentives for individuals				
111	Tax Relief for Tuition Fees in respect of Third Level education	National	Key instrument	Students, or someone paying fees on a student's behalf, can claim tax relief of 20% on qualifying fees (including the student contribution) that have to be paid for third level education courses. The qualifying fees must be paid for an approved course at an approved college. Some charges and levies do not qualify for relief (administration fees, student centre levy, sports centre charge, Union of Students in Ireland levy). Only the person paying the fees can claim the reduction. The maximum amount that can be claimed in a year is EUR 7 000 per course, per person, per academic year, with each claim subject to a single disregard amount of EUR 3 000 or EUR 1 500 each tax year. The first EUR 3 000 is disregarded for a full-time student or EUR 15 000 for a part-time student. Individuals above 65 years with an income below EUR 18 000 are not liable to income tax. The tax incentive can be used once in each calendar year.
(4) Grants for companies				
110	Skillnets	Regional, Sectoral	Key instrument	Companies that are in one of the Skillnet Business Networks, providing subsidised training are eligible for this grant. Skillnets training networks programme (TNP) is funded from the National Training Fund. Eligible training covers a wide range of industry sectors and geographical regions, financial services training and management development. Up to 50% of all eligible costs can be subsidised. There is no limitation for re-use. No preferential treatment established.
112	IDA Training Grants Programme	National	Key instrument	Companies may apply for the grant in the context of improving their long term competitiveness and transformation. The instrument is administered by the Industrial Development Agency (IDA). The eligible education and training activities include specific work-related training (with IDA co-funding up to 25% of the eligible costs) and general skills training (up to 60% of the eligible costs). Eligible costs include fees and other costs related to education and training. There is no preferential treatment.
113	Skills for Work	National	Key instrument	Skills for Work (SFW) is a scheme aimed at providing training opportunities to help employees deal with the basic skills demands of the workplace. It is implemented by the Education & training boards (ETB) of the Department of Education and Skills. Employees with low levels of educational qualifications are eligible for this scheme (typically participants in this programme are people who have left school without receiving a leaving certificate). Most of the programmes offer free of charge a nationally recognised certification. No cash contributions are made. Employers release employees from work to attend Skills for work courses. The programmes are delivered by Education and Training Boards across Ireland. There is no limitation to re-use the scheme for the same applicant.
114	Disability Awareness Training Support Scheme	National	Further instrument	Employers that provide disability awareness training for their staff can apply for the grant. It is implemented by the Regional offices of the Department for Social Protection. The grant covers 90% of the eligible training programme costs (up to a maximum of EUR 20 000 in one calendar year) is available to an organisation for the first year of training; after the first year, 80% of eligible training programmes is covered (to a maximum of EUR 20 000 in one calendar year). The scheme can be used by the same applicant once in each calendar year. There is no preferential treatment.
(5) Grants for individuals				

115	The Learner Fund	Sectoral	Further instrument	Staff working directly with children in registered early years services can apply for the grant. The eligible education and training activities include level 5 and level 6 awards in childcare. The public co-funding share is 75% of the eligible costs (the maximum cost of the course is EUR 750). Learners pay 25% of the cost of the course (i.e. no more than EUR 187,5 as the maximum cost of the course is EUR 750). No preferential treatment is applied.
116	Student Grant Scheme	National	Key instrument	A student enrolled in full-time further and higher education undergraduate courses can apply for the grant to cover the fees and living costs. The grant is means-tested. There are special eligibility criteria and rates for students from disadvantaged backgrounds. The maximum amount of the grant is EUR 5 915. Students whose family's income is below certain limits can qualify for a partial fee grant. This means that they will either be exempt from 50% of the student contribution, or exempt from 50% of any tuition fees and all of the student contribution. Eligible costs include fees and other costs related to education and training (living costs). The same applicant can use the scheme once in each calendar year.
294	Springboard+	National	Key instrument	The aim of the scheme is to reskill people in areas where there is evidence of job opportunities, including ICT, high-level manufacturing, international financial services, skills to trade internationally, cross-company skills, entrepreneurship, innovation, digital marketing, and project management. Springboard+ was formed in 2014, with the incorporation of ICT Skills Conversion Courses. A feature of Springboard+ is the mixture of provision from the public and private higher education sectors. Providers are higher education colleges with established quality assurance systems, including Irish universities, institutes of technology, and private higher education colleges. For people in employment, a 10% course fee contribution for Level 7, 8, and 9 courses is applicable, payable directly to the provider. There are no tuition fees for DEASP customers or Returners. All Level 6 programmes are free to all participants.
295	Back to Education Allowance (BTEA)	National	Key instrument	The Back to Education Allowance (BTEA) is a scheme for unemployed people, lone parents, and people with disabilities who receive certain payments from the Department of Employment Affairs and Social Protection (DSP). The allowance is paid to people who wish to pursue approved second or third-level courses of education. The BTEA is not an unemployment payment and is paid instead of social welfare. The payment is matched to the benefit received by the applicant prior to receipt of the Back to Education Allowance. Those with a dependent child receive an annual Cost of Education Allowance of EUR 500 in addition.
296	Vocational Training Opportunities Scheme	National	Key instrument	The Vocational Training Opportunities Scheme (VTOS) is targeted at unemployed persons over 21 years of age. Its primary target groups are the longer-term unemployed. It aims to give participants education and training opportunities which will develop and prepare them to go into paid employment or on to further education opportunities leading to paid employment. If eligible, participants receive a training allowance in place of their welfare payment as well as travel and meal allowance and can access childcare supports under the Childcare Employment and Training Support scheme under the Department of Social Protection.

(6) Loans

No loan incentive is established.

(7) Training leaves

No training leave is established.

(8) Payback clauses

239	Payback clause	National	Further instrument	Employers and employees can agree on a pay-back clause. There are defined eligibility requirements for these arrangements. Employers may calculate the specific schedule of reimbursement of training costs, but such training agreements usually stipulate a reimbursement according to the period between the end of the training and the resignation of the employee: a reimbursement of 100% of the training costs if the employee resigns within 3 months after completing training; 75% reimbursement after 3 to 6 months; 50% after 6 to 9 months and 25% after 9 to 12 months. One year after training, employees are not usually asked to reimburse training costs.
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