

2013



Programme for Government:

**Annual Report 2013**

Year 2: Rebuilding

# Programme for Government: **Annual Report 2013**

Government for National Recovery 2011-2016

**March 2013**

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# FOREWORD

## Year 2: Rebuilding

When we formed this Government in March 2011, our core promise to the Irish people was to fix our economic problems and to get Ireland working again. Since then, the Government has been working with the people to implement our agreed plan for economic recovery. That plan is working.

The hard work and sacrifices endured by many are making a real difference. Ireland is rebuilding its reputation, restoring confidence and laying the foundation for a better future. This second annual report sets out the progress made right across Government in the past year. It shows a Government hard at work, reforming, legislating and delivering on its commitments.

After two years in government, there is real evidence of the rebuilding that has taken place.

### **Restoring Financial Stability and Confidence**

Building on the first renegotiation of the bail-out agreement, we have further reduced our borrowing costs through liquidating the former Anglo Irish and Irish Nationwide banks and getting rid of the promissory notes.

Other banks have been restructured and recapitalised, with new boards and management teams. The bank guarantee has been ended, further stakes in the banks have been sold, deposits are flowing back and dependence on emergency central bank funding is greatly reduced.

The correction of the public finances is on track, with 90% of the fiscal consolidation complete and borrowing on track to fall to below the 3% of GDP target by 2015.

This hard work to rebuild our international reputation for responsible financial management has paid off, with long-term Government bond yields now at less than 4%. Ireland's successful preparations and start to the Presidency of the EU will further enhance our standing.

### **Helping People Back to Work**

But our key priority has been getting people back to work because there are still far too many people without jobs. We successfully implemented 92% of the 270 actions in the 2012 Jobs Plan designed to make it easier to protect and create jobs and secured the €2.25 billion stimulus in job-rich public infrastructure projects. We led 18 successful trade missions in 2012 worth €200 million in new export sales.

We put in place almost 30,000 new education and training places for jobseekers and launched Intreo, the new one-stop-shop employment and support service. We kept our promise not to increase taxes on work and income.

### **Protecting the Most Vulnerable and Ensuring Fairness**

We have continued to maintain primary weekly social welfare rates and protect those families worst affected by the economic collapse. We introduced €2.5 million to fund a new Area Based Approach to Child Poverty.

We enacted new personal insolvency legislation to help distressed borrowers reach a settlement with their lenders while staying in the family home. We transferred 5,000 households to the long term rental accommodation scheme.

€1 billion was spent by NAMA towards completing unfinished properties, and the number of unfinished housing developments is now down 37% since 2010.

We've ensured a fair contribution from everyone to the national effort, particularly by increasing taxes on capital and wealth and by eliminating tax loopholes traditionally used by the better off.

### **Reforming Our Politics**

We have been overhauling the political system to make it more effective and efficient, and to make sure politicians share in the sacrifices being made by the entire country.

We have increased the number of Dáil working days by 30%. We have cut politicians pay and expenses and further reduced the cost of Ministerial transport and use of the Government jet.

Constitutional reform continued with the passing of the Children's Referendum, strengthening our children's rights and the work of the new Constitutional Convention. Public Sector reform is advancing with streamlined services and bodies, more shared services, enhanced skills and greater efficiencies while delivering better services.

We are radically reforming the local government system to make it more efficient and effective, cutting the number of councillors by over a third.

### **Protecting Key Services**

Despite the necessary budget cuts, we are protecting education, health and other key services by cutting costs, eliminating waste and recruiting new teachers and vital mental health and primary care staff. We secured significant new agreements with hospital consultants and the pharmaceutical industry to reduce costs and enhance health services.

We have set out a road map of 48 key actions to reform hospital and primary care to ensure a future sustainable and equitable health service. The Special Delivery Unit has continued its work with hospitals and further reduced hospital trolley and waiting times during 2012.

We opened the new 34 bed Cystic Fibrosis Unit in St Vincent's Hospital and we chose the St James Hospital campus as the site for the new National Children's Hospital.

### **Programme Priorities and Milestones for Next Year**

In the year ahead, we will continue the work of rebuilding the country, driving implementation of our policies to deliver real change to impact people's lives:

- accelerating the work-out of the mortgage crisis to ensure that most families are offered sustainable solutions by next year;
- growing the economy to generate jobs, implementation of the 2013 Action Plan on Jobs, enacting legislation for NewERA and Strategic Investment Fund and financing new projects in key strategic sectors;
- making sure economic recovery does not bypass jobless households – an enhanced Pathways to Work strategy to ensure new jobs go to people on the live register;
- delivering further political and constitutional reforms with an Autumn referendum on the abolition of the Seanad, continuing the work of the Constitutional Convention and transforming Freedom of Information provisions;
- exiting the IMF-EU programme, while sticking to a path of reducing borrowing and debt to sustainable levels;
- protecting front-line services through further productivity and reforms of public services;
- delivering significant new policy change to enhance people's lives, including a health and wellbeing strategy, primary care reforms, modernising the education system and enhanced child and family services.

We present this as a record of progress made, acknowledging that there is still plenty to be achieved over the remaining three years of this Government's term. We will continue to press on towards the goal of reclaiming Ireland's future for its people with hard work and determination.



Enda Kenny T.D.  
**Taoiseach**



Eamon Gilmore T.D.  
**Tánaiste**

# ECONOMY

## Key Highlights

### Banking and Fiscal Policy

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- Bank debt deal reducing State borrowing by €20 billion over 10 years
- Ending of the Bank Guarantee Scheme
- Closed down IBRC (formerly Anglo Irish Bank and Irish Nationwide)
- Sale of Irish Life
- Successfully reducing Ireland's large deficit to put our national finances on a sound footing
- The Irish State and Irish banks have returned to the long term bond markets for the first time since September 2010
- The people passed the Stability Referendum, helping to restore confidence by guaranteeing Ireland's access to the backstop of the European Stability Mechanism
- Deposits returning to Irish banks and reduced reliance on emergency ECB funding
- Disposals of some of the State's holdings in banks
- New bank resolution fund established in case of future financial instability
- Restructuring of Credit Union sector

### Creating Jobs and Tackling Unemployment

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- Private sector employment increasing again with an annual increase in employment recorded for the first time since 2008
- The economy continued its return to growth with an increase of 1.4% in GDP in 2011, with further growth forecast in 2012 and 2013
- 2012 was the most successful year of job creation for IDA and Enterprise Ireland since 2006
- Maintaining our transparent and consistent corporate tax rate
- Launched the Action Plan for Jobs 2013 while delivering 92% of the 270 actions in the 2012 Jobs Plan

- Progression outcomes for our national internship programmes, JobBridge, best in Europe
- Almost 30,000 new education and training places provided for jobseekers
- Roll out of Intreo – the new one-stop-shop employment and support service
- €60.5 million in funding to 85 pioneering projects developing new commercial opportunities
- Launch of Agenda 2020 plan to maximise the job-creation potential of SFI research
- Significant investment in new world-class Research Centres
- Extension of short-stay visa waiver programme to 17 countries
- Roll out of multi-year entry visa regime for business travellers extended
- Major tourism events supported worth €110 million to the Irish economy
- International education worth €1 billion to Ireland – new agreement signed with Brazil

### Growing Businesses

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- Introduction in Budget 2013 of a 10 Point Tax Reform Plan that will make a real difference to SMEs
- New measures to provide €900 million in additional financing for SMEs
- New venture capital investment schemes for medium and start-up companies
- 18 successful trade missions in 2012 worth €200 million
- Signed a new memorandum of understanding with China leading to significant new commercial relationships
- Cost of red tape reduced by 19% worth up to €289 million annually
- Rent easement by NAMA on commercial properties worth €13.5 million to businesses
- New scheme to provide credit to small businesses of €150 million

## ECONOMY

- Historic overhaul of Irish bankruptcy law
- Corporate tax exemption for new start-up companies will be available for companies that commence trading in 2013 and 2014

### **Key Infrastructure**

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- €2.25 billion stimulus package providing investment in job-rich public infrastructure projects
- €850 million roads programme restored as part of the stimulus package
- New Broadband Plan to provide high-speed broadband to every home and business
- Creation of a €70 million Energy Efficiency Fund
- Investment of €200 million in Ireland's water services investment programme
- East-West Interconnector linking the power grids of Ireland and Britain

## Implementation

### **Banking and Re-Negotiation of the IMF/EU Programme of Support**

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#### **Enhancing the Sustainability of the Public Finances**

A deal on the promissory note, achieved in February 2013, will reduce Ireland's borrowing needs by €20 billion over the coming decade. The first payment of principal under the new deal will not now be made until 2038, with the last payment to be made in 2053. In addition, the sale of Irish Life and the State's holding of Contingent Capital Notes in Bank of Ireland will lower the Exchequer Borrowing Requirement by approximately €2.4 billion in 2013.

#### **Structural Reforms to Accelerate Growth and Debt Sustainability**

A number of structural reforms were advanced in 2012, including:

- Further bank deleveraging, in line with the Financial Measures Programme 2011
- Personal insolvency reform to facilitate the resolution of unsustainable personal debt
- Publication of legislation to make it easier for viable SMEs to restructure their debts
- Measures to make it easier for businesses to access credit
- Further reform of the budgetary framework to enable better planning
- Fiscal Stability Treaty legislation setting out new budgetary and debt rules
- Reform of workplace relations structures and sectoral wage-setting mechanisms
- A new integrated employment and support service to enhance labour market activation services and reduce the risk of long-term unemployment
- Accelerated reduction in public sector numbers
- Progress towards the introduction of a new Housing Assistance Payment to create a more sustainable system and reduce barriers to employment

- Broadening the tax base through a new local property tax to fund local services

#### **Bank Recapitalisation**

Recapitalisation of the banks was deferred until after the completion of the stress tests carried out in the 2011 Prudential Capital Assessment Review (PCAR). Of the €24 billion in capital identified as being required following the 2011 PCAR process, the State has provided €17.8 billion with the balance being sourced through burden sharing with subordinated bondholders, private investment, asset disposals and internal capital generation. This has helped to provide a secure financial system for deposits and ensure the flow of credit to Irish consumers and businesses.

#### **Reducing Banks' Reliance on the Irish and European Central Banks**

Banks operating in Ireland continue to reduce their level of borrowing from the ECB. During January 2013, the funding drawn via the ECB refinancing operations declined by €0.9 billion to €70.1 billion – its lowest level since September 2008. Since November 2012, AIB, Bank of Ireland and Permanent TSB have all returned to international debt markets, raising €2.6 billion in new funding.

Following a Government decision, the Bank Guarantee Scheme will end for all new liabilities from midnight on the 28th March 2013, marking a significant step in the normalisation of our banking system. The ending of the scheme and the gradual removal of this liability from the taxpayer will also help to sustain Ireland's re-entry to international markets.

#### **Ensuring Credit for SMEs**

The pillar banks met their commitment to make €3.5 billion of credit available to SMEs in 2012 and have committed to making a further €4 billion of credit available in 2013.

The Credit Review Office has overturned more than 50 per cent of the lending decisions appealed to it since 2010 – unlocking over €10 million in extra credit for SMEs.

The National Pensions Reserve Fund is to invest in a suite of three new long-term funds, which will provide equity, credit and investment for Irish SMEs:



- The SME Equity Fund, of €300 million, will focus on healthy businesses seeking to grow
- The SME Turnaround Fund, of €100 million, will focus on underperforming businesses, which are at or close to the point of insolvency but with the potential for restructuring
- The SME Credit Fund, of €450 million, will focus on performing larger SMEs and mid-size corporates

A Microenterprise Loan Fund has been established to facilitate over €90 million in additional lending to start-ups, sole-traders and micro-enterprises.

### **A Special Resolution Regime and Bank Levy**

The Central Bank and Credit Institutions (Resolution) Act 2011 provided for an effective and efficient Special Resolution Regime for credit institutions, to minimise taxpayers' exposure to future financial sector difficulties. A Resolution Fund of €250 million, to be funded by a levy on credit institutions, was established in 2012 to provide a source of funding for the resolution of financial instability in credit institutions.

### **Disposing of the Public Stake in the Banks**

The State has successfully disposed of its entire €1 billion holding of Contingent Capital Notes in Bank of Ireland, resulting in a payment to the State of €1.056 billion, including interest and profit.

### **Making NAMA More Transparent**

NAMA established a new Strategy and Communications Division in 2012 to further support its engagement with public representatives, business, the media and members of the public. The new Freedom of Information provisions progressing in 2013 will ensure that NAMA is subject to FOI requests for the first time.

### **Credit Unions**

A Credit Union Restructuring Board was established on an administrative basis in 2012 to oversee and facilitate the restructuring of the credit union sector. The Credit Union and CoOperation with Overseas Regulators Act 2012 placed the Board on a statutory footing and provides for stabilisation, strengthened governance and a regulatory framework for credit unions.

## **Jobs Programme**

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Building on the success of the 2011 Jobs Initiative, the Government launched the Action Plan for Jobs in 2012 as the first instalment in an ambitious multi-year process, aimed at increasing the number of people at work in Ireland by 100,000. Implementation of the plan has been highly focused, with 92 per cent of the 270 measures successfully delivered, supporting growth in trade and exports, improving access to finance, investing in research, enhancing cost-competitiveness, and exploiting sectoral opportunities.

While unemployment remains high, there are signs of progress in the labour market. For example in 2012, IDA Ireland companies created the highest number of new jobs in a decade with 6,570 net new jobs recorded, whilst Enterprise Ireland client companies had their best performance since 2006 with the creation of more than 3,000 net new jobs.

February saw the launch of the Action Plan for Jobs 2013, which contains 333 actions to be implemented throughout the year, and will build on progress made in 2012 to continue improving supports for job-creating businesses and removing barriers to employment-creation across the economy.

## **Labour Market Policy**

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In 2012, the Government launched its policy statement on labour market activation, entitled *Pathways to Work*. This sets out a new approach to how the State engages with and supports the unemployed to get back to work, which links the payment of entitlements to individual engagement in activation programmes.

This will focus on regular interaction, greater targeting, incentivising employers and clients and reforming the systems.

### **Work Activation Initiatives**

By the end of 2012, 13,232 individuals had commenced JobBridge placements. The independent evaluation of the scheme last year found it to be a highly successful activation measure, with 52 per cent of interns progressing into paid employment.

This is one of the best progression outcomes for work placement programmes anywhere in Europe.

By the end of 2012, 7,305 people had either completed or were currently on Tús work placements, keeping people work-ready especially those out of work long term.

Budget 2013 provided €11 million in funding for an additional 10,000 places across a range of activation programmes.

### **Additional Education and Training Places**

The target of providing 30,000 additional education and training places is almost complete, with the following provided so far:

- 5,800 places on the FAS Specific Skills Training programme
- 5,000 places on the 2011 Springboard programme
- 4,121 places on the Back to Education Initiative
- 1,000 Post Leaving Certificate places
- 6,500 Labour Market Education and Training Fund places
- 6,000 places on the 2012 Springboard programme

A total of €48 million has been provided in the National Training Fund for labour activation measures and targeted skills training in 2013.

### **A New National Employment and Entitlements Service**

Intreo, the new integrated employment and support service, was launched in October 2012. Intreo is a new one-stop shop service integrating a range of claim, activation, employment and control services with a single decisions process to reduce bureaucracy and speed up decisions and claim processing and ensure early access to employment services. Phased roll out of the service has commenced to ensure its nationwide availability by 2014.

The legislation to enable the establishment of SOLAS, the new body which will be responsible for integrating, developing and modernising the further education and training sector, has been published.

## **Increasing Exports**

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The value of goods exports in 2012 increased by 1 per cent to €92 billion, which is the highest figure since 2002. Latest available figures show that services exports for the first nine months of 2012 increased by over 11 per cent, meaning that the annual overall increase in exports for 2012 is likely to be significant.

### **Creating a Home to Export Programme**

Enterprise Ireland has established a new Potential Exporters Division to reorient companies with growth potential from the domestic to the international marketplace. A new pilot programme to increase collaboration between Irish companies and multinationals has been launched and development has also commenced on an international mentor-adviser programme. Budget 2013 extended the Foreign Earnings Deduction scheme, to support exporting companies in putting 'boots on the ground' in eight additional countries.

### **Improving Trade Relations with Emerging Economies**

Eighteen trade missions took place in 2012, promoting Ireland as a key trade and investment destination in established and emerging markets such as the United States, Canada, South Africa, China, Russia and Brazil. Contracts and commitments with potential value of over €200 million were signed during these missions. Two successful Joint Economic Commissions were also held towards the end of 2012, further enhancing our trade and economic links with both China and South Korea.

The new €2 million Africa Agri-Food Development Fund was established on a pilot basis in 2012 to develop partnerships between the Irish Agri-Food Sector and African countries.

### **Developing Scholarship Schemes with Emerging Markets**

The new Ireland Scholarship scheme is aimed at attracting foreign teachers of English to Ireland to refresh their language skills, targeting key international markets. Twelve scholarships were awarded in 2012 and further expansion of the scheme in 2013 will see it extended to Russia and China.

Government of Ireland International Scholarships are awarded to high calibre students to study in Ireland for a period of one year. The successful scholars undertake to become *Education in Ireland Ambassadors* and use social media to promote the Irish brand in their home countries. Twenty-two scholarships were awarded in 2012, primarily to students from India and China. Further expansion of the scheme in 2013 will see it extended to Brazil.

### **Innovation and Commercialisation**

#### **Trading and Investing in the Smart Economy**

Good progress was made in 2012 in implementing the recommendations outlined in the Trading and Investing in the Smart Economy Report:

- 110 members of the Global Irish Network signed up to the Global Irish Contacts Programme, which connects the Diaspora with companies seeking to expand internationally
- The *Succeed in Ireland* initiative, launched in March 2012, aims to create 5,000 jobs within five years by incentivising the Diaspora to work for Ireland in finding mobile foreign investments. 485 potential investments have been submitted to date

#### **Supporting our Indigenous Digital Game Industry**

An industry-led Clustering Development Team has been established to drive implementation of the Forfás Games Strategy. Particular attention is being given to the training and educational needs of the companies operating in the games sector.

Enterprise Ireland has published a guide on R&D tax credits, in follow up to a series of R&D workshops held with the games industry in 2012.

The fourth Internet Growth Acceleration Programme was launched in October 2012, with 36 participating companies. This is an intensive management development programme for high potential internet/games companies, aimed at equipping them with the practical tools needed to formulate international growth plans and scale their businesses.

#### **eGovernment**

The new eGovernment Strategy, launched in April 2012, contains 45 actions to transform how citizens and businesses engage with the State, to reduce the costs of public service delivery and ensure that Ireland benefits from the opportunities offered by new and existing ICT technologies. A new website, e.gov.ie, facilitates public bodies to report progress and allow the public to see how the strategy is being implemented.

A Data Sharing Clearing House has been established to advance data sharing across the public service, to reduce the number of times that citizens and businesses are asked to supply the same information.

#### **Making Ireland a Leader in Cloud Computing**

The new Cloud Computing Strategy for the Public Service, published in July 2012, sets out a range of timetabled initiatives to maximise the potential of cloud computing to reform delivery of ICT services and deliver efficiencies. One of the aims for 2013 is the implementation of the necessary networking infrastructure to support a Public Service Community Cloud.

The Irish Centre for Cloud Computing and Commerce (IC4) was launched in November 2012 to accelerate the development and adoption of cloud technology in Ireland, and develop and showcase Ireland's capabilities and create jobs in the ICT sector.

#### **Promoting Technology Research and Innovation**

The Research Prioritisation Action Group has developed a new National Science, Technology and Innovation Policy 2013-2017. The Group has also adopted Action Plans for the fourteen priority areas recommended in the 2011 National Research Prioritisation Report, in order to realign competitive public research funding around priority areas over the next five years.

In November 2012, Science Foundation Ireland (SFI) launched its new strategy *Agenda 2020 – Excellence with Impact*, an eight-year plan to maintain and attract top-tier scientists in Ireland and maximise the economic and societal development returns from SFI supported research. Legislation, published

in 2012, will enable SFI to support research on an all-Island and pan-European basis, allowing SFI funded teams leverage additional levels of non-exchequer funding into Ireland.

In January 2013, under its Investigators Programme, SFI made awards of €60.8 million in total to fund eighty-five pioneering projects, which will directly support 250 research jobs. The projects being funded have links to thirty-six commercial companies thus far, with significant potential for job creation.

Enterprise Ireland has launched a €22 million Technology Transfer Strengthening Initiative 2013-2016 for universities and Institutes of Technology, to boost interaction between industry and higher education institutes. The initiative is expected to produce 150 new companies by 2016.

The DCU Innovation Campus, a new national centre for innovation in the clean-tech sector, was officially opened in January 2013. The new campus will be a location of choice for high-growth clean-tech start-ups, SMEs and larger companies and is expected to drive significant green economy growth, supporting 200 jobs over the initial eighteen months and 500 in the first five years.

Though a combined State/industry investment of €300 million, announced in February 2013, seven new world-class Research Centres are to be developed in Cork, Limerick, Galway and Dublin. These centres will support more than 800 scientists in attracting dynamic new partnerships with industry, to develop and commercialise cutting-edge research and new technologies.

Dublin City of Science 2012 was enormously successful, with over 600,000 people taking part in science events across the country. Over 160 events and activities involving some of the world's leading scientists attracted visitors and journalists from over 70 countries. Building on this success, a Festival of Curiosity will be held annually in Dublin, beginning in July 2013.

### **Establishing a Network of Technology Research Centres**

Technology Research Centres are collaborative entities established and led by industry; focused on research with a direct impact on industry. Twelve new centres have been established, creating 223 new jobs in Dublin, Cork, Galway, Limerick and Kildare.

These Centres will interact with 220 companies in 2013, supporting the commercialisation of research ideas, spin-out companies and further job-creation. Preparation is underway for a further five centres in the areas of health, data analytics, dairy technology, medical devices and pharmaceuticals.

### **Making R&D Tax Credits More Accessible to SMEs**

The Finance Bill 2013 will amend the 'Key Employee' provision of the R&D tax credit regime by reducing - from 75% to 50% - the proportion of time that such an employee must spend solely on R&D activities, in order to qualify for the credit.

## **Supporting SMEs**

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### **Reforming Public Procurement**

Central procurement is undergoing radical reform, with plans for the establishment of a new National Procurement Office, led by the recently appointed Chief Procurement Officer. The integration of procurement policy, strategy and operations into one Office will ensure substantially reduced costs (over €250 million per annum) and better value for money, as well as fostering increased SME participation in tendering for public contracts.

### **Reforming Bankruptcy Legislation**

The new Personal Insolvency Act 2012 has comprehensively reformed Irish bankruptcy law, with the introduction of automatic discharge from bankruptcy, subject to certain conditions, after 3 years instead of 12 years.

### **Reforming the Joint Labour Committee Structure**

The Industrial Relations (Amendment) Act 2012 radically overhauled the statutory wage setting mechanisms making them fairer and more responsive to changing economic circumstances and labour market conditions. As provided for in the Act, the Labour Court is carrying out a review of the existing Joint Labour Committees, to be concluded in April. The Labour Relations Commission has commenced consultations with stakeholders on standardising Sunday work and overtime rates through nationally agreed Codes of Practice.

## **Reducing Commercial Rents**

As reported last year, legislative intervention in the area of upward-only rent reviews has unfortunately proved unfeasible. However, NAMA proactively works to facilitate rent easement in cases where it has acquired the loan on a commercial property, where a tenant demonstrates that the rent payable under a lease is in excess of current market levels and that the viability of a business is threatened as a consequence. By the end of 2012, the Agency had granted 212 applications for rent abatement, with an aggregate annual value of €13.5 million.

## **Reducing Compliance Costs for Microenterprise**

As reported last year, analysis suggests that the 'Single Business Tax' as previously proposed in the Programme for Government could not be delivered in the form described. As an alternative to this, a Tax Reform Plan was announced as part of Budget 2013, to cut the cost of tax compliance for small and medium enterprises and make starting a business less daunting. The plan includes an extension of the three year corporation tax relief for start-up companies and a number of measures to encourage innovation, help cash flow and improve access to funding.

## **Reducing Government Imposed Red Tape on Business**

Efforts across Government reduced the administrative burden on businesses during 2012 by 19 per cent, which represents an annual potential saving of over €289 million for business. A new website, launched in June 2012, ([www.businessregulation.ie](http://www.businessregulation.ie)) provides a single source of information for businesses on how to comply with regulatory requirements imposed across over thirty Government bodies.

The Companies Bill consolidates the existing 16 Companies Acts into one and will reduce red tape and make company law obligations easier to understand. As a result, 12,500 start-ups in Ireland every year will save a total of more than €6 million in professional fees associated with establishing a company. The Bill, which is the largest substantive piece of legislation in the history of the State, has been published and will proceed through the Oireachtas during 2013.

## **Enabling SMEs to Restructure Their Debts**

The Companies Bill also contains provisions that will enable SMEs to apply directly to the Circuit Court to have an examiner appointed, which will make it cheaper and easier for viable businesses to restructure their debts.

## **Protecting Small Building Contractors**

The Construction Contracts Bill, which will be enacted this year, will provide greater protection for small sub-contractors by:

- Establishing certainty around the timing and amounts of payments
- Providing an effective means of enforcement in respect of late, non or partial payments
- Providing for a right to refer payment disputes to adjudication
- Prohibiting the use of "pay when paid" provisions in construction contracts

## **Financial Services and Credit to Business**

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### **Implementing a Credit Guarantee Scheme**

The Credit Guarantee Scheme became operational in October 2012 and is expected to facilitate total additional lending of €450 million to small businesses, over the next three years. The scheme is expected to benefit 5600 businesses and create 4000 jobs. The Scheme is targeted at businesses with growth and job creation potential, which are struggling to access credit due to insufficient collateral, or because they operate in sectors with which banks are unfamiliar. Twelve credit guarantees have been approved to-date, amounting to total credit facilities of over €1.4 million being provided to SMEs.

### **Establishing a Microenterprise Loan Fund**

The Microenterprise Loan Fund, which commenced in October 2012, will facilitate over €90 million in additional lending to start-ups, sole-traders and microenterprises that have been refused access to credit by the banks. The scheme will provide loans of up to €25,000 to viable businesses and is expected to help 5,500 microenterprises to create 7,700 jobs over the next ten years, with 24 loans already provided to-date.

## Venture Capital

Innovation Fund Ireland is an initiative to attract leading international venture capital fund managers to Ireland. The first call for expressions of interest led to a number of significant investments, including €28.7 million in 2012, in Sofinnova Ventures – an international healthcare venture capital fund with an Irish office in Dublin. This investment will help ensure that Irish based high-tech companies in key sectors have access to funding. A second call for expressions of interest was launched in 2012, through which the Government will invest more than €60 million in funds that establish a presence in Ireland.

The Development Capital Scheme was launched in April 2012 and has now been extended to provide a total of €225 million in funding to mid-sized, high-growth, indigenous companies with significant prospects for jobs and export growth. This Scheme will support companies that would not generally fall within the focus of seed or venture capital funds.

In June 2012, the National Pensions Reserve Fund (NPRF) announced a collaborative relationship with Silicon Valley Bank, aimed at supporting the technology innovation sector in Ireland. The bank expects to lend US\$100 million to fast-growing Irish technology, life science, cleantech, private equity and venture capital businesses over five years.

To further develop the domestic venture capital system, €175 million in funding was provided in Budget 2013 for the Seed and Venture Capital Scheme 2013-2018. This will target leveraging a further €525 million from the private sector, for investment in high potential start-up and scaling companies.

## Supporting Cooperatives

The Registrar of Friendly Societies has reduced a range of fees imposed on co-operatives by between 33 and 80 per cent, bringing them broadly into line with fees charged to companies.

The Friendly Societies and Industrial and Provident Societies (Miscellaneous Provisions) Bill will ease the regulatory burden on cooperative societies and make it easier to run a cooperative as an alternative form of enterprise organisation.

# Sectoral Strategies

## Growing the Agri-Food Sector

### Securing Common Agriculture Policy Reform

The overall funding envelope for the Common Agriculture Policy (CAP) and the shares for individual Member States were determined by the Multiannual Financial Framework 2014-2020 negotiations, which came to a successful conclusion in February 2013. The agreed budget guaranteed funding of over €1.5 billion per year for Ireland from the CAP, which will amount to over €11 billion over the seven year period. Ireland's Direct Payment ceiling will be over €1.2 billion per year, with a very small reduction to accommodate new member states.

### Further Expansion and Innovation in our Dairy and Meat Sectors

A Trade Mission to China in April 2012 resulted in market access for Irish agri-food, animal feed and seafood products, and new business for the equine sector. A number of agreements were reached in 2012 enabling further export of Irish meat products to Singapore, the United Arab Emirates and South Africa. The combined value of meat and livestock exports in 2012 increased by 4 per cent to reach a total of almost €3 billion.

Significant collaborative and innovative ventures advanced in the domestic market in 2012, including:

- Kerry Foods to invest €100 million in a new flagship Research and Innovation Centre in Naas, with 900 jobs
- Glanbia to invest €21 million in its Ballyragget plant, to capitalise on the growing Sports Nutrition Market
- Marketplace International, Ireland's largest food and drinks buyer forum, achieved sales contracts of over €27 million in 2012 – an increase of €16 million on 2011
- Over 4,800 livestock farmers participated in the new Beef Technology Adoption Programme
- A technology adoption programme in the sheep sector has been launched, with a budget of €3 million

## **Promoting Land Mobility**

A widening of the definition of registered farm partnerships was announced as part of Budget 2013, so that more farmers can benefit from the 50 per cent rate of stock relief. A relief from capital gains tax arising on disposals of farm land up to 2015 for farm restructuring purposes was also announced.

## **Developing New Food Businesses**

Last year, thirty entrepreneurs had their business idea taken forward through a year-long programme and eleven of the most feasible and scalable projects have now been selected for the final stage and are developing their tested business plans, in preparation for their market launch in 2013.

## **A Single Brand for Irish Agri-Food**

Development of a single brand strategy is focused on Ireland building a reputation as a world leader in high-quality food production. In June 2012, a Bord Bia led Sustainability Programme, Origin Green, was launched to industry. It is the world's first nationwide sustainability standard, with participants committing to progressively reduce their energy inputs, minimise their carbon footprint and decrease their overall impact on the environment. Origin Green has attracted a high level of industry support with 175 food and drink companies registering their interest to-date.

## **Irish Seafood Strategy**

The strategy for Irish seafood, as set out in Food Harvest 2020, aims to capitalise on the strong and growing demand for seafood products to increase revenue from €700 million to €1 billion by 2020. Bord Iascaigh Mhara (BIM) has been assisting the Irish processing sector to expand into new markets and this assistance is yielding dividends, with seafood exports continuing to show strong growth in 2012, increasing by 18 per cent to €493 million.

BIM's Seafood Development Centre is the State's first centre focused on new product development and improved presentations of our seafood products. Last year, 330 innovative start-up seafood and food processing companies used the Centre and new product sales developed there are in the order of €10 million per annum and growing. In the last 12 months, Bord Bia welcomed around 30 international

seafood buyers into Ireland from a range of markets including China, Japan, Russia, Austria, the US, Switzerland and Germany.

## **Improving Our Tourism Product**

During 2012, the ongoing Tourism Ireland *Global Greening* campaign attracted high-profile participants such as Niagara Falls, the Leaning Tower of Pisa, the London Eye, the Princes' Palace in Monaco, Burj al Arab in Dubai and the Sydney Opera House and helped to generate positive publicity for Ireland worth in excess of €5 million in advertising value.

## **New Arrangements for Visitor Visas**

The Irish Short-Stay Visa Waiver Programme, established in 2011, has been extended for a further period of four years and the number of countries covered has been increased to seventeen. Visits from countries covered by the programme increased by 21 per cent in the twelve months following its introduction.

During the London 2012 Olympics, the Olympic accreditation document issued to competitors, coaches, officials and media representatives was accepted in lieu of an Irish visa for those wishing to visit Ireland. Over 30 countries sent teams or athletes to Ireland for pre-Olympic training in 2012.

The Irish Naturalisation and Immigration Service is continuing roll out of a multi-entry visa regime for business travellers, which allows for the granting of multi-entry visas of up to three-years duration.

This was implemented in the Gulf region in 2011, in Russia and China in 2012, and it is proposed to extend the regime to India in 2013.

To contribute to the success of The Gathering, people attending approved Gathering events will be able to make visa applications free of charge, processed on a priority basis.

## **Recovering Market-Share in Britain**

The Tourism Recovery Taskforce published a new strategy in 2012 for how the island of Ireland can attract more visitors from Great Britain. The recommendations of the report are reflected in the 2013 Business Plans of the Tourism Agencies.

### **Improving the e-Capability of our Tourism Product**

In January 2013 Tourism Ireland launched [www.Ireland.com](http://www.Ireland.com), the new international website for tourism to the island of Ireland, available in a number of different languages.

Free Wi-Fi has been installed in 17 Tourist Information Offices to date. Free Wi-Fi has also been introduced on Irish Rail's Dart and commuter rail services, Irish Rail Intercity services, the main Bus Éireann commuter routes and selected Dublin Bus vehicles. Roll out to the Luas, and to the remainder of the Bus Éireann and Dublin Bus fleets, will take place in 2013.

### **Prioritising Event Tourism**

Major events supported in 2012 included the Volvo Ocean Race in Galway, the Tall Ships Race in Dublin port and the Notre Dame -v- Navy match in Dublin. Economic impact studies indicate that the Volvo Ocean Race and Tall Ships Race generated a direct benefit to the Irish economy of €22.3 million, while Notre Dame -v- Navy match saw 35,000 fans flying into Ireland with an average estimated spend per visitor of around €2,500.

Significant preparations took place during 2012 for the Gathering Ireland 2013 which, with over 3,000 festivals and events planned, is the biggest tourism initiative ever staged in Ireland. €5 million was invested in 2012 and a budget of €7 million is being provided this year, with the aim of attracting an additional 325,000 overseas visitors to villages, towns and cities throughout the country.

## **International Education**

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### **Attracting More International Students**

The international campaign *Education in Ireland* has been rolled out in a number of key markets, including the USA, China and Russia. A range of other initiatives is being undertaken to promote Ireland to international students, including social media marketing and a pilot Student Ambassador programme. English language student numbers have increased by 16 per cent since 2010.

In 2012, Minister-led education missions visited China, India, Vietnam and Malaysia. The education

sector was also represented on the President-led mission to Brazil, where a major education and research agreement was signed. This will see up to 5,500 fully funded scholarship students come to Ireland to study over the next four years.

### **Creating Green Jobs**

*Delivering our Green Potential*, the Government's Policy Statement on Growth and Employment in the Green Economy published in November 2012, sets out a range of actions to deliver growth and up to 10,000 jobs, including:

- Connect a minimum of 200MW of new renewable generation to the grid each year
- Work with indigenous companies to identify and develop export opportunities for green goods and services
- Prioritise research and development in areas including Sustainable Food, Marine Renewable Energy and Smart Grids/Cities

### **Energy Efficiency**

Published in February 2013, Ireland's second National Energy Efficiency Action Plan commits to a national energy saving target of 20 per cent by 2020. The public sector will lead by example, with a 33 per cent reduction in energy use targeted for 2020.

€35m was provided in Budget 2013 for a new Energy Efficiency Fund, which aims to leverage a further €35 million from the private sector, to provide project lending for energy efficiency works in the public and commercial sectors. Investments by the Fund have the potential to create and sustain significant employment across a broad range of construction-related sectors.

### **Establishing Ireland as a Renewable Manufacturing Hub**

The *Strategy for Renewable Energy 2012-2020* was launched in 2012 and outlines strategic goals and specific actions to maximise the economic potential of renewable energy. These include: increasing the use of on and offshore wind, developing a sustainable bio-energy sector, fostering research and development, growing sustainable transport and building up robust and efficient smart energy networks.



## Positioning Ireland as a Leading Player in the Global Carbon Market

The GIFSC (Green International Financial Services Centre) initiative is working to capitalise on the financing needs of the future green economy, both domestic and international. Recent developments include:

- New tax changes introduced mean that Ireland is one of the first governments in the world to recognise forest carbon credits in tax legislation
- A new internationally accredited Graduate Certificate and MSC in Sustainable Energy Finance, hosted by Dublin City University
- The 'Greening the IFSC' initiative launched in 2012
- Development of a clear brand presence, highlighting Ireland's unique proposition in this sector

## Investment Strategy

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### The Strategic Investment Fund

Work is underway to prepare legislation to refocus the National Pensions Reserve Fund (NPRF) on investment in Ireland, under the Strategic Investment Fund initiative. A key principle of the fund is that investment will be solely on a commercial basis, with the Fund seeking matching investment from third-party investors. In parallel, the NPRF continues to work on assembling and developing a pipeline of additional commercial opportunities for the Strategic Investment Fund. Commitments made by the NPRF to date include up to €500 million of financing to SMEs and €125 million innovation funding to companies.

## NewERA

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### NewERA

NewERA has been established on a non-statutory basis within the NTMA and has made valuable contributions in several areas including:

- The establishment of the new €70 million Energy Efficiency Fund
- The establishment of Irish Water and the domestic water metering programme

- Plans for the export of renewable energy between Ireland and Britain
- The State assets disposal programme

### A New Water Network

The *Implementation Strategy for Water Sector Reform*, published in October 2012, details a strategy to improve the quality of water services, increase cost efficiency and conserve our national resource. The strategy includes specific actions and timelines for the transformation of the water sector over the period to 2017, and is particularly focused on the issues to be addressed to transfer statutory responsibility for water services from local authorities to Irish Water with effect from January 2014.

Irish Water is in the process of being established as an independent state-owned company within the Bord Gáis Group and legislation is progressing through the Oireachtas to enable this on an interim basis. The installation of water meters will be progressively rolled-out throughout the country, beginning later this year, creating approximately 1,600 jobs with local contractors.

The European Investment Bank has provided a €200 million loan to support immediate improvements in Ireland's Water Services Investment Programme, by financing 23 projects to provide new water mains, water and wastewater treatment facilities and reservoirs, as well as measures to improve water conservation.

### Next Generation Broadband

The National Broadband Plan, published in August 2012, sets out a programme to provide high-speed broadband to every home and business in the State over the lifetime of the Government, through a combination of policy support for commercial sector investment and direct market intervention where the market cannot deliver. In an important milestone towards delivery of this commitment, the Government recently launched a tender for experts to assist in the design, planning and procurement of the State-led investment. The commercial sector is already making investments of approximately €1 billion, which will deliver broadband speeds of 30Mbps to 150Mbps to homes and businesses.

### **A 21st Century Smart Grid**

The East-West Interconnector, which links the power grids of Ireland and Britain, became operational in 2012 and represents a significant step towards the development of an energy export sector between Ireland to Britain.

As part of EirGrid's Grid 25 Programme, public consultations were carried out in 2012 on the Grid Link and Grid West projects. These projects will see the construction of a high-voltage power-line linking Leinster and Munster and the delivery of 21st century energy infrastructure to the West of Ireland.

The Smart Grid Innovation Hub is a new partnership between EirGrid and the National Digital Research Centre, launched in October 2012. It enables entrepreneurs and businesses to access expertise in energy systems and gives them the opportunity to demonstrate their ideas on a live system. Two such proposals from Glen Dimplex and SSE/General Electric are now moving into demonstration phase.

### **State Assets**

In July 2012, the Government announced plans for an additional €2.25 billion investment in job-rich public infrastructure projects. Funding will come from the proceeds of the sale of State assets, with further contributions from the National Pensions Reserve Fund, public-private partnerships and the European Investment Bank. Key projects include:

- Up to twenty new Primary Care Centres
- New and replacement school buildings
- DIT's Grangegorman Campus
- A new State Pathology Laboratory
- €850m for upgrading the national motorway and primary route network

Progress has been made on the Government plans for State asset disposals, with a number of transactions expected to be launched in the coming months. On Bord Gáis Energy, advisors are now in place and a pre-marketing campaign has commenced in advance of the formal transaction launch.

ESB is continuing to prepare for a series of assets to be brought to the market on a phased basis commencing shortly. Work on preparing for the proposed sale of harvesting rights to Coillte forests is also proceeding.

### **Fiscal Policy**

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Based on the end-December 2012 Exchequer Returns, the General Government Deficit for 2012 is expected to be below 8 per cent of GDP – well within the 8.6 per cent of GDP target set under the EU/IMF Programme.

### **A Minimum Effective Tax-Rate for Very High Earners**

The Revenue Commissioners' report on the effectiveness of restrictions introduced for very high earners, published in 2012, shows that the objective of ensuring an effective rate of tax of approximately 30 per cent has been achieved.

### **The Local Property Tax**

Government accepted most of the recommendations made in the Report of the Expert Group to introduce an equitable property tax based on market value, rather than a site value tax. The Finance (Local Property Tax) Act was enacted in December 2012 and the Local Property Tax will commence with effect from the 1st of July 2013 and will be collected by the Revenue Commissioners.

The money raised will be used to fund local services, with at least 65 per cent of local property tax revenues ring-fenced for use in the areas it is collected in. From 2015, local authorities will have the power to vary the rates by 15 per cent above or below the central national rates to better match their funding needs. There will be a number of payment and deferral options and exemptions to help those who have difficulties in meeting the payment.

### **Maintaining Employer's PRSI**

The standard rate of employer's PRSI has been maintained at 10.75%.

# REFORM

## Key Highlights

### Constitutional

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- Children's Referendum approved strengthening children's rights
- Convention underway considering a range of constitutional reforms
- Fiscal Stability Treaty approved to aid Ireland's economic recovery
- Referendum on the abolition of the Seanad on track for Autumn 2013

### Political

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- New laws restricting corporate and political donations
- 2,921 obsolete laws repealed
- Use of Government jet reduced by 50%
- 57 pieces of legislation enacted in the past twelve months
- New Oireachtas public petitions system in operation
- Legislation enacted to increase women's participation in politics

### Public Sector

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- 21 State bodies fully rationalised and remainder on track for 2013
- LRC proposals published following conclusion of negotiations on Public Service Agreement
- Economic and evaluation skills enhanced across Government Departments
- Increased mobility and private sector recruitment of senior Civil Servants
- Establishment of *PeoplePoint* – new Civil Service HR Shared Service Centre
- More ambitious target to reduce public service numbers

- Public service delivering increased productivity despite reduced resources
- 111,800 new Public Services Cards issued to date
- New eGovernment and Cloud Computing strategies launched
- Reform of central procurement to produce savings of €250 million per annum

### Local Government

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- New Action Plan published to completely reform and empower local government
- Introduction of a new Local Property Tax to fund local services
- New local government enterprise and jobs strategy, incorporating new Local Enterprise Offices in local authorities
- Fixyourstreet.ie extended nationwide

### Transparency and Accountability

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- Launch of Ireland Stat with detailed information on spending and use of Government resources
- 140 extra public bodies added to Ombudsman's remit
- Legislation advanced to restore Freedom of Information and extend it to all public bodies
- On track to deliver legislation to protect whistleblowers, regulate lobbying, and provide for Oireachtas inquiries
- Independent Irish Fiscal Advisory Council now on a statutory basis
- Increased level of performance information in the 2012 Revised Estimates

# REFORM

## Implementation

### The Context for Reform

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#### A Referendum to Abolish the Seanad

Preparations are underway for a referendum on the abolition of the Seanad to be held in Autumn 2013. Government has approved drafting of a Referendum Bill, which will be published in the next Session.

#### A Referendum on Children's Rights

The Children's Referendum was held on the 10th of November 2012. The Thirty-First Amendment of the Constitution was approved by a majority of the people, to insert an explicit statement on children's rights into the Constitution for the first time. It addresses a number of areas of children's rights including intervention to protect their safety and welfare, adoption and giving children a say in court proceedings related to their custody or welfare.

#### Establishing a Constitutional Convention

The Constitutional Convention was established in July 2012, comprising sixty-six citizens and thirty-three politicians under the chairmanship of Mr. Tom Arnold. The Convention has held two full meetings to date and has voted in favour of:

- Lowering the voting age, with a recommendation that it be reduced to 16
- Altering the "Women in Home" clause in the Constitution
- More Government action to increase participation of women in public and political life
- Measures to introduce gender-inclusive language into the Constitution

The Convention has rejected proposals to reduce the presidential term of office from seven years to five, and to align it with local and European elections.

The Convention will meet a further six times during the remainder of 2013 to consider and report on the broad range of subjects set out in the Programme for Government. The Government has committed to respond publicly to any recommendations made by the Convention within four months of the reports being laid before the Oireachtas.

## Political Reform

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### Reducing the Number of TDs

The Report of the Constituency Commission recommended reducing the number of TDs to 158 and the number of constituencies to 40. The legislation to give effect to these reductions has been published and will proceed through the Oireachtas during 2013.

### Political Pensions

Ministerial pensions have not been paid to sitting members of the Houses of the Oireachtas since February 2011. Pensions are no longer paid to Members newly elected to the Oireachtas since 2004 until they reach 65.

### Oireachtas Inquiries

The Government has approved the drafting of legislation to provide for the Oireachtas to undertake inquiries within the existing constitutional framework, under five principal categories:

- Recording and reporting evidence
- Investigations relating to the legislative functions of the Houses
- Inquiries relating to the removal of certain office holders
- Inquiries in relation to the conduct of Members of the Houses
- Inquiries to hold the current Government to account

Reflecting the serious concerns signalled during the course of the Oireachtas Inquiries referendum campaign in 2011, these legislative proposals provide extensive safeguards to protect the constitutional rights of witnesses, to confirm unfettered access to the Courts, to guarantee fair procedures and to ensure the risk of any perception of bias in an inquiry committee is minimised.

## Overhauling Politics and Government

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### Extending Freedom of Information and the Remit of the Ombudsman

The Ombudsman Amendment Act 2012 now extends the remit of the Office of the Ombudsman to include 140 additional public bodies. Drafting is at an advanced stage on a Bill to restore Freedom of Information provisions and extend it to all public bodies.

### Limiting Corporate and Political Donations

The Electoral Amendment (Political Funding) Act 2012 provided for the establishment of a register of corporate donors, significant restrictions on the amount that can be donated to political parties and candidates without public disclosure, and an obligation on all registered political parties to prepare and publish annually a statement of accounts and an auditor's report.

### More Equal Representation in Politics

The Electoral Amendment (Political Funding) Act 2012 now provides that the public funding of political parties will be reduced by half unless at least 30 per cent of the party's candidates are women and at least 30 per cent are men at the next General Election.

### The Statute Law Revision Project

The Statute Law Revision Act 2012 repealed 2,921 obsolete pieces of legislation enacted between 1751 and 1922, in the latest phase of the most extensive statute law revision project ever undertaken. A Statute Law Expert Advisory Group has been appointed to assist in the next phase of the project of legislative simplification, which will focus on post-1922 Statutes.

## Showing Leadership

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### Reducing the Cost of Ministerial Transport

Following a review of ministerial transport in 2012, Ministers and Ministers of State who use their own cars on official business, have taken a 10 per cent reduction in the total mileage claimed, to take account of personal travel incurred.

### The Government Jet

Stringent implementation of the Code of Practice governing the use of Ministerial Air Transport System has led to a reduction in use of almost 50 per cent in 2011-2012, compared to 2009-2010.

## Dáil Reform

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Following on from the significant first phase of Dáil reforms introduced in 2011, work on a second set of reforms is at an advanced stage. The Dáil Reform sub-committee has met on three occasions to discuss a second phase of Dáil Reform proposals to be introduced in Spring 2013.

### Oireachtas Committee Reforms

Following a review of the new Oireachtas Committee system, established to address a number of commitments, further reforms were introduced in June 2012 including:

- Dissolving and reorganising a number of administrative Committees to prioritise resources towards those dealing with Government Departments
- The establishment of a Committee with a sole focus on Jobs
- The establishment of a dedicated Committee on Agriculture, Food and the Marine, given its increased workload

### Increasing Dáil Sitting Days

Increased activity of the Dáil continued in 2012, with 123 sitting days, including Monday and Friday sittings. The Dáil Summer recesses have been shortened by up to six weeks, Christmas recess shortened by three weeks, and the Dáil now sits through St. Patrick's week. The past twelve months have been busy for the processing of legislation in Dáil, with fifty-seven new Bills enacted, a list of which is available at Appendix 1.

## **A Dáil Petitions System**

Members of the public can now put their concerns about matters of public policy directly to the Joint Oireachtas Committee on Public Service Oversight and Petitions via an online and postal petitions system.

The Committee will examine submissions received and produce a report setting out its conclusions and making recommendations, with a view to finding ways to improve the delivery of public services. The Committee has held nine public sessions and received over 60 petitions to date, indicating a substantial level of public interest in utilising the new system.

The Committee is also the formal channel of consultation between the Oireachtas and the Ombudsman, who has appeared before the Committee on a number of occasions to discuss the recently enacted Ombudsman Amendment Bill and to present special and annual reports produced by her office.

## **Protecting Confidentiality of Information Provided to Public Representatives**

Government has approved the drafting of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Bill, which will provide for protection for confidential communication from members of the public who wish to draw wrongdoing to the attention of Members of the Houses of the Oireachtas without having their identities disclosed.

## **More Effective Financial Scrutiny**

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### **Establishing an Independent Irish Fiscal Advisory Council**

The Fiscal Responsibility Act 2012 provided a statutory basis for the Irish Fiscal Advisory Council, ensuring its independence. The Council published two Fiscal Assessment Reports in 2012, which it submitted to Government, and appeared twice before the Joint Oireachtas Committee on Finance, Public Expenditure and Reform to discuss its findings.

## **Public Sector Accounting**

The annual Appropriation Accounts, prepared by the Comptroller and Auditor General, now include a balance sheet giving information on the financial position of each Government Department and public sector body at year-end.

## **Publishing Government Purchase Orders over €20,000**

All Government Departments along with many State Agencies have begun publishing details of all Purchase Orders over €20,000. It is expected that all other State Agencies will follow suit during 2013.

## **Setting out Strategic Priorities**

Strategy Statements outlining the key strategic priorities for the period to 2014 were published by all Government Departments and State Bodies in 2012. These set out the respective high level objectives and policy goals with a strong emphasis on delivery and measuring performance.

## **Performance Budgeting**

The performance budgeting framework was rolled out for almost all Votes in the 2012 Revised Estimates for Public Services. An unprecedented volume of performance information was included and this information helped to inform the subsequent Select Committees' Estimate debates.

## **New Leadership and Skills in the Department of Finance**

The Department of Finance has been restructured under new leadership into four policy divisions supported by two specialist offices underpinning the financial, legal, risk and compliance requirements. The new expanded Economics Division is resourced by expert economists in both the macro-economic and micro-economic field with experience drawn from the private sector, international financial institutions and the public service. The Department has also recruited 44 graduate-level staff trained to Masters Level or higher in economics and other relevant disciplines such as tax, finance and accountancy.

## The National Parliament and the European Union

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### The Fiscal Stability Treaty Referendum

A referendum on ratifying the Fiscal Stability Treaty was held on 31st May 2012. The Thirtieth Amendment of the Constitution was approved by the people and ensures that Ireland will be eligible for funding from the European Stability Mechanism, should that ever be required in the future. The ratification of the Treaty also means that Ireland and other Eurozone countries will put in place new rules aimed at ensuring more responsible budgeting.

### Europe Week

A week-long series of events was held in May 2012 to mark Europe Day including a number of Oireachtas debates addressing key areas such as Ireland's EU Presidency, EU legislative proposals, and the reform of the Common Agricultural Policy.

### Communicating Europe to the Irish People

In 2012, the Government's Communicating Europe Initiative supported 23 projects across Ireland, which aimed to deepen public awareness of the role that the European Union plays in our daily lives.

2013 has been designated European Year of Citizens and this was launched in Dublin in January by the Taoiseach, Tánaiste and President Barroso. A series of Citizens' Dialogues are taking place around the country to stimulate public debate about our rights as EU citizens and about our membership of the European Union.

Following the successful pilot phase of the Blue Star programme last year, the 2012-2013 programme is underway involving over 90 schools in 21 counties.

## Reforming Local Government

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### Reforming Local Government

*Putting People First*, the Action Programme for Effective Local Government published in October 2012, is a comprehensive plan for the most fundamental reforms to the local government system in over one hundred years. The scope and function of local government will be widened with an increased role in economic, social and cultural

development and enterprise support, better alignment with the local development sector, and devolution of specific functions from central to local level.

Local government structures will be strengthened and streamlined at county, sub-county and regional levels, delivering estimated savings of up to €420 million through measures that include reducing the number of local authorities from 114 to 31 and the number of Town, County and City Council seats from 1,627 to not more than 950.

To-date, efficiency savings of around €195 million have been realised through the implementation of recommendations of the Local Government Efficiency Review Group.

### Empowering Local Government

Local government funding, accountability and governance are to be strengthened through the introduction of a new Local Property Tax, which will provide the cornerstone of a stable and equitable funding base for local government. At least 65 per cent of property tax revenues will be ring-fenced for use in the areas in which it is collected and, from 2015, local authorities will have the power to vary the rates by 15 per cent above or below the central national rates to better match their funding needs.

A new system of oversight will be introduced, involving the establishment of a National Oversight and Audit Commission and the strengthening of aspects of the local government audit system.

### Local Enterprise Offices

The new local government enterprise and jobs strategy, launched in September 2012, outlines plans for local authorities to take on an enhanced role in economic development and enterprise support, with a new dedicated Director of Services for Economic and Community Development in key areas and a new dedicated Strategic Policy Committee for Economic Development in each local authority.

The new strategy will also see the dissolution of the existing County and City Enterprise Boards and the creation of new Local Enterprise Offices (LEOs) in each Local Authority area, to provide a 'one-stop-shop' support service for the micro-enterprise and small business sector.

Enterprise Ireland has established a new Microenterprise and Small Business Division to spearhead the delivery of this enhanced support model to entrepreneurs and small businesses in 2013, and legislation is being drafted to give effect to the reforms.

### Public Sector Reform

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#### Transparency and Accountability

*Ireland Stat* is a new whole-of-Government performance measurement website for citizens, which was launched in October 2012. It presents accessible information for government programmes on activity, costs, achievements and international comparison.

The Government's new online Databank provides open access to a comprehensive range of information about how public money is spent in Ireland. Information is available from 1994 to the present day, across all Government Departments and a range of State bodies.

#### Reducing the Number of Public Sector Employees

The Government has adopted the more ambitious target of reducing Public service numbers to 282,500 by the end 2014, rather than 2015. Public service numbers were reduced to 292,000 during 2012.

A targeted Voluntary Redundancy Scheme has been approved to assist organisational restructuring in the health, education and agricultural sectors.

Following intensive negotiations between public service unions and Government representatives, the Labour Relations Commission has prepared proposals aimed at further reducing the cost of the public service pay bill. The proposals will now be put to ballot by members of public service unions.

### A Strategic Centre

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#### Transforming the Department of the Taoiseach

Since 2011 the Department of the Taoiseach has undergone significant restructuring to refocus its work in line with the Programme for Government. Targeted secondment and recruitment of staff in 2012 has greatly added to the Department's policy

capacity deployed to support the formulation and implementation of Government policy, in particular through the Economic Management Council and Cabinet Committee structure. The number of staff in the Department has reduced from 211 to 199 and will reduce further at the end of the EU Presidency.

#### New Skills and Rigour in Policy-Making

A dedicated Irish Government Economic and Evaluation Service (IGEES) has been established to expand and enhance the economic and evaluative capacity of the civil service. The first phase of specialist recruitment to the service is complete and IGEES economists are now actively deployed on policy analysis and development in a number of Government Departments.

The Public Service Evaluation Network was established in 2012, comprising civil servants and experts from universities and other research organisations. It provides a forum for those engaged in policy analysis to share experiences and expertise, facilitating the flow of information between the public service and external experts.

### Open Government

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#### Restoring and Extending Freedom of Information

Drafting is at an advanced stage on a Bill to restore Freedom of Information provisions, removing the substantive restrictions introduced in 2003 and extending it to all public bodies including NTMA, NAMA, An Garda Síochána and the Central Bank of Ireland. The General Scheme of the Bill has been submitted to the Oireachtas Committee on Finance and Public Expenditure and Reform for examination, and the recommendations of the Committee will further inform and guide the drafting of the Bill. Progress continues on development of legislation required to protect whistleblowers and regulate lobbying.

#### Top Level Appointments in the Civil Service

The reforms introduced in 2011 ensure that candidates for senior Civil Service posts come from a broad mix of public and private sector and are selected in an independent manner on the basis of merit. This has led to a significant increase from 4 per cent to 18 per cent of appointments to



senior positions from the private sector. Mobility at senior levels within the Civil Service is also increasing, with a 40 per cent reduction since 2010 in senior appointments made from within the same Department.

As part of the newly established Senior Public Service, a protocol on mobility at Deputy and Assistant Secretary levels has been drawn up to promote the filling of new senior posts by candidates at the same grade. This is being piloted at present, with almost a third of Assistant Secretary level posts filled under the protocol in 2012.

## Waste

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### Establishing Shared Services

*PeoplePoint*, the new Civil Service Human Resource Shared Service Centre, will reduce duplication in HR across the civil service and is expected to yield savings of €12.5 million per annum, as well as bringing about improved efficiency, consistency and service delivery. A Pensions Shared Service will also be integrated with the HR Shared Service. The first transitions to the new Shared Services centre are expected at the end of March 2013, involving seven major Government Departments and bodies.

Considerable progress has also been made on the consolidation of ICT across the Public Service, including the implementation of a shared, high-speed Government network, and greater use of shared data centres.

### Reducing the Number of State Bodies

Significant progress has been made on the 48 rationalisation measures identified in the Public Service Reform Plan, which affect over 100 different bodies. The majority of these measures are fully completed or at a legislative stage and further detail is provided at Appendix 2. 46 critical reviews of further potential rationalisation measures also took place in 2012 – 24 of which recommended proceeding with the proposed measures. Departments are expected to fully implement these new measures by the end of 2013.

### External Service Delivery

Work has commenced to identify and analyse non-core activities that may be suitable for external service delivery and detailed benefits-driven plans have been developed by the major sectors of Health, Justice and Local Government. A number of contracts deemed suitable have commenced tendering phase, including the new property tax call centre, which will create 400 jobs, and HSE payroll services.

## “Choice and Voice” for Service Users

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### Fixyourstreet.ie

Following the successful pilot of *fixyourstreet.ie* last year, the website has now been extended nationwide. The service enables people to easily report issues such as graffiti, road defects and illegal dumping to their local Council. Currently all reports submitted are responded to by an official from the relevant Council within an average of 1.8 days, with over 60 per cent responded to in less than one day. To-date, *fixyourstreet.ie* has taken over 7,700 reports across six categories: Roads and Path Defects (30%), Litter and Illegal Dumping (27%), Street Lighting (18%), Tree and Grass Maintenance (13%), Graffiti (7%), and Leaks and Drainage (5%).

## Empowering the Civil Service

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### Mobility in the Public Sector

A two-year pilot scheme has been launched for the exchange of staff between the civil service and the private sector, to enhance communication and cooperation.

### Single Point of Contact for Government Services

The central government portal at [www.gov.ie](http://www.gov.ie) now provides access to approximately 400 online informational and transactional public services.

The new Public Services Card will facilitate easier access to Government services and will eventually be used by a range of public bodies to identify individuals at points of service. Over 111,800 new Public Services Cards have been issued to-date.

# FAIRNESS

## Key Highlights

### Health Services

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- *Future Health* Roadmap published, setting out reforms towards Universal Health Insurance
- Publication of policy proposals on Money Follows the Patient
- New risk equalisation scheme commenced in 2013
- Further progress by Special Delivery Unit in reducing trolley times and waiting lists
- Publication of legislation to abolish the Health Service Executive
- New deal reduces cost of medicines bill by €400 million over 3 years
- New agreement with hospital consultants to enhance health services
- New National Carers' Strategy published

### Mental Health and Disability

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- €35 million ring-fenced to develop community mental health services
- 246 new mental health posts filled with further recruitment progressing
- Increase in budget for the National Office for Suicide Prevention
- Implementation Framework published for the reform of Disability Services
- Disability forum established in 2012 to enhance stakeholder consultation

### Infrastructure

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- Opening of the new 34 bed Cystic Fibrosis Unit in St Vincent's Hospital
- St. James' Hospital site chosen for the new National Children's Hospital
- 100Mb broadband rolled out to 200 post-primary schools with greatest need

- 23,000 permanent school places delivered in 2012 including 53 large school builds
- Construction underway of a new National Children's Detention Facility

### Debt Distress, Housing and Social Solidarity

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- New Cabinet Committee driving progress on mortgage arrears
- Extensive new insolvency legislation enacted
- Establishment of new insolvency service and information and advisory services
- New register of residential property purchases
- Number of unfinished housing developments down 37% since 2010
- €1 billion spent by NAMA towards completing unfinished properties
- New tax incentive scheme to help revitalise urban areas
- New policy statement on homelessness launched
- 5,000 households transferred to long term rental accommodation scheme
- €2.5 million to fund a new Area Based Approach to Child Poverty
- New powers granted to Social Welfare inspectors to tackle fraud

### Education

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- Major overhaul of teacher training being implemented
- New development and evaluation plans for schools started in 2012
- School patronage surveys completed in 43 areas
- New Junior Cycle reforms launched in 2012
- All public third-level institutions now subject to scrutiny by Ombudsman
- New changes help deliver 35% increase in students sitting higher level maths in 2012

## FAIRNESS

- Time spent on literacy and numeracy skills increased in 2012 in all primary schools
- New comprehensive Action Plan on Bullying

### **Justice**

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- No more 16 year olds sent to St. Patrick's Institution
- New supervised community service programme started
- Strategic review of penal policy commenced
- 25,000 citizenship applications decided in 2012
- 35 citizenship ceremonies held
- New initiatives releasing Gardaí to frontline policing duties

## Implementation

### Health Service Reform

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#### Health Service Reform and Universal Health Insurance

The publication in November 2012 of *Future Health: A Strategic Framework for Reform of the Health Service 2012-2015* sets out the major healthcare reforms that will be introduced by 2015, as key building block for the launch of Universal Health Insurance in 2016. It sets out 48 detailed actions to be implemented, with specific timelines over the next 3 years, to be overseen by a new Programme Management Office in the Department of Health.

The Government is committed to reforming our model of delivering healthcare so that more care is delivered in the community, and by reforming how we pay for healthcare through Universal Health Insurance, we can reduce the cost of achieving the best health outcomes for our citizens, and end the unfair, unequal and inefficient two-tier health system.

The first phase of actions to be delivered in 2013 includes governance changes, the establishment of Hospital Groups, reforms of the private health insurance market, establishment of a Health and Wellbeing Framework, development of a Money Follows the Patient funding model and the publication of a White Paper on Universal Health Insurance.

#### Risk Equalisation in the Insurance Market

Newly enacted legislation underpins a permanent Risk Equalisation Scheme, which commenced from 1 January 2013 and has been approved by the EU. The scheme protects our system of community rating, whereby older and sicker people can buy health insurance for the same price as younger and healthier customers.

#### The Special Delivery Unit

During 2012, implementation of programmes by the Special Delivery Unit resulted in significant improvement in hospital access targets. By December 2012 there were:

- 20,352 fewer patients waiting on trolleys – a reduction of 23.6 per cent since 2011
- 3,620 fewer adults waiting more than 9 months for inpatient and day case surgery – a reduction of 98 per cent since 2011
- 1,670 fewer children waiting over 20 weeks for inpatient and day case surgery, from 1,759 in December 2011 – a reduction of 95 per cent since 2011
- 4,554 fewer patients waiting over 13 weeks for a routine endoscopy procedure – a reduction of 99 per cent since 2011

### Primary Care

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An allocation of €20 million has been made in the HSE National Service Plan 2013, to enable the recruitment of over 250 new primary care staff. It is intended that additional Public Health Nurses, Registered General Nurses, Occupational Therapists, Physiotherapists, and Speech and Language Therapists will be in place during 2013.

#### Extending Free GP Care to People with Long-Term Illnesses

The Health (Amendment) Bill, to provide for the extension of free GP care to persons with prescribed long-term illnesses, is at an advanced stage and will be enacted in 2013.

#### Recruiting Psychologists and Counsellors to Community Mental Health Teams

By the end of February 2013, 246 posts to strengthen Community Mental Health Teams had been filled, out of 414 approved, with most of the remainder expected to be filled by the end of March 2013. Budget 2013 announced a further €35 million for the continued development of mental health services, including the recruitment of over 470 additional staff.

## Universal Hospital Care

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### A White Paper on Financing Universal Health Insurance

The Universal Health Insurance (UHI) Implementation Group met on six occasions in 2012 and has provided advice in relation to policy work on 'Money Follows the Patient', Hospital Groups and overall design of the UHI model. Preparations are underway for a White Paper on Universal Health Insurance, which will set out details of the UHI model in addition to the estimated costs and financing mechanisms associated with the introduction of UHI. A preliminary document on UHI was published in February 2013, setting out progress on work to-date and the major tasks and projects that stand to be addressed throughout 2013 and beyond.

## Hospitals

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### Hospital Groups

A key stepping-stone towards UHI is the integration of hospitals into groups on an administrative basis in preparation for the development of independent not-for-profit hospital trusts. A Strategic Board was established in 2012 to report on recommendations on the composition of Hospital Groups, governance arrangements, current management frameworks and linkages to academic institutions. Following a comprehensive consultation process, the Report on the Establishment of Hospital Groups will be published shortly.

### Money Follows the Patient

Policy proposals on 'Money Follows the Patient' were published in February 2013, with the objectives of moving to a fair and equitable system of resource allocation and increasing efficiency and transparency. A process of stakeholder consultation is being undertaken, followed by the implementation of Money Follows the Patient shadow-funding during 2013, in advance of phased implementation of the new arrangements from 2014.

### A National Licensing System for Hospitals

*Standards for Safer Better Healthcare* were formally launched in June 2012 and provide a national framework for good governance, patient safety and quality of care. These national standards apply to all healthcare services (excluding mental health) provided or funded by the HSE. The standards, which are monitored by HIQA, are the precursor to a new licensing system to be introduced for all hospitals in 2015.

## Care of Older People and Community Care

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A new Model of Care for Specialist Geriatric Services was launched in December 2012, aimed at significantly improving the way in which older people are cared for in hospital. The new model includes the establishment of Specialist Geriatric Teams within hospitals, dedicated in-patient specialist geriatric wards, and in-patient rehabilitation facilities.

### Care of Older People

The Government commitment to supporting older people to remain in their homes and communities continued in 2012 with over €400 million allocated for community based services for older people. This includes €192 million spent on Home Help and €134 million spent on Home Care packages. Around 100,000 older people receive some form of HSE community based supports each year, including over 10 million home help hours, home care packages, meals-on-wheels, and day or respite supports.

Measures introduced in 2012 to improve the safety and quality of home support services for older people include HSE National Guidelines for the Standardised Implementation of the Home Care Package Scheme and a Procurement Framework for Home Care Services with quality and screening requirements relating to staff training, infection control and supervision levels.

### Extending Fair Deal

A review of the Fair Deal system of financing nursing home care was initiated in 2012 informed by a public consultation process, and is expected to be completed in 2013.

## Cost Control

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### A Reduced Drugs Bill

A new three-year agreement on drug prices between the pharmaceutical industry and the State was reached in October 2012, reducing the cost of existing medicines by €400 million over three years. As well as providing reduced prices for consumers, it facilitates greater access to new cutting-edge drugs for certain conditions.

Legislation has been published, which will require pharmacists to offer patients cheaper, generic alternatives to branded drugs.

The HSE has established a Medicines Management Programme to develop a series of measures aimed at GPs and Consultants, to promote more cost effective prescribing practices.

### Hospital Consultants

From October 2012, new consultants will begin on an entry level pay rate 30 per cent lower than the rate previously paid to new entrant consultants.

Agreement has been reached with hospital consultants on new work practices and flexibilities, which will allow for greater provision of consultant services through 24/7 rostering and enable hospitals to treat more patients more quickly.

### Medical Procurement

The HSE has delivered €124 million in savings to date through the operation of a single national procurement model.

## Health Administration

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### Abolishing of the Health Service Executive

The HSE Governance Bill, published in July 2012, paves the way for major changes in the design of the health service, including the abolition of the Board of the HSE and the establishment of a new governance structure, including a new national directorate designed to make the HSE more directly accountable to the Minister for Health.

## Capital Developments in Health

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### Priority Capital Spending

Close to €2 billion will be invested from the Exchequer in the period 2012-2016, to support three high priority national projects: the National Children's Hospital, the replacement of the Central Mental Hospital and the National Project for Radiation Oncology.

The Government's stimulus package, announced in July 2012, included an additional €115 million for the construction of twenty primary care centres, to be delivered by public private partnership. The awarding of tenders will be completed by the end of March 2013.

### Cystic Fibrosis Care

The new 34 bed cystic fibrosis unit in St. Vincent's Hospital opened in August 2012, providing a designated in-patient and day-care unit for cystic fibrosis patients, with modern isolation facilities.

Following negotiations with the pharmaceutical industry Kalydeco, a new innovative medicine for the treatment of Cystic Fibrosis, has been made available to patients in Ireland at a reduced cost to the Exchequer.

### The National Children's Hospital

Following the selection of the St James's Hospital Campus in Dublin as the site of the new National Children's Hospital, new governance arrangements are being put in place to advance the next phase of the project. The National Paediatric Hospital Development Board will be restructured to enable it to focus solely on building the new hospital, with construction to commence in 2015. A Children's Hospital Group, chaired by Dr. Jim Browne, President of NUI Galway, will concurrently plan for the transfer of services to the new hospital on its completion in 2018.

## Mental Health

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### Community Mental Health Services

By the end of February 2013, 246 posts to strengthen Community Mental Health Teams had been filled, out of 414 approved, with most of the remainder expected to be filled by the end of March 2013. Budget 2013 announced a further €35 million for the continued development of mental health services, including the recruitment of over 470 additional staff.

### Improving GP Mental Health Training

A number of new initiatives have been advanced in the area of GP mental health training:

- The Irish College of General Practitioners and the National Office for Suicide Prevention have developed a skills-based training programme in suicide prevention for general practitioners, practice staff and primary care teams
- A specially commissioned Team Based Approaches to Mental Health in Primary Care course for primary care staff commenced in 2012 at Dublin City University, and has since been extended to Sligo

### Implementing *Reach Out*: The National Suicide Prevention Strategy

The budget for the National Office for Suicide Prevention (NOSP) increased from €4.1 million in 2011 to €8.1 million in 2013. Developments in the implementation of the National Suicide Prevention Strategy during 2012 included:

- Publication of *Suicide Prevention in the Community* – a practical tool with good practice guidelines to support community groups to address suicide
- Publication of *National Quality Standards for the Provision of Suicide Bereavement Services* – to ensure consistency and quality of suicide bereavement support services nationwide
- New guidelines on mental health and suicide prevention for post-primary schools were distributed to all schools across the country
- A suicide prevention training programme for Irish Prison Service staff was rolled out to all prisons in 2012

### Closing Unsuitable Psychiatric Institutions in Favour of Community-Based Care

By the end of 2012, a total of fifteen unsuitable psychiatric hospitals had either closed completely or closed to new admissions.

The Implementation Framework for the Housing Strategy for People with a Disability, published in 2012, puts in place a mechanism to support the transitioning of people from institutional care to more independent living. This will commence in 2013, with the aim of transitioning 4,877 people over the next seven years.

### Ending the Practice of Placing Children in Adult Psychiatric Wards

An increase in bed capacity in child and adolescent inpatient facilities has meant that the number of children and adolescents admitted to adult units decreased from 65 per cent in 2008 to 25 per cent in 2012.

### Reviewing the Mental Health Act

Following a broad public consultation process, an Interim Report of the Steering Group set up to review the Mental Health Act was published in June 2012. The Expert Group appointed to conduct the second and substantive phase of the review is expected to produce its report in 2013, and will pick up on the main issues and recommendations set out in the Interim Review.

## Other Health Priorities

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### The National Dementia Strategy

Following a successful public consultation process in 2012, the National Dementia Strategy will be completed during 2013. The strategy will serve to increase awareness, ensure early diagnosis and intervention, and enhance community based services for people living with this condition.

### The National Carers' Strategy

The National Carers' Strategy was published in July 2012 and outlines the actions that will be taken to ensure that carers are supported to manage their caring responsibilities with confidence. Clear implementation and monitoring arrangements are in place with and reports on progress to the Cabinet

Committee on Social Policy. Fourteen additional temporary staff were assigned during 2012 to clear the backlog of Social Welfare Carer's Allowance applications and appeals.

### Bioethics

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The National Advisory Committee on Bioethics was established in March 2012 and is tasked with providing the Government with advice on the ethical and social implications of scientific developments in human medicine and healthcare. The Committee will provide recommendations and assistance towards the development of healthcare policy and associated legislation.

#### **The Expert Group Report on the A, B and C -v- Ireland Judgement**

Following consideration of the report of the Expert Group on the Judgment of A, B and C -v- Ireland, published in November 2012, the Government decided that legislation with regulations be implemented by way, within the parameters of Article 40.3.3° of the Constitution as interpreted by the Supreme Court in the X case.

### Early Childhood Care and Education

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#### **Early Childhood Care and Education**

Capital funding of €6 million was provided for the maintenance of childcare facilities in 2012, to ensure that facilities can continue to deliver high-quality care and education to children.

Funding was provided in Budget 2013 to maintain and protect the universal free pre-school year, benefitting over 65,000 children at an annual cost of €175 million.

### Empowering Schools to Improve Standards

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#### **Reforming Teacher Training**

In September 2012, the reconfigured and extended Bachelor of Education for primary teachers commenced, allowing for extended school placement periods and an increased emphasis on the key strategic priorities of literacy and numeracy, ICT and inclusion.

An implementation plan is being developed to give effect to recommendations by an international review panel to establish six new centres for education, replacing the existing nineteen State-funded teaching colleges.

#### **Evaluation and Development Plans for Schools and Teachers**

A new self-evaluation model for schools was introduced in all primary and post-primary schools from September 2012, based on new School Self-Evaluation (SSE) Guidelines. Schools are required to evaluate their work in a range of areas, and devise a three-year improvement plan for aspects of practice identified as needing development. A summary of the SSE report and school improvement plan will be provided to school communities, to ensure that information on school performance and development is readily available to parents.

### Protecting the Frontline

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#### **Protecting Frontline Services in Education**

The Education Sector has delivered significant changes to work practices leading to substantial savings helping to protect front-line services, including:

- Teachers delivering 2 million additional hours per annum
- Over 500 surplus permanent teachers redeployed in 2012
- Academic and lecturing staff are delivering 250,000 additional lecturing hours per annum
- Special Needs Assistants are delivering an additional 760,000 hours per annum

### Improving Outcomes

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#### **Reforming the Junior Certificate**

A new Junior Cycle framework was launched in October 2012 to address issues of curriculum overload and rote learning and will promote a more active learning experience for students. The reforms will see the traditional end-of-cycle Junior Certificate Exam replaced with a school-based model of assessment.



## Maths and Science at Second-Level

As part of the drive to improve standards in maths education, in 2012 over €2 million was allocated to provide a new Professional Diploma in Mathematics for Teaching, with a special focus on the Project Maths curriculum. The course commenced in September 2012 with an initial intake of 390 students. All five strands of the Project Maths curriculum were rolled out to all second level schools in September 2012.

## A Bonus Points System for Maths

A bonus points scheme for students taking Leaving Certificate higher-level maths was implemented by third level institutions in 2012 and will operate for a four-year trial period. The bonus points system, combined with Project Maths, contributed to an increase of 35 per cent in the number of students sitting the higher-level paper in 2012, compared to 2011.

## Making Literacy a National Cause

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### The National Literacy and Numeracy Strategy

Good progress has been made in implementing the actions set out in the National Literacy and Numeracy Strategy, which aims to ensure that every child leaves school with the required literacy and numeracy skills. Progress to-date includes:

- A new website with resources for parents to support their children's learning ([www.helpmykidlearn.ie](http://www.helpmykidlearn.ie))
- A new 'Education Passport' for students moving to second-level, from September 2012, to alert schools to children who may need additional support
- Standardised testing in reading and numeracy have been expanded to three points during primary school – 2nd 4th and 6th classes

### Training and Support for Teachers in Teaching Literacy

Units on literacy and numeracy are now in place within the National Teacher Induction Programme. A team of nineteen literacy and numeracy advisors has been appointed to support teachers and schools in this area. Courses have now been provided for all serving principals and deputy principals on

effective teaching of literacy and numeracy and the use of assessment to support planning of students' learning.

## Increasing the Time Spent Teaching Literacy in Schools

From 2012, all primary schools are required to increase the amount of time spent on literacy skills to eight and a half hours per week, and on numeracy to over four hours.

## 21st Century Schools

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### The National Centre for Technology in Education

The National Centre for Technology in Education was formally merged with the Professional Development Service for Teachers in June 2012, while a senior post dealing with curricular matters was assigned to the National Council for Curriculum and Assessment. The new configuration is intended to ensure greater integration of ICT within teaching and learning, both in policy and in practice.

### Broadband in Schools

Almost two hundred post-primary schools in areas worst affected by slow speed and low connectivity were connected in the first phase of the national roll out of 100Mb broadband, in 2012. This includes all second level schools in counties Cavan, Clare, Donegal, Galway, Laois, Leitrim, Longford, Louth, Mayo, Monaghan, Offaly, Roscommon, Sligo and Westmeath

## Building Schools for the Future

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### Prioritising School Building Projects

A total of 53 large scale projects were completed in 2012, delivering 16,412 permanent school places. 6,677 additional permanent school places were also provided under the devolved Additional Accommodation Scheme.

The Government stimulus package, announced in July 2012, also includes plans to advance with two further bundles of school projects as part of the Public Private Partnership process. The first of those announced involves the delivery of 5 post-primary schools delivering accommodation for 3100 pupils and a single 16 classroom primary school.

A new Memorandum of Understanding, signed in 2012, formalises a partnership between the Department of Education and Skills and local authorities to ensure the most appropriate sites for new schools are acquired quickly and smoothly in areas experiencing a rapid increase in pupil numbers.

### Replacing Prefabs

Under the Prefab Replacement Initiative announced in March 2012, €15.6 million was paid out to 100 schools to replace their rented prefabs with permanent accommodation in 2012.

## Delivering Equity in Education

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### Students from Disadvantaged Areas

Some €750 million was allocated in 2012 to fund measures to tackle educational disadvantage across 860 DEIS schools, impacting on 165,350 pupils.

As part of the new single scheme of bursaries for Leaving Certificate students from DEIS schools, eight additional bursaries were made available in 2012, aimed at students from DEIS schools who intend to pursue third level courses in science, technology, engineering and mathematics.

### Children with Special Needs

€1.3 billion was spent in 2012 on supports for children with special needs, providing for:

- Up to 10,575 Special Needs Assistant posts
- 9,950 learning support/resource teacher posts
- 1,100 teachers in special schools
- Special School Transport for 8,500 pupils with disabilities
- Early intervention classes and other supports for children with autism

The National Council for Special Education has been asked to provide comprehensive policy advice in 2013 on how the education system can best support children with special needs. This will guide the preparation of a plan on how aspects of EPSEN can be implemented, including the prioritising of access to children with special needs to an individual education plan.

### Tackling Bullying

Following the dedicated Anti-Bullying Forum held in May 2012, an Action Plan on Bullying was launched in January with a dedicated budget of €500,000 to support the implementation of actions to help prevent and tackle bullying in primary and second level schools. Two initiatives aimed at tackling and changing attitudes towards cyber bullying were launched in February 2013, the Watch Your Space anti cyber-bullying campaign and the Garda post-primary schools programme, *Connect with Respect*.

## Patronage

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### The Forum on Patronage and Pluralism

The Report of the Advisory Group to the Forum on Patronage and Pluralism in the Primary Sector was published in April 2012. In areas where the population is stable, the report recommends achieving diversity of patronage by using the existing stock of schools, based on parental demand. For communities served by one 'stand alone' school, where transfer of patronage is not an option, the report makes recommendations aimed at ensuring such schools are as inclusive as possible and accommodate pupils of various belief systems.

### Parental Preference Surveys

Following the recommendations of the Forum on Patronage, a process leading to divesting of school patronage in areas of stable population has begun. Surveys, to find out if parents would prefer a wider choice of school patron than is currently available to them, have been completed in forty-three areas throughout the country. Where the surveys identified demand for alternative patronage, options will be considered for school re-configuration, which would allow accommodation to be freed up for an alternative provider.

## Third Level Reform

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### Reforming Third Level Education

The Higher Education Authority (HEA) has released a series of documents that will inform engagement between the HEA and higher education institutions, leading to advice to the Minister on system configuration by April 2013.

Other key developments include the establishment in November 2012 of a National Forum for the Enhancement of Teaching and Learning at third level. The Forum is focused on enhancing the quality of the learning experience for all students.

## **Relocating DIT to Grangegorman**

As part of the Government's 2012 stimulus package, €180 million has been earmarked for the consolidation of DIT's existing 39 sites into one single education facility at Grangegorman. With the first 1000 students commencing their studies there in September 2014, the new unified Campus will ultimately accommodate over 20,000 students and staff, and will be served by the planned Luas extension from St. Stephen's Green to Broombridge.

## **Extending the Remit of Ombudsman to Third Level Institutions**

The newly extended remit of the Office of the Ombudsman, under the Ombudsman Amendment Act 2012, includes all publicly funded third-level education institutions.

## **Merging the Accreditation Authorities**

The new Quality and Qualifications Ireland was formally established in 2012 and replaces the National Qualifications Authority of Ireland, FETAC, HETAC, and the Irish Universities Quality Board.

## **Housing and Distressed Mortgages**

### **Tackling Mortgage Arrears**

Government established a dedicated Cabinet Committee on mortgage arrears in 2012 to help drive progress, which includes:

- Extensive new insolvency legislation and significant preparations for new insolvency service
- Intensive engagement by the Central Bank with lenders and roll out of a variety of loan modification and resolution options with new key performance indicators in place to measure progress

- Roll out of the new Mortgage to Rent scheme, allowing families to stay in their homes with ownership transferring to an approved housing body
- A new telephone and on-line information service is in place, together with a free independent professional financial advice service to borrowers in mortgage distress

## **Personal Bankruptcy Reform**

The new Personal Insolvency Act has comprehensively reformed Irish insolvency and bankruptcy law, providing for new and more flexible options to address personal debt including mortgage arrears. The new legislative framework provides for the introduction of three new non-judicial debt resolution processes:

- The Debt Relief Notice will allow for the write-off of qualifying unsecured debt up to €20,000, subject to a three year supervision period
- The Debt Settlement Arrangement provides for the agreed settlement of unsecured debt, with no limit involved, normally over five years
- The Personal Insolvency Arrangement will enable the agreed settlement of secured debt up to €3 million and unsecured debt without limit, normally over six years

The new Insolvency Service of Ireland will be launched in Q1 2013, to provide information services to the public and to manage the processes necessary for the efficient operation of the new non-judicial debt settlement procedures. The Director Designate of the service is overseeing arrangements including recruitment of new and redeployed staff, fit out of new premises, development of a new IT system, and an appropriate regulatory framework for personal insolvency practitioners and guidelines for insolvency procedures.

## **The Money Advice and Budgeting Service**

Under the new Personal Insolvency Act 2012, MABS will act as an approved intermediary for the purpose of processing applications for Debt Relief Notices.

A range of measures to assist people in mortgage difficulty have also been introduced through the Citizens Information Board, funded solely by the banks. Keepingyourhome.ie and the Mortgage Arrears Information Helpline offer information and guidance to mortgage holders who are in difficulty. Since September, independent financial advice is available from a panel of accountants to mortgage holders who are being offered long-term resolution proposals by their lenders.

### Ghost Estates

At the end of 2012, the number of unfinished developments had reduced to 1,770 down 37 per cent from the initial 2,874 identified in 2012. Some of the measures progressed by the National Co-ordination Committee include:

- A Stakeholders' Code of Practice and a Guidance Manual on Resolving and Managing Unfinished Estates setting out good practices to be adopted by all stakeholders
- €3.88 million in funding provided to Local Authorities to address immediate safety issues on unfinished developments

In May 2012, NAMA announced plans to invest at least €2 billion to complete construction work on *unfinished properties in its portfolio*, and to develop greenfield sites. By the end of 2012, NAMA had approved investments of €1.7 billion, of which over €1 billion had been drawn down.

## Social Housing

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### Increasing the Supply of Social Housing

Social housing output exceeded 6,000 in 2012, with a further 5,000 to be provided in 2013. NAMA Asset Residential Property Services Ltd has been established to fast-track the acquisition of vacant properties for social housing and a significant increase is expected in the number of NAMA properties selected and delivered for social housing in 2013.

### Urban Regeneration

The new pilot *Living City Initiative*, announced in February 2013 for Waterford City and Limerick City, is a tax incentive scheme to revitalise urban areas, through promoting the refurbishment of historic Georgian buildings for residential and retail use.

The national regeneration programme continues to progress, with the first new homes delivered to residents in Moyross, Limerick in February 2013.

## Homelessness

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### Reviewing and Updating the Homeless Strategy

Following a Review of the Homeless Strategy, the Government published its policy statement on homelessness in February 2013. It endorses the development of a housing-led approach, placing the rapid provision of appropriate accommodation with supports as the key solution to ending long-term homelessness by 2016. A dedicated oversight group has been established to coordinate policy and ensure that the objectives are realised.

## Housing

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### Supervising Credit Institutions' Mortgage Lending Practices

The Credit Reporting Bill 2012, currently before the Oireachtas, will provide for the establishment of a new credit register to support more informed lending decisions and provide an important tool for banking supervision. The register will be operated by the Central Bank with mandatory reporting standards and mandatory credit checks and appropriate controls on access to the information to protect businesses and consumers.

### A National Housing Price Database

The new Residential Property Price Register, published in September 2012, provides for the first time accurate and up-to-date information on residential properties purchased in Ireland since January 2010.

## Justice and Law Reform

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### Reforming Anti-Corruption Law

The general scheme of the Criminal Justice (Corruption) Bill was published in 2012 and referred to the Joint Oireachtas Committee on Justice, Defence and Equality for its consideration, prior to formal drafting. Once enacted, the legislation will reform and strengthen the law criminalising corruption.

## Criminal Law Reform

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### Stopping the Flow of Mobile Phones to Prisons

Airport-style scanners and x-ray machines are now in operation at the entrances to all closed prisons. These security measures have proven particularly effective at preventing smuggling into prisons, reflected in declining numbers of mobile phones seized from prisoners, down 16% in 2012 to 1,150.

### Introducing a Roadside Drug Testing Programme

Government has approved drafting of the Road Traffic Bill, which will provide for the introduction of roadside testing for drivers suspected to be under the influence of drugs.

### Prohibiting Female Genital Mutilation

The Criminal Justice (Female Genital Mutilation) Act 2012 commenced in September and prohibits the practice of Female Genital Mutilation in Ireland, providing for punishment of up to 14 years imprisonment on conviction.

## Strong and Efficient Policing

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### Freeing-Up Gardaí from Administrative Duties

Following a successful pilot project in 2012 which saw civilian staff delivering immigration services at Dublin airport, plans are underway for its full-scale extension which will ultimately release a significant number of Gardaí to frontline policing duties.

The consolidation of the Garda Station network will result in an extra 61,000 patrol hours being available in 2013 so that the maximum possible number of Gardaí are engaging in frontline policing in our communities.

A new Garda roster being implemented will result in more Gardaí being on duty during periods of greater policing demand and fewer at quieter times.

### Improving Case Management Systems in the Courts

A number of initiatives have been introduced to improve efficiency in the courts and to reduce the time spent unnecessarily by Gardaí in the courts, including:

- Pilot pre-trial procedure in the Circuit Court, aimed at removing delays in cases
- Requesting that the courts schedule hearings for days on which Gardaí are rostered
- Excusing Gardaí from court after giving evidence
- Use of video conferencing facilities in all prisons and the main courthouses, reducing the need to transfer prisoners for trial

### Combatting Smuggling

Revenue continues to combat smuggling at major ports, along the coastline and at smaller airports by maximising risk based and intelligence led deployment of resources. Revenue's x-ray scanner programme comprises two mobile x-ray scanners and a recently commissioned mobile van scan, which are utilised in tackling smuggling. In the past two years 9,780 X-ray scans have been carried out, resulting in 40 seizures with a total value of over €36.6 million. Twenty-two of these seizures related to illicit tobacco products, with a value of over €33 million. The penalties for tobacco smuggling were substantially increased in 2010.

## Sentencing and Penal Reform

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### The Inspector of Prisons

Robust new procedures for the investigation of prisoner complaints came into operation in November 2012, including the examination of complaints by external independent investigators and giving the Inspector of Prisons oversight of the process from the very beginning.

## **Integrated Offender Management**

Launched in May 2012, the Community Return Programme has seen 388 low risk offenders offered early temporary release in return for supervised community service.

## **Reviewing Mandatory Sentencing Laws**

A strategic review of penal policy is underway and the review group is due to report during 2013. The review will incorporate an examination and analysis of all aspects of penal policy including prevention, mandatory sentencing, sentencing policy generally, alternatives to custody, accommodation and regimes, support for reintegration and rehabilitation and the issue of female prisoners.

## **Upgrading Our Prison Infrastructure**

A new accommodation block became operational in the Midlands prison at the end of 2012, providing 300 additional spaces with in-cell sanitation, as well as new work, training and education facilities. A programme of refurbishment is underway at Mountjoy prison, to provide in-cell sanitation throughout the prison. Refurbishment of C-wing was completed in 2012 and work has now commenced on B-wing.

Approval has been given for construction to commence in 2013 of a new, modern 250 space prison in Cork, to replace the existing outdated facilities and provide in-cell sanitation for all inmates. Plans are also underway for a major redevelopment at Limerick prison.

## **St. Patrick's Institution**

Since July 2012 16 year old boys are no longer sent to St. Patrick's Institution. All newly remanded or sentenced 16 year olds are now detained in the children's facilities in Oberstown. The construction of a new National Children Detention Facility on the Oberstown campus has been approved and an allocation of €20.4 million in capital funding has been made for the project in 2013. This project will result in sufficient capacity to extend the child care model of detention to all young people under the age of 18 years by mid 2014 and end the practice of sending 17 year old boys to St Patrick's Institution.

In June 2012, the remit of the Ombudsman for Children was extended to cover all boys under 18 years of age in St. Patrick's Institution, in order to ensure that they are detained with the fullest regards to their rights and needs as children.

## **Drugs**

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### **Implementing the National Substance Misuse Strategy**

Arising from the recommendations in the National Substance Misuse Strategy Steering Group report, proposals are currently being finalised for consideration by Government early in 2013.

### **Integrating Drug and Alcohol Abuse Strategies at Local Level**

Reforms are being introduced, arising from the review of Drugs Task Forces concluded in 2012, which are intended to better equip the Task Forces to respond to the current pattern of substance misuse. These include extending their remit to include alcohol addiction, measures to improve coordination and representation and a review of Task Force boundaries.

In excess of €28 million will be made available to Drugs Task Forces from the Drugs Initiative Fund in 2013 to support community-based drugs initiatives.

### **Reducing the Flow of Drugs to Prisons**

A range of security initiatives have been introduced in closed prisons, including x-ray scanners, tighter control and monitoring of prison visits, airport style security screening of all staff and visitors, and increased random searches of prisoner accommodation. These have proven particularly effective in reducing the availability of drugs in the prisons, with drug seizures decreasing by 28 per cent between 2010 and 2012.

### **Accountability for the Addiction Budget**

The Oversight Forum on Drugs meets each quarter with all Departments and Agencies to monitor progress on the actions in the National Drugs Strategy, and to address any operational difficulties that may arise. A report on the implementation of the actions of the strategy in 2012 will be published early in 2013.

Expenditure attributed to Drug Programmes across all Departments and Agencies amounted to approximately €245 million in 2012.

### Law Reform, Courts and Judiciary

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#### Creating Family Courts and a Civil Court of Appeal

Government has approved, in principle, proposals for an amendment to the Constitution (subject to a referendum of the people) to permit the establishment of a Civil Court of Appeal and a new separate Family Court structure. Work has commenced on the further development of these proposals and the necessary referendum is expected to be held in the Autumn of 2013.

#### Introducing Structured Settlements

Preparation has commenced on Heads of a Civil Liability (Amendment) Bill, which will give the courts new powers to make periodic payment orders for the benefit of persons catastrophically injured through the negligence of others. The scheme will enable compensation to be paid in regular instalments over the course of the injured person's life, to cover the ongoing cost of their care to ensure that such compensation is adequate and necessary.

#### Reforming and Modernising Family Law

Legislation is being prepared to make court proceedings in family law and child care cases more transparent. The legislation will amend the *in camera* rule to allow press access to the courts in family law and child care proceedings.

#### Law Reform

The Law Reform Commission is currently developing a work programme for its next Programme of Law Reform. This has followed a broad consultation process with civil and public society including community, government and public bodies.

### Passports, Citizenship, Immigration and Asylum

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#### Citizenship Applications

Over 25,000 applications were decided in 2012, compared to 16,000 in 2011 and fewer than 8,000 in 2010. The success of the citizenship ceremonies continued into 2012, with citizenship being conferred on almost 20,000 persons at thirty-five ceremonies.

### Equality and Social Protection

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#### Tackling Poverty

A review of the National Poverty Target was completed in 2012 and a new National Social Target for Poverty Reduction has been adopted, with the objective of reducing consistent poverty to 4 per cent by 2016 and to 2 per cent or less by 2020. Preparations for the first monitoring report are underway.

#### A New Area-Based Approach to Tackling Child Poverty

€2.5 million has been allocated to fund a new Area Based Approach to Child Poverty initiative in 2013. This initiative will build on and continue the work of the Prevention and Early Intervention Programme, which has demonstrated significantly improved outcomes for children and families. The number of sites will be expanded from three to at least six during 2013. The learning and outcomes from the existing projects will inform the design of this new Area Based Approach, which will address the key themes of child development, educational disadvantage, health, well-being and parenting.

### Eliminating Poverty Traps

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#### Eliminating Poverty Traps

Reform of the Social Welfare system is continuing to eliminate poverty traps and ensure that work pays for welfare recipients:

- Significant work has taken place to begin piloting the transfer in 2013 of people with long term housing needs from rent supplement to their local authority where they will pay a differential rent calculated on the basis of their welfare payment or pay

- Reform of the One Parent Family payment is underway, starting with the reduction in qualifying child age, which is due to take effect from July 2013
- Budget 2013 also contained a provision of €14 million to provide 6,000 subsidised school-age childcare places to support people in taking up employment

### **A Zero Tolerance Approach to Welfare Fraud**

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#### **Reducing Welfare Fraud**

The roll out of Intreo, the new integrated employment and support service, will enable a more integrated approach to fraud control to be realised, through better information pooling. The new integrated decision-making and the case management approach will also improve control across schemes.

Introduction of the new Public Services Card (PSC), with photographic identification, commenced in 2012, with over 111,800 new cards issued to-date. The card will allow for improved identification and authentication of individuals, which will assist in the detection of fraudulent claims.

New fraud prevention and detection powers were granted to Social Welfare Inspectors in 2012, to make inquiries of landlords, to require identity checks for social welfare claims, and to detect and combat social welfare fraud and abuse at ports and airports. Those powers have so far led to over fifty claims being stopped, with control savings of approximately €450,000.

The Social Welfare Act 2012 provides for swifter recovery of social welfare overpayments by way of weekly deductions of up to 15 per cent from a person's social welfare payment.

### **Getting Better Value for Money**

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#### **Reducing Reliance on Rent Supplement**

Local authorities transferred approximately 5,000 longer term recipients of Rent Supplement to Rental Accommodation Scheme during 2012.

In line with the new Housing Policy Statement, Government has agreed to the phased transfer of responsibility for long-term rent supplement recipients from the Department of Social Protection to housing authorities under a new Housing Assistance Payment (HAP). Calculated based on ability to pay, this progressive new arrangement will remove barriers to employment and return rent supplement to its original purpose as a short-term income support. Significant work has taken place to enable initial transitions to commence in 2013, with general roll out from 2014.

## **Equality**

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### **Equality and Human Rights**

Draft Heads of a new Irish Human Rights and Equality Commission Bill were published in 2012, to amalgamate the Human Rights Commission and the Equality Authority. This legislation will oblige public bodies to set out their consideration of human rights and equality issues, relevant to their work, in their strategic plans and report on them in their Annual Reports.

### **Tackling Homophobic Bullying**

A major Anti-Bullying Forum was held on the 17 May 2012 to coincide with the International Day against Homophobia, the theme of which was homophobic bullying. The new Action Plan on Bullying includes a commitment to provide support for the *Stand Up!* Awareness Week against Homophobic Bullying organised by BeLonG To Youth Services.

## **People with Disabilities**

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### **An Implementation Plan for the National Disability Strategy**

A new Implementation Group, which includes a number of people with disabilities, has been established to develop an implementation plan for the National Disability Strategy, which will include specific actions, timelines and targets to be implemented over a three year period. Work on the plan is at an advanced stage and is expected to be completed in 2013.



## FAIRNESS

A Disability Forum was established in 2012 to facilitate better consultation with stakeholders and capture the perspective of the end user.

### **A Comprehensive Spending Review of Disability Services**

Arising from the Value for Money and Policy Review of the Disability Services Programme, a high level implementation framework for the recommendations in the review has been published. The framework sets out a fundamental change in approach to the governance, funding and focus of the Disability Services Programme, through migration from a group-based service delivery towards a model of person-centred and individually chosen supports. These changes, which will commence in 2013, will move the sector towards more effective, transparent and accountable management of the substantial existing resources expended on health and personal services for people with a disability.

### **National Standards for Residential Services for People with Disabilities**

Following a process of public consultation, HIQA has developed new *National Standards for Residential Centres for People with Disabilities*. The standards will be published shortly and work is underway on a new regulatory system to be put in place. It will apply to all residential settings where people with disabilities live, whether they are operated by public, private or voluntary bodies or organisations.

### **Irish Sign Language**

The National Disability Authority held a round table discussion with representation from the deaf community, together with the relevant Government Departments, in May 2012, to identify possible actions to promote the recognition of Irish Sign Language for inclusion in the National Disability Strategy Implementation Plan.

### **Reforming the Law on Mental Capacity**

The Assisted Decision-Making Capacity Bill, to be published shortly, will reform the law in respect of vulnerable individuals, whose ability to make important decisions is affected by intellectual disability or mental illness. Once enacted, this legislation will modernise the laws on capacity and bring Irish legislation in this area into line with

current thinking and modern legislative frameworks worldwide. The Bill will replace the outdated adult ward-of-court system with a new statutory framework, which will shift the focus towards assisted rather than substitute decision-making.

# PROGRESS

## Key Highlights

### Children

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- Children's rights now protected in the Constitution
- New laws in force strengthening child protection
- 25 new staff redeployed to the Garda Vetting unit
- Preparations for the establishment of the New Child and Family Support Agency

### Communications, Energy and the Environment

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- Successful digital TV switchover with €450 million raised from spectrum auction
- New National Intellectual Property Protocol helping to commercialise ideas and create jobs through research
- Ireland's new national waste management policy published
- New one stop shop for planning information [www.myplan.ie](http://www.myplan.ie) launched
- Ratification of the Aarhus Convention
- Heads of a new Climate Action Bill published for stakeholder consultation

### Agriculture and Fisheries

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- Total agri-exports top €9 billion for the first time
- New *Ocean Wealth plan* to maximise marine coordination
- New *Origin Green* sustainable food initiative launched
- Agri-Environmental Options Scheme opened to new entrants
- 90 per cent of Harvest 2020 actions advanced
- Ireland lead the way to EU phased ban on dumping fish
- Streamlining of aquaculture licensing system

### Culture, Sport and Transport

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- Green light for construction of €368 million Luas connector / Broombridge line
- Major reforms of the taxi sector came into force in January 2013
- €850 million for national motorway and primary route network upgrades
- Significant expansion to the Dublin Bikes scheme
- New sports capital funding provides €31 million to sports projects
- New philanthropy initiative generated over €1 million in extra funding for the arts
- New legislation in place supporting the Irish language

### International

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- Joint Statement of 2012 by Taoiseach and UK Prime Minister reinforces British-Irish relations
- North South Parliamentary Forum established to further peace and cooperation
- 31 North South Ministerial Council meetings held in 2012 furthering economic cooperation
- Strengthened economic relationship with China following historic visit by Vice President Xi Jinping and return trade mission led by the Taoiseach
- Successful start to Irish Presidency of the EU
- Ireland achieves top score on transposition of EU legislation
- Major diplomatic initiative undertaken to support renegotiation of promissory note deal
- Election of Ireland to United Nations Human Rights Council
- Successful Irish chairmanship of the Organisation for Security and Cooperation in Europe

## Implementation

### **Children, Families and Older People**

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#### **The Children's Referendum**

The passing of the Children's Referendum marks a significant step forward in the protection of children's rights, addressing issues such as adoption, intervention to protect their safety and welfare, and giving children a say in their own protection proceedings.

#### **The Child and Family Support Agency**

The July 2012 Task Force report is informing the drafting of legislation to establish the new Agency. In parallel, detailed operational preparations are underway to facilitate the transfer of services and staff from the HSE, the National Education Welfare Board and the Family Support Agency. The Agency will have a staff of over 4,000 and a budget in excess of €550 million. It will bring together key services for children and families and represents one of the most significant public service reforms underway.

#### **Enhancing Child Protection**

The Government has advanced a suite of legislation to further enhance child protection. The Criminal Justice (Withholding of Information on Offences Against Children and Vulnerable Persons) Act 2012 entered into force in August 2012 and makes it an offence to withhold information on serious offences committed against a child or a vulnerable adult.

The National Vetting Bureau (Children and Vulnerable Persons) Act 2012 makes it mandatory for people working with children or vulnerable adults to be vetted by the Gardaí. Twenty-five additional staff have now been re-deployed to the Garda Central Vetting Unit, to ensure that it is adequately staffed to meet the increased volume of applications, arising from this legislation.

The Heads of a new Bill, to place the Children First Guidelines on a statutory basis, were referred to the Oireachtas Committee on Children in April 2012 whose report will inform the final legislative proposals.

Under New National Standards for the Protection and Welfare of Children, frontline services for children and families are now subject to independent inspection for the first time. The standards, which have legal effect, will ensure that services are providing adequate care and protection to vulnerable children, and that Children First guidelines on handling abuse and welfare concerns are fully implemented.

As recommended in the Ryan Report, a memorial to victims of institutional abuse has been commissioned and will be erected adjacent to the Garden of Remembrance in Dublin.

#### **Modernising and Reforming Family Law**

Legislation is being prepared to make court proceedings in family law and child care cases more transparent, amending the *in camera* rule to allow press access to the courts. In addition, a project was established in November 2012, which will carry out research on child care hearings in the courts to inform future policy and raise public awareness of the child protection and courts process

#### **Reforming the Law on Adoption**

The draft Adoption (Amendment) Bill was published in September 2012 in the context of the Children's Referendum. The Bill will bring certainty to the circumstances in which adoption may be considered, particularly for children who are living in foster care for a significant period as the result of serious and persistent parental failure.

### **Arts, Culture and Sport**

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#### **Philanthropic Funding for the Arts**

The Philanthropy Leverage Initiative was piloted in 2012, to encourage philanthropic sponsorship and endowment funding of the arts from private sources. The State's investment of €202,000 generated total additional funding of over €1 million for the arts in 2012.

The RAISE initiative, launched in October 2012, aims to build capacity in the sector to forging term relationships with the private sector and secure sponsorship and funding.

The Arts Council has provided one-to-one professional support to the eight selected organisations for two years, through planning and implementation of a tailored fundraising programme.

### **Funding for Sport**

New funding of almost €31 million has been provided to sports projects across the country, in the first round of sports capital funding in four years.

Additional grants of €2.6 million have been approved to allow twenty-two national sports bodies to buy new equipment to help boost participation in sport.

## **Foreign Affairs, ODA and Defence**

### **Ensuring our Diplomatic Network Aids Repair of our Reputation**

A major diplomatic initiative was instigated to further efforts to renegotiate the promissory note, which was achieved in February 2013.

During 2012 Ireland, as Chair in Office, successfully steered the Organisation for Security and Cooperation in Europe, culminating in the largest ever high-level conference of Foreign Ministers ever hosted in Dublin.

Following an extensive campaign by the diplomatic service, and Government Ministers, Ireland was successful in its election to the United Nations Human Rights Council. This builds on Ireland's reputation as a strong supporter of human rights internationally.

### **Reviewing the White Paper on Overseas Development Aid**

A Review of the White Paper on Irish Aid was undertaken in 2012, to examine the progress being made by our aid programme, to assess the changed context, globally and here at home, and to set out future priorities. Following a successful consultation process, a new policy on Ireland's role in international development has been completed and will be submitted for Government approval shortly.

## **Northern Ireland**

### **Implementing the Good Friday and St. Andrew's Agreements**

The Government is working continuously to support the peace process and a new comprehensive framework has been established for British-Irish relations, developing economic, political and security cooperation. Last year, through the Reconciliation and Anti-Sectarianism Funds, grants were awarded to more than 130 community organisations to further the cause of reconciliation.

The establishment of the North/South Parliamentary Forum in 2012, drawn equally from members of the Northern Ireland Assembly and the Oireachtas, provides a formal platform for further engagement and cooperation.

As part of the digital switchover, TG4, RTÉ 1 & 2 and Raidió na Gaeltachta were made available for the first time on Freeview in Northern Ireland, making Irish-language broadcasting more accessible in Northern Ireland, as provided for in the Good Friday Agreement.

### **Increasing Economic Cooperation**

Thirty-one sectoral meetings of the North South Ministerial Council were held in 2012. This was the highest number since its formation, and helped to advance economic cooperation and focus on job creation, including:

- The work of the Tourism Recovery Taskforce to address the issue of the decline in visitors from Great Britain in recent years
- An increase of over 50 per cent in European Research and Development funding for North/South projects from November 2011 to July 2012
- The introduction of two new InterTradeIreland programmes *Challenge and Elevate*, supporting SMEs and micro businesses to grow and develop through innovation and exporting

The Joint Statement issued by the Taoiseach and Prime Minister David Cameron in March 2012 initiated an intensive programme of work aimed at reinforcing the British-Irish relationship for the coming decade.

This includes the preparation of a joint report, to be published in March, evaluating economic relations between Britain and Ireland and identifying opportunities for closer collaboration.

### **Ireland in Europe**

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#### **Delivering the Irish Presidency of the EU**

Following a successful launch of the Irish Presidency programme – “For Stability, Jobs and Growth” – significant progress is already being made to deliver on these key objectives.

Ireland’s Presidency is now leading on behalf of Member States in seeking the consent of the European Parliament to the deal reached among EU leaders on the 2014-2020 Budget.

The Irish Presidency is rapidly advancing proposals on Banking Union and enhanced economic governance measures and has already secured important legislation in this area. Some of the key priorities that the Government has identified to stimulate growth and job creation include making progress on proposals aimed at strengthening the Single Market and the Digital Single Market, improved support for research and innovation across the EU, and new trade agreements with third countries. Important achievements already secured include the Youth Guarantee and the Unified Patent Court.

Ireland will continue to work for agreement on the programmes that deliver on EU policy objectives including Horizon 2020 in the area of research, reform of CAP and of the Common Fisheries Policy, Cohesion, Erasmus and the COSME Programme for SMEs.

The Government will continue to communicate key messages about Ireland’s economic recovery to a wide international audience during its Presidency to strengthen Ireland’s reputation.

A new website, [www.eu2013.ie](http://www.eu2013.ie), provides citizens with up-to-date information and reporting on the Irish Presidency with major events available to watch via a live stream.

#### **The Transposition of EU Legislation**

A newly established interdepartmental committee on European Engagement is monitoring Ireland’s progress in transposing EU legislation into domestic law and ensuring our compliance with EU Directives. For the first time Ireland, in transposing all directives in due time, has achieved the highest possible score of a zero transposition deficit in the EU Commission’s Internal Market Scoreboard, only the second EU Member State to have achieved this.

#### **Enhancing the Irish Role in EU Judicial and Home Affairs Cooperation**

The European Criminal Records Information System, which has been operational since April 2012, provides for the electronic exchange of criminal records information between Member States.

### **An Ghaeilge agus an Ghaeltacht**

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#### **The 20 Year Strategy for the Irish Language**

The Gaeltacht Act 2012 provides for a new definition of the Gaeltacht, based on linguistic criteria rather than geographic areas, with language planning at community level central to this. The Act also provides for the recognition of the importance of smaller urban areas where Irish is widely used amongst the community.

The Family Language Support Programme commenced in April 2012 to strengthen the Irish language as the household and community language in the Gaeltacht by supporting Gaeltacht families to raise their children through Irish.

#### **Reforming the Irish Curriculum**

The marks for the Leaving Certificate Irish oral have increased from 25% to 40% of overall marks from Leaving Certificate 2012. Key areas have been prioritised for action, including the provision of better curricula for Irish in Irish-medium and mainstream schools. The National Council for Curriculum and Assessment will review the Irish curriculum at primary and post-primary levels.

### Climate Change

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#### Climate Change

The National Climate Change Adaptation Framework, published in December 2012, introduces a policy framework to ensure adaptation measures are taken across different sectors and levels of government to manage and reduce Ireland's vulnerability to the negative impacts of climate change.

Heads of a Climate Action and Low-Carbon Development Bill have been issued for consideration by stakeholders and the Joint Oireachtas Committee on the Environment, Culture and the Gaeltacht. The proposed legislation will place a statutory obligation on Government to adopt and implement plans that enable the State to transition to a low carbon, climate resilient and environmentally sustainable economy in the period to 2050. The Joint Committee's report, and the recent policy analysis by the Secretariat to the National Economic and Social Council, will be key inputs for consideration by Government in adopting a national policy position on the transition to a low-carbon future, and finalising the introduction of climate legislation later in 2013.

Budget 2013 introduced further measures designed to address greenhouse gas emissions, including the extension of the carbon tax to solid fuels, and the further re-structuring of Vehicle Registration Tax and motor tax.

### Energy

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A number of significant steps have been taken towards the development of an energy export sector between Ireland to Britain, with the capacity to create thousands of Irish jobs. The East-West Interconnector, which links the power grids of Ireland and Britain, became operational last year. A Memorandum of Understanding on energy cooperation was signed in January between the Irish and UK Governments, an interim step towards a full Inter-Governmental Agreement expected in early 2014.

#### More Efficient Foreshore Licensing

Significant work has been undertaken to improve the efficiency of foreshore licensing, with a number of measures developed, including guidelines, standard operating procedures, prioritisation and a pre-application consultation process. Regulations have also been introduced putting a time limit (4-8 weeks) on consultations with prescribed bodies.

#### Offshore Drilling

A procurement process has commenced for a major state-of-the-art survey, which will add to the understanding of the petroleum potential of the Irish offshore and provide a boost to our efforts to attract international mobile exploration investment to Ireland.

### Regulation

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#### Rationalising Regulators

Given the major changes in the Irish economic landscape, there is a need to reassess and reframe the role of regulators as a central part of Ireland's economic recovery and to safeguard the consumer interest. In this context Government has assigned lead responsibility in respect of the various functions in the regulatory arena across a number of policy Departments to provide for a sharper sectoral focus and a greater capacity to deliver. Forfás has also completed a study on identifying a number of areas where changes to their operation could have real, positive impact upon cost competitiveness. The recommendations of the review will help to inform the wider economic regulation agenda, including the preparation of a New Government Statement on Economic Regulation, which is a key deliverable in the Action Plan for Jobs 2013.

### Sustainable Waste Policy

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#### A New National Waste Policy

The Government's new waste management policy, launched in July 2012, aims to minimise the amount of waste we produce, eliminate landfill and maximise waste as a resource to produce new products and renewable energy.

The first phase of implementing the policy is now complete, with the evaluation of all ten Regional Waste Management Plans. The structure of the three new Waste Planning Regions will be confirmed early in 2013 and will provide the platform for the next phase of implementation. A review of waste enforcement structures is underway and work has also commenced on the design of a new waste collection permitting regime.

### **Enhancing the Quality of the Environment**

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#### **Ratifying the Aarhus Convention**

The Aarhus Convention, which lays down a set of basic rules to promote citizens' involvement in environmental matters and improve enforcement of environmental law, was ratified by Ireland in June 2012.

### **Peat**

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#### **Turf Cutting**

The work of the Peatlands Council and supporting Compensation Scheme led to 70 per cent of active turf cutters refraining from cutting on Special Areas of Conservation during 2012. To date, almost €3.5 million has been issued through the enhanced Compensation Scheme, with over 2,148 compensation payments made.

### **Communications**

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#### **The Digital Switchover**

October 2012 saw the successful completion of the digital TV switchover, following a major public information campaign. The subsequent spectrum auction, held in November by ComReg, yielded an immediate dividend of €450 million to the Exchequer, with an additional €405 million to be paid on a phased basis over the coming years.

#### **Developing a New National Intellectual Property Protocol**

The new National Intellectual Property (IP) Protocol was published in 2012, to make it easier to commercialise and create jobs from ideas developed through publicly-funded research.

#### **Maintaining a Universal Postal Service**

The Communications Regulation (Postal Services) Act 2011 marked the final step in opening the postal market to full competition. The Act also ensures provision of a postal service on every working day to every address throughout the country, guaranteeing this universal service for twelve years and providing for stronger levels of consumer protection, including a means of redress and a price-cap on most commonly used services.

### **Transport**

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#### **Investing in High-Capacity Commuter Services**

Advance works will commence in 2013 on the construction of the €368 million Luas Cross City Line project, which will connect the two existing Luas lines between St Stephen's Green and O'Connell Street and will extend the service out to Broombridge.

The Government stimulus package announced in July 2012 restored the roads programme budget with €850 million provided for essential upgrades to the national motorway and primary route network. This will enable work to commence on a number of key projects, including the Gort-Tuam link and the Gorey-Enniscorthy/ New Ross bypass.

#### **Updating the Regulation of Taxis**

A range of reforms came into force from January 2013, to bring greater professionalism, consumer protection and accountability to the taxi sector.

The Taxi Regulation Bill, published in 2012, will improve enforcement of the taxi regulations and provide for the mandatory disqualification of people who are convicted of specified offences.

### Cycling and Sustainable Travel

Funding of €2.6 million has been provided by the National Transport Authority for the expansion of the Dublin Bikes scheme, which will see 1000 new bikes available in 2013 at 66 new stations across Dublin city, from the Docklands to Heuston Station.

Significant investment in sustainable travel will continue under a €65 million five-year programme agreed in 2012, to include:

- 334 kilometres of new cycleway to be built all over the country over the next two years
- €23 million to enable local authorities to install and upgrade facilities for cyclists and pedestrians across three towns

### Airport Charges

In the second consecutive year of growth, passenger numbers at Dublin Airport increased by 2 per cent to 19.1 million in 2012. As a result of this expansion, Dublin Airport Authority (DAA) has paid a rebate of €1.5 million in airport charges to twenty-five airlines. The rebate was paid under the DAA's Growth Incentive Scheme, which is aimed at encouraging airlines to maintain and grow their business in Ireland.

## Agriculture

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### Food Harvest 2020

*Milestones for Success 2012* reported progress in the implementation of Food Harvest 2020, showing action commenced or substantially advanced on 90 per cent of the recommendations. The report also highlighted that the agri-food and fishing sector continues to be one of the cornerstones of national export recovery, with the value of agri-food exports increasing by almost 2 per cent in 2012, to exceed €9 billion for the first time.

A key outcome of Food Harvest 2020 is the launch in 2012 of Origin Green, as the world's first nationwide sustainability standard.

### Expanding the Agri-Environment Options Scheme

€20 million in funding has been provided to allow the Agri-Environmental Options Scheme (AEOS) to open to new entrants. AEOS 3 was launched in September 2012 and builds on the success of both AEOS 1&2 and the Rural Environment Protection Scheme in delivering an annual income to farmers, in return for farming to high environmental standards.

## Coastal Communities, Fisheries and Marine Environment

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### The Common Fisheries Policy

A compromise put forward by Ireland at the June 2012 Fisheries Council was accepted by our EU partners, ensuring that the practise of throwing millions of tonnes of unwanted dead fish back into the water will now be banned on a phased basis. The agreement will support a more secure future for the Irish fishing industry while at the same time promoting a more sustainable approach to managing fish stocks.

### Aquaculture

The streamlining of the aquaculture licensing system has resulted in 115 determinations to either grant or renew licences in 2012, compared to 6 determinations in 2011.

### Better Coordination in Marine Policy Delivery

Published in July 2012, *Harnessing Our Ocean Wealth – An Integrated Marine Plan for Ireland* aims to maximise marine coordination, to make the most of our ocean resources. It seeks to create the right conditions to promote investment and enable growth, with a plan to double the value of Ireland's ocean wealth by 2030, whilst also protecting our marine environment. The Marine Co-ordination Group is driving implementation of this plan, with quarterly reporting of actions across all relevant departments and associated agencies.



## Planning

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### **Better Coordinated Planning**

2012 saw a number of developments to assist better planning:

- Publication of *Our Sustainable Future - A Framework for Sustainable Development for Ireland* to identify and prioritise policy areas and mechanisms where a sustainable development approach will add value
- New Local Government reforms provide for the creation of new Regional Assemblies which will, in future, draw up Regional Spatial and Economic Strategies to act as a bridge between local and national plans
- A public consultation held on draft guidelines for planning authorities in preparing and implementing Local Area Plans
- A new, free planning information system for the public has been launched. Myplan.ie provides information relevant to planning including census results, flood mapping, zoning information, heritage sites and patterns of housing development. The site will not only benefit citizens, but will also assist with improved coordination between local authorities and better delivery of public services

# COMMITMENTS UNDER REVIEW

## **Commitments Under Review**

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### **Putting the Household Benefits Package out to Tender**

The Government has received legal advice from the Chief State Solicitors Office, the Commission for Energy Regulation and the Competition Authority, which indicates that it is not possible to put the Household Benefits Packages out to tender. The best possible value for money will continue to be sought from the utility companies, building on the annual savings of €17 million secured from Eircom in 2011.

### **Competitive Tendering for Local Waste Collection Services**

Based on extensive public consultation, advice from the Competition Authority and the outcome of a Regulatory Impact Analysis the Government has decided to preserve the current market structure for household waste collection, with a strengthened regulatory regime.

# APPENDIX 1

## Government legislation enacted since March 2012

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Energy (Miscellaneous Provisions) Act 2012

Health (Provision of General Practitioner Services) Act 2012

Bretton Woods Agreements (Amendment) (No. 2) Act 2012

Euro Area Loan Facility (Amendment) Act 2012

Jurisdiction of Courts and Enforcement of Judgements (Amendment) Act 2012

Clotting Factor Concentrates and other Biological Products Act 2012

Finance Act 2012

Criminal Justice (Female Genital Mutilation) Act 2012

Motor Vehicle (Duties and Licences) Act 2012

Social Welfare and Pensions Act 2012

Protection of Employees (Temporary Agency Work) Act 2012

Education (Amendment) Act 2012

Electricity Regulation (Carbon Revenue Levy) (Amendment) Act 2012

Road Safety Authority (Commercial Vehicle Roadworthiness) Act 2012

Local Government (Miscellaneous Provisions) Act 2012

Competition (Amendment) Act 2012

Thirtieth Amendment of the Constitution (Treaty on Stability, Coordination and Governance in the Economic and Monetary Union) Act 2012

Statute Law Revision Act 2012

European Communities (Amendment) Act 2012

European Stability Mechanism Act 2012

Companies (Amendment) Act 2012

Dormant Accounts (Amendment) Act 2012

Credit Guarantee Act 2012

Criminal Justice (Withholding of Information on Offences Against Children and Vulnerable Persons) Act 2012

Electoral (Amendment) (No. 2) Act 2012

Veterinary Practice (Amendment) Act 2012

Qualifications and Quality Assurance (Education and Training) Act 2012

Criminal Justice (Search Warrants) Act 2012

European Arrest Warrant (Application to Third Countries and Amendment) and Extradition (Amendment) Act 2012

Industrial Relations (Amendment) Act 2012

Microenterprise Loan Fund Act 2012

Wildlife (Amendment) Act 2012

## APPENDIX 1

Gaeltacht Act 2012  
Residential Institutions Statutory Fund Act 2012  
Electoral (Amendment) (Political Funding) Act 2012  
Public Service Pensions (Single Scheme and Other Provisions) Act 2012  
Ombudsman (Amendment) Act 2012  
Fiscal Responsibility Act 2012  
Credit Union and Cooperation with Overseas Regulators Act 2012  
Equal Status (Amendment) Act 2012  
Appropriation Act 2012  
Social Welfare Act 2012  
Civil Defence Act 2012  
Civil Registration (Amendment) Act 2012  
Europol Act 2012  
Finance (Local Property Tax) Act 2012  
Health and Social Care Professionals (Amendment) Act 2012  
Health Insurance (Amendment) Act 2012  
National Vetting Bureau (Children and Vulnerable Persons) Act 2012  
Personal Insolvency Act 2012  
Transport (C oras Iompair  ireann and Subsidiary Companies Borrowings) Act 2012  
Euro Area Loan Facility (Amendment) Act 2013  
Irish Bank Resolution Corporation Act 2013  
Houses of the Oireachtas Commission (Amendment) (No. 2) Act 2013

# APPENDIX 2

## Rationalisation of State Bodies

### Rationalisations fully implemented involving 21 bodies

DEPARTMENT	BODY AND ACTION	STATUS
<b>Education and Skills</b>	Amalgamation of Further Education and Training Awards, Higher Education and Training Award Council and National Qualifications Authority of Ireland and incorporating functions of the Irish Universities Quality Board	Completed Nov 2012 Quality and Qualifications Ireland was established as a new integrated agency replacing 4 Bodies
	Merge Irish Research Council for Science, Engineering and Technology and Council for the Humanities and Social Science into a consolidated single council under HEA.	Merger complete March 2012
<b>Environment, Community and Local Government</b>	Merge Local Government Computer Services Board & Local Government Management Services Board	Completed August 2012.
	Merge 2 Regeneration Agencies in Limerick into Local Authorities	Completed in July 2012.
	Subsume An Comhairle Leabharlanna into existing public body	Completed January 2013 – subsumed by Local Government Management Agency
	Comhar to be integrated into the National Economic and Social Council.	Completed January 2012
	Merge the Affordable Housing Partnership, National Building Agency and Centre for Housing Research into a new body	Completed August 2012 - Housing and Sustainable Communities Agency established
	Discontinue the Dormant Accounts Board	Completed December 2012
<b>Public Expenditure and Reform</b>	Merge Commission on Public Service Appointments with Ombudsman	Completed October 2012
<b>Health</b>	Subsume National Council for Professional Development of Nursing and Midwifery into An Bord Altranais.	Completed December 2011
<b>Transport, Tourism and Sport</b>	Dublin Regional Tourism Authority possible merger into Fáilte Ireland	Completed January 2012.
<b>Defence</b>	Merge Civil Defence Board into Department	Completed December 2012
<b>Justice and Equality</b>	Transfer of Family Mediation Service into the Legal Aid Board	Completed November 2011

## Rationalisations with legislative or administrative changes underway across 82 bodies

DEPARTMENT	BODY AND ACTION	STATUS
<b>Education and Skills</b>	Reduce Number of VECs from 33 to 16	Enabling Bill is currently before Dáil
<b>Jobs, Enterprise and Innovation</b>	Rationalise the industrial relations / employee rights institutions (Labour Court, Labour Relations Commission, National Employment Rights Authority, Employment Appeals Tribunal, Equality Tribunal)	Significant progress has been achieved to date on an administrative basis in building the new two tier-model pending drafting of the legislation the general scheme of which has been approved by Government
	Amalgamate the Competition Authority and National Consumer Agency	Draft Heads of Bill approved and is in the Government's Spring Legislative Programme
	Establish the scope to merge Forfás into the Department of Jobs, Enterprise & Innovation	An Implementation Group, comprising senior management from the Department, Forfás and D/PER is overseeing the integration project.
	Review of 35 City and County Enterprise Boards	The bill to dissolve the existing CEB structure and transfer functions to Enterprise Ireland is in the Government's Spring Legislative Programme .
<b>Justice and Equality</b>	Merge Equality Authority with the Human Rights Commission to form new Commission	The measure is currently being progressed on an administrative basis prior to enactment of the necessary legislation -Draft Heads of a Bill approved
<b>Arts, Heritage and the Gaeltacht</b>	Combine Irish Museum of Modern Art, Crawford Art Gallery & National Gallery of Ireland.	Framework for Cooperation & Improved Services agreed.
	Merge National Archives & Irish Manuscripts Commission, into National Library & shared services with National Museum	New model of shared services and governance developed which will be put into effect on an administrative basis pending enactment of enabling legislation
	Merge functions of An Coimisinéir Teanga with Ombudsman Office.	Necessary legislative proposals to advance this are expected in Q1 2013

## APPENDIX 2

DEPARTMENT	BODY AND ACTION	STATUS
<b>Transport, Tourism and Sport</b>	Merge NRA with Railway Procurement Agency	General Scheme of Bill will be submitted to Government in Q1 2013
	Merger of National Sports Campus Development Authority with the Irish Sports Council	Draft General Scheme of Bill to be submitted to Government in Q1 2013.
	Review Role of Shannon Development (Tourism) and possible merger into Fáilte Ireland	Proposals for merger approved by Government and will be implemented by Q2 2013
<b>Communications, Energy and Natural Resources</b>	Merge the Digital Hub Development Authority with Dublin City Council	Merger implemented on an administrative basis pending legislation
<b>Children and Youth Affairs</b>	Merge back-office functions of Ombudsman for Children with Information Commissioner	Shared services model to be implemented.
	Merge Family Support Agency into new Child and Family Support Agency	Drafting of required legislation is well underway
<b>Health</b>	Merge Opticians Boards with the Health and Social Care Professionals Council	A working Group is advancing this proposal.



Department of the Taoiseach