

Programme for Government
Annual Report 2015

Government for National Recovery 2011-2016

March 2015

CONTENTS

Foreword	5
Statement of Priorities	8
Economy	24
Reform	40
Fairness	50
Progress	74
Commitments Under Review	86
Appendix 1: Government Legislation Enacted since March 2014	87

FOREWORD

Year 4: Securing the Recovery

Four years ago, Ireland faced an unprecedented economic and social crisis: an economy in freefall; banks on the brink of collapse; public finances out of control; thousands of jobs lost every month and Ireland's international reputation in tatters.

A country mired in a Troika bailout programme.

In the face of that crisis, the Irish people gave a clear mandate to a new government - to fix the public finances and get our country working again.

By restoring financial and economic stability, the Government navigated Ireland out of the bailout programme in December 2013.

This time last year, we were able to point to early signs of economic recovery – growing exports and foreign investment and rising job creation. Now - 15 months after the bailout exit- we can say with conviction that the economic recovery has firmly taken hold. The evidence is clear.

- The European Commission forecasts that Ireland will have the fastest growth rate in the EU in 2015 for the second year running.
- The recovery has broadened into the domestic economy, with positive trends in our tourism sector, in retail sales and in consumer sentiment.
- The Government deficit is falling rapidly, from a peak of €22 billion in 2010 to around €5 billion this year – and we are on track to reduce the deficit to well below 3% of GDP this year.

Of course, families don't measure economic recovery in terms of GDP growth rates, bond yields, or Government deficits. What matters are jobs and their impact on people's lives, family finances, and their communities. There is also good progress to report on this front.

Since the Government launched its Action Plan for Jobs in early 2012, businesses have added almost 90,000 jobs to the economy – just 10,000 short of the 2016 target set by Government. And thanks to the Government's Pathways to Work strategy, a high proportion of these jobs are being taken up by the unemployed. Unemployment has come down by a third from 15.1% to 10.1%. Encouragingly, we are seeing significant reductions in the number of long-term unemployed and young people unemployed.

The recovery has not happened by chance. It is the result of the sacrifices and hard work of the Irish people and the ongoing delivery by the Government of its plan for recovery. Over the last year, particular progress was made in the following areas:

- the Live Register is at a 5 year low
- manufacturing growth returned to a 15 year high
- five start up companies were created every day
- Irish food exports are up 45% since 2009, and the Chinese and American markets re-opened to Irish beef
- the €4bn Rural Development Programme was finalised
- a €3.8bn new housing investment plan was initiated

At the same time, it is also clear that the economic recovery remains fragile and incomplete.

We know well that most families in Ireland are only just beginning to feel the benefits of the recovery, and that many have not yet felt the benefits at all. All remain nervous about the risks ahead and the danger of slipping back. Irish families and businesses want and deserve to plan for the future with confidence.

Our commitment to the Irish people is that – under this Government – we are never going back.

Through our Spring Economic Statement next month, the Government will set out a 5-year plan to 2020 to secure and strengthen the recovery. At the heart of our plan will be a commitment to protect the hard-won restoration of our national competitiveness and stability in the public finances. We will ensure that more and more people – in every part of the country – start to experience the economic recovery in their daily lives.

Job creation remains our top priority. We aim to return the country to full employment by 2018.

This is the right priority. Jobs are central to economic and social recovery. They provide purpose, financial independence and the opportunity to provide for family and to contribute to community. More jobs fund better services. More jobs generate the resources to reduce the tax burden on those already at work. More jobs mean the opportunity for our brothers, sisters and children to come home.

To achieve full employment by 2018, we will need to help businesses add at least 40,000 new jobs this year; and to add the same again in 2016, 2017 and 2018 at which point we will have replaced every job lost during the recession with new, more sustainable jobs.

These targets are ambitious and can only be achieved by a Government that makes the right choices. One that protects the strong foundations that have been laid. One that ensures that the hard won recovery is sustained and endures.

We are never going back to the “when we have it we spend it” approach to budget management of previous Governments. We want steady growth, not boom and bust. And we are never going back to the culture of speculation, lack of oversight, wanton waste of public money and blatant disregard for our international reputation. We want fair rewards for hard work, not quick profits for speculation.

As well as supporting job creation, it is also important to share more of the benefits of recovery with those already at work. There is welcome evidence that private sector employers are once again agreeing sustainable pay increases with their staff, aligned to firm-level and sector specific conditions.

For the Government’s part, we have begun the process of cutting the USC and income taxes for workers, with a particular focus on low and middle-income earners. For the first time in seven years, working families are now seeing a modest rise in their take-home pay. We will reduce the burden of taxation further in the next budget.

Well designed tax cuts that reward hard work and enterprise and help create jobs generate the resources we need for better services and more investment.

Strong growth in jobs is easing the burden of taxation for low and middle-income earners. More take-home pay means more money spent on local shops and services, creating more jobs. Our goal for 2015 is to reinforce a virtuous circle of rising living standards, job creation and improving public finances.

These tax changes, combined with the introduction of the Back to Work Family Incentive and increases to child benefit, will be a help to working families still struggling after seven years of cutbacks.

We also need to ensure that as the economy recovers that vulnerable workers who lack bargaining power are paid fairly. That is why the Government is legislating to establish a Low Pay Commission. After the Low Pay Commission makes its first recommendation in July, the Government will respond by the October Budget.

There is renewed optimism in this country and there is a strong basis for this optimism. The recovery that Ireland is now experiencing can be just the beginning of a more sustainable, authentic and fairer phase of long-term economic and social development and prosperity for our people.

The recovery will, if secured, translate into real improvements in people's day to day lives.

But as we have witnessed in other countries, hard-won economic stability, progress and credibility can be too easily reversed.

Without political stability, there can be no economic stability.

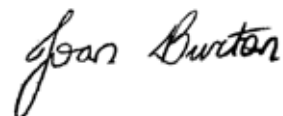
And economic stability is critical to building a social recovery.

For the next year, this Government will continue our work to secure the recovery and strengthen its impact on the daily lives of our people.



Enda Kenny T.D.

Taoiseach



Joan Burton T.D.

Tánaiste

STATEMENT OF PRIORITIES

Key Highlights

Domestic Economy and Jobs for the Unemployed

- 90,000 increase in employment since the launch of the Action Plan for Jobs in 2012
- Unemployment rate down to 10.1%, from a peak of 15.1% in 2012
- Youth unemployment reduced by 30%
- New €7bn Strategic Investment Fund setup to invest in jobs
- New Strategic Banking Corporation established to provide low cost finance to SMEs
- Main works to commence on Luas cross city
- 28,000 places provided under the new Youth Guarantee Scheme
- New €1.2bn EU Cohesion Fund to target unemployment and social inclusion
- New Construction 2020 Strategy to stimulate the construction sector
- New Local Enterprise Offices supporting local jobs and businesses
- New €250m Regional Action Plan to bring job recovery to every region
- New Entrepreneurship Policy to create 93,000 new jobs in start-up companies
- New measures to promote full use of vacant properties and sites
- Supports to get an extra 2,000 businesses trading online
- New roadmap to enhance Data Protection in the Digital Economy
- New Apprenticeship Council expanding opportunities for new apprentices
- New Employment and Youth Activation Charter getting employers to target new jobs to people out of work

Delivering Better Living and Working Standards

- Income tax cuts for all workers targeted at low and middle income earners, from January 2015
- Another 80,000 workers removed from the Universal Social Charge, bringing to 410,000 the total number of low paid workers exempt from the USC
- New Low Pay Commission set up to make recommendations on the minimum wage
- Study commissioned on zero hours contracts
- New Back to Work Family Dividend introduced to support unemployed people with children back to work
- Additional childcare services introduced for those on CE schemes
- Rolled out new Intreo offices nationwide to provide caseworker support for jobseekers
- Rolling out 'Jobpath' initiative to recruit external private sector support to provide caseworker support to 100,000 long-term unemployed in 2015
- €100 water conservation grant payable to all households
- Roll out of the Housing Assistance Payment to replace the rent supplement welfare trap
- Streamlining of workplace relations bodies
- New collective bargaining legislation being drafted

Improving Housing Availability & Affordability

- New Housing Supply Taskforce for Dublin
- New planning legislation to increase construction of new housing
- New Social Housing Strategy to deliver 35,000 new social housing units
- New measures to encourage early delivery of phased housing
- Introduction of use it or lose it planning permission
- Plans to develop 13 sites within Dublin delivering 4,500 residential units by the end of 2016
- Actions to address rough sleeping including 217 extra beds and all Nite Cafe opened
- New measures to get homeless families into housing through the new HAP scheme

Managing the Public Finances

- Re-structured the bailout loans to reduce borrowing requirements by €50bn over the next decade
- Agreement secured from EU partners to replace €18bn of IMF loans with cheaper loans, saving at least €1.5bn
- Continued prudent management of the public finances which has allowed Ireland to exceed budget deficit targets
- New Comprehensive Review of Expenditure completed to update multi-annual expenditure for next three years
- NAMA on course to achieve early redemption of its debt by 2018

Rebuilding Trust in Politics & Public Institutions

- Delivered new local government structures with 60% less councillors
- Proposals for establishment of a new Independent Policing Authority
- Fundamental reforms of the Civil Service announced
- Abolition of Freedom of Information application fee
- Draft guidelines circulated on new Whistleblower provisions
- Launch of new National Open Data Portal
- Complete reform of Family Law legislation published
- Overhaul of State board appointments system
- Working group to advance new Seanad Reforms
- Work underway to overhaul the asylum seeker protection service
- Significant programme of events and capital projects to commemorate 1916
- Publication of a new Diaspora Policy
- Publication of Schools Evaluation Reports
- Continued development of the North-South institutions in line with the Stormont House Agreement

STATEMENT OF PRIORITIES

Strengthening the Domestic Economy & Prioritising New Jobs for the Unemployed

Establish the Strategic Banking Corporation

The Strategic Banking Corporation of Ireland formally launched its initial lending products in February 2015 after officially securing funding of €800m in October 2014. It will operate through both bank and non-bank specialist on-lenders who are required to pass on the lower cost of finance to their SME customers. AIB and Bank of Ireland are the first on-lenders and they are offering SBCI products from 9 March 2015. Discussions are ongoing with a number of other potential on-lenders so that they can come on board in 2015. The initial SBCI products will be supported by a widespread communications campaign involving radio and print from 9 March 2015.

Establish Irish Strategic Investment Fund

The Irish Strategic Investment Fund has been established on a statutory basis under the National Treasury Management Agency (Amendment) Act 2014 with a discretionary portfolio of €7.1bn available for investment to support economic activity and employment in the State. To date, commitments totalling some €1.5bn have been made which has attracted third party co-investment commitments of €2.1bn. Work is underway to develop the Funds investment strategy which will include providing initial funding to the Strategic Banking Corporation of Ireland. The same legislation also established NewERA on a statutory footing.

Develop Dublin as an International City Region

A number of strands to this work are underway to develop Dublin as an international city region including:

- the development of the Dublin Docklands Strategic Development Zone
- the establishment of a new tourism group to implement 'Destination Dublin – A Collective Strategy for Growth to 2020'
- work to deliver the Parnell Street Cultural Quarter and a new Cultural and Heritage Centre at College Green

- work on a number of landmark commemoration projects for 2016 including the GPO Interpretative Centre, a new visitor facility for Kilmainham Gaol, and the restoration of the Kevin Barry rooms in the National Concert Hall

Prioritise Cross City Luas Project

The main contract has been awarded for the design and construction of the Luas cross city scheme with construction of the main works expected to commence in Q2 2015. The current utility works required before the main works are 76% complete. The construction of the line will generate 800 jobs with passenger services to commence in 2017.

Support Area Based Approach to Tackle Child Poverty

Intensive support and guidance has been provided to all thirteen ABC Programme Areas with ten sites now fully operational. A range of programmes and services are being implemented in each ABC area to enhance parenting, early years, literacy and numeracy skills to improve outcomes for children and to assist in breaking the cycle of child poverty within areas where it is most deeply entrenched and where children are most disadvantaged. Other activities relate to integrated service delivery and the embedding of evidence-informed approaches including the development of early identification processes and referral pathways.

Rollout Youth Guarantee Scheme

28,000 places for training, work or work experience have been allocated to the Youth Guarantee initiative with 21,000 young people supported during 2014.

New initiatives progressed include:

- JobsPlus For Youth is incentivising employers to take on under 25s with a reduced qualifying period of four months (1,500 places in a full year)
- First Steps - the Youth Developmental Internship is providing 1,500 ring-fenced JobBridge places with structured learning for the most disadvantaged of young people
- the Experience Your Europe programme is supporting 250 young people to secure training or employment in Europe for at least 12 months to develop their language skills

- one third of the 6,500 places on Momentum 2014 have been reserved for u25s

Youth unemployment has fallen from a crisis peak of 31% to 20.3% in January and the number of young people who are long-term unemployed has fallen from the mid-2012 peak of 35,000 to about 17,000.

Agree EU Cohesion Funding

Agreement has been reached on Ireland's €1.2bn Cohesion funding up to 2020 including the successful negotiation of two special allocations, €100m for the BMW Region and €150m towards a new Northern Ireland PEACE programme. The funding will be used to combat long-term and youth unemployment and social exclusion; promoting R&D investment and the competitiveness of the business sector; and promoting an environmentally-friendly and resource efficient economy.

Publish Planning Legislation to Support the Construction Sector

A new Policy Statement on Planning was published in January to act as a general guiding document for the operation of the planning system and to outline the key values, principles and priorities that should underpin it. The Government has committed to publishing the Planning and Development (No. 1) Bill by Easter with enactment in the summer. Along with the forthcoming Planning and Development (No. 2) Bill these will deliver major reforms of the planning system to support higher standards and aid recovery of the residential and commercial construction sectors. The main reforms include:

- introduction of a vacant site levy
- a requirement for developers to provide up to 10% of their housing units for social housing
- establishment of the Office of the Planning Regulator
- placing on a legislative footing the development of a new National Planning Framework

Publish New Tourism Strategy

A new tourism policy statement 'People, Place and Policy – Growing Tourism to 2025' will be launched shortly and aims by 2025 to increase overseas tourism revenue to €5bn per year and increase those employed in the sector by 50,000 to 250,000.

Enact Climate Change Bill and Reduce Carbon Production

The Climate Action and Low-Carbon Development Bill 2015 has been published setting out the national objective of moving to a low carbon, climate resilient and environmentally sustainable economy up to 2050. The Bill provides for new five-yearly National Mitigation Plans which will set out how our national greenhouse gas emissions are to be reduced, in line with wider international commitments.

The Bill also provides for the preparation of successive National Climate Change Adaptation Frameworks which will outline the national strategy to reduce vulnerability to the negative impacts of climate change, in areas such as flood defence and the protection of communication and electricity infrastructure.

Energy Production

A White Paper on Energy Policy will be published later this year to address the sustainability, security and competitiveness challenges and opportunities in the sector. It is largely being informed by the 1,200 submissions received on the Green Paper, published last May, along with further engagement at stakeholder events. Other developments in the energy sector include:

- implementation of the Offshore Renewable Energy Development Plan published last year
- the establishment of a Steering Group to oversee and coordinate the implementation of the draft Bioenergy Plan
- further public consultation on the Renewable Electricity Policy and Development Framework which seeks to optimise opportunities for renewable electricity generation on land at significant scale

Growing the Agri-Food Sector

Work is progressing on a new 2025 Agri Food Strategy to be published in July. The new strategy will set out the key actions required to ensure that the agri-food sector maximises its contribution to overall economic growth, job creation and environmental sustainability over the coming decade building on the progress achieved under Food Harvest 2020.

STATEMENT OF PRIORITIES

The agri-food sector continues to play an integral part in Ireland's economic recovery and is our largest indigenous industry, contributing €26bn in turnover and generating 12.3% of merchandise exports. The sector accounts for around 170,000 jobs or 9% of total employment, and makes a particularly significant contribution to employment in rural areas. In 2014, food and beverage exports increased to a record value of €10.45bn representing an increase of 9% on the previous year and a 45% increase since 2009. Innovative/expansion ventures progressing include:

- a proposed €90m investment by Dairygold for a new dairy processing dryer in Mallow
- Kerry Foods decision to located its Global Research and Innovation Centre in Naas with a €100m investment
- a €30m investment by Green Isle Foods in its Irish operations
- the opening of €7.8m milk protein facility by Glanbia in Virginia, Co Cavan

Negotiations are ongoing with the EU Commission Ireland on its draft Rural Development Plan 2014 – 2020. The €4bn scheme will be a key support over the coming seven year period in:

- enhancing the competitiveness of the agri-food sector
- achieving more sustainable management of natural resources and
- ensuring a more balanced development of rural areas

Local Enterprise Offices

The County and City Enterprise Boards were legally dissolved on 15th April, 2014 and 31 Local Enterprise Offices (LEOs) were established and open for business on the same day. The reformed structure provides a service which amalgamates national micro and small business enterprise supports and local business supports in order to strengthen the local business culture and environment. The LEOs are about promoting entrepreneurship and self-help and are now the first-stop-shop for those beginning a new business as well as those wishing to expand their existing one, offering direct financial aid as well as other

supports such as mentoring, advice and onward referrals to other support providers. Since their establishment, the focus of the LEOs has been on the development of enhanced customer service, installation of oversight structures, seamless continuity of services including project supports and job creation, training and mentoring of start-ups and business expansion. Provisional returns for 2014 show a strong performance with just over 6,000 clients and almost 3,500 jobs sustained or created in LEO supported businesses.

Publish New Entrepreneurship Policy

The National Policy Statement on Entrepreneurship launched in October aims to support the creation of extra 93,000 jobs in start-up companies over the next five years. Key measures to be implemented through the Action Plan for Jobs in 2015 include:

- doubling the volume of funding to start-ups in Ireland from business angel investment
- a new mentoring service for start-ups
- a new marketing plan to promote Ireland abroad as a location for international start-ups
- measures to promote entrepreneurship among under-represented groups, including women, young people, migrants and older people

Ireland's Best Young Entrepreneur competition was launched in May 2014 with a prize fund of €2m to identify and recognise Ireland's best young entrepreneur. More than 1,000 young entrepreneurs competed in the competition and each Local Enterprise Office identified and invested in the best applicants in their county before the county and regional winners competed for the national title.

Improve the Seed Capital Scheme

The Seed Capital Scheme will be re-launched in the coming weeks as the Start-Up Refunds for Entrepreneurs with simplified messaging and application forms. An app is also being developed to allow individuals to estimate how much tax they could claim back, based on their proposed investments.

Stimulate Investment in Regional and Deprived Locations

An Action Plan for Jobs – Regional was launched in February with details of the Government's 5 year, €250m strategy aimed at accelerating the jobs recovery in every part of the country. The Plan will support agencies and organisations within each region to build on the particular strengths and assets of their area and drive new job-creation strategies and projects. Each of the eight regions will develop its own action plan and IDA Ireland will roll out a 5 year €150m capital investment programme to help attract more multinational jobs into each region. Enterprise Ireland will provide a further €100m to help enterprise to start-up, grow and export through three separate competitive funds.

IDA Ireland has completed the construction of two new 2,674m² manufacturing technology buildings in Athlone and Waterford. In addition, a new office development is near completion by a private developer in IDA Ireland's Business and Technology Park in Letterkenny.

Enhance Regional Economic Planning

The three new Regional Assemblies now in place are responsible for the development of Regional Spatial and Economic Strategies to facilitate enhanced regional economic planning supported and underpinned by a revised Capital Investment Programme to 2020 to be published shortly.

Invest in National Broadband

The national broadband coverage map was launched in November and allows members of the public to identify their premises and see whether high-speed broadband will be provided by a commercial operator or through State intervention. It is expected that the building of the network will commence from 2016 following the publication of an intervention strategy along with a procurement process later this year.

The recently published Global State Of The Internet index positions Ireland's average broadband speed as the fourth best in Europe and the seventh best in the world.

Commercial companies continue to invest in expanding and improving the network. In July, Vodafone and ESB announced an investment of €450m to make fibre optic broadband available to 50 towns of over 4,000 homes or businesses. In October, Eircom announced it was to commence rollout of fibre-to-the-home services to 66 communities in 26 counties.

Remove Perverse Incentives to keep Properties Vacant

The new Local Government Reform Act 2014 provides discretion to the elected members of local authorities to vary the level of rates of refunds for commercial properties that are vacant and four local authorities have chosen to amend their refund rate. DLRC has reduced its rate of refund from 100% to 75%. Galway City and Louth have reduced their rates from 100% to 50% and Limerick has adopted a refund rate of 25%.

Incentivise Use and Development of Vacant Sites

The forthcoming Planning and Development (No. 1) Bill to be published by Easter provides for local authorities to apply levies to property owners in urban centres who leave their sites vacant and underutilised. This levy will allow local authorities to apply an annual levy at a rate of 3% of the market value to the site if the owner does not take steps to develop or put the site to beneficial use. Once in place, local authorities will have the power to apply such levies to vacant sites in urban areas designated for priority development and renewal under their respective local development plans.

Get More Small Businesses Trading Online

Following a successful pilot phase, the Trading Online Voucher Scheme was made available nationwide last July through Local Enterprise Offices. The Scheme aims to get 2,000 more small businesses trading online by end 2015 and offers a financial incentive of up to €2,500 to small and micro businesses to develop their online trading capability. By end 2014, over 550 vouchers had been awarded to individual qualifying businesses and Budget 2015 provided a further €3m to continue the rollout of the Scheme to meet its target by end 2015.

STATEMENT OF PRIORITIES

New Integrated Licensing Application

Following a public procurement process, the Local Government Management Agency is in the final stages of concluding the contract with the preferred bidder to deliver an integrated licensing application service to simplify the process for businesses applying for multiple licences.

Data Protection and the Digital Economy

In October, Government approved a roadmap aimed at ensuring Ireland's approach to data protection in the digital economy is 'best in class' globally. Minister of State Murphy is overseeing the implementation of the roadmap, contributing to a whole of government perspective on data issues. Key measures include:

- the strengthening of the Office of the Data Protection Commissioner (ODPC) with funding doubled in 2015 which will allow the recruitment of 18 additional staff
- the ODPC will be established as a separate office with its own Vote and a Dublin Office will be established to complement the existing premises in Portarlington
- the establishment of a new Interdepartmental Committee on Data issues and related structures for wider dialogue
- dialogue with business and civil society on societal issues arising from the continuing growth in personal data usage and technology
- a forum will be established in the coming months to consider these issues along with advising on how Ireland can become an international leader in data protection, and assess and advise on the potential for development and job creation in the digital economy
- to support this work, a Data Protection Unit was established in the Department of the Taoiseach in November 2014

Reducing Unemployment

The unemployment rate has continued to fall and in February 2015 was at 10.1%, down from 12.1% in January 2014. This compares to a Eurozone rate of 11.2% in January.

The Action Plan for Jobs and Pathways to Work are being implemented as a two pronged approach to tackling the jobs crisis. The focus of the Action Plan for Jobs is on improving supports for job-creating businesses and removing the barriers to employment-creation across the economy, while Pathways to Work is focused on making sure that as many as possible of these new jobs are filled by people from the Live Register.

Since the first Action Plan in 2012, these concerted actions on job-creation are showing tangible results including:

- 90,000 more people in employment
- IDA supported firms increase in employment of 22,265
- EI supported firms increase in employment of 16,420
- Irish exports have risen by €3bn
- on the back of 1.1m extra overseas visitors, employment in the tourism sector has increased by 23,000 and foreign earnings has increased by €1.2bn
- additional high-end ICT skills are increasingly being supplied from within Ireland (from 42% of demand in 2012 to 57% in 2014)
- foreign firms have increased their business expenditure on R & D from €1.8bn in 2011 to €2.1bn in 2014

Pathways to Work Strategy

A new Pathways to Work Strategy was published in October with €1.6bn made available in 2015 to provide approximately 300,000 work and training places. Key objectives in the strategy include bringing a sharper focus on tackling long-term and youth joblessness, improving engagement between Intreo and employers, and improving the financial return to work for unemployed jobseekers with children.

The provision of an integrated and case managed service to clients is now in place in 59 Intreo offices. To end December 2014, some 186,000 unemployed people attended group information/engagement sessions and 169,000 jobseekers attended one-to-one guidance interviews. A new jobs campaign 'Skills to Work' was launched to make it easier for jobseekers and employers to know what State supported skills initiatives are available to them.

In addition to the range of new Youth Guarantee measures introduced:

- in net terms, 100,000 people have left the Live Register to Q3 2014
- the long-term unemployment rate decreased from 7.2% to 5.7% to end of 2014
- youth unemployment has fallen to 20.3% from a high of 31%
- 4,838 persons have been employed with the assistance of JobsPlus of which 4,207 remain in employment to date

JobPath, a new programme of employment activation which will support people, who are long-term unemployed or most at risk of becoming such, to secure and sustain full-time paid employment or self-employment will commence in mid 2015.

New Apprenticeship Model

Following an independent review of the apprenticeship system, an apprenticeship implementation plan was developed and published last June. In November, a new Apprenticeship Council was established and has called for proposals from employers and education and training providers to develop new apprenticeships in areas outside of the current apprenticeship trades. A new website www.apprenticeshipcouncil.ie was also launched. 2014 saw a 40% increase in new apprenticeship registrations over the same figure in 2013 and an 88% increase over 2012 registrations.

Embed the Labour Market Council

The Labour Market Council consists of representatives from leading business, research and civil society organisations which advises the Government on actions which can be taken across Government to increase employment.

In September 2014, the Employment and Youth Activation Charter recommended by the Council was launched. Under the Charter employers commit to

- consider potential candidates from the live register as part of their recruitment process
- provide training/work experience opportunities, and
- provide employability supports including information sessions for jobseekers and guidance in relation to job search, CV preparation and interview skills

Over 65 companies have signed up to the Charter and represent large multinationals and small to medium sized enterprises commitment including Glanbia, PayPal, Irish Hotels Federation and Kepak.

Delivering Better Living and Working Standards

Establish a Low Pay Commission

The Low Pay Commission has been established on an interim basis pending enactment of legislation to put it on a statutory basis. The Commission which held its first meeting on 26 February will examine and make evidence-based recommendations on the national minimum wage and related matters. The appointment of the Chair was in accordance with the guidelines on appointments to State Boards and the recruitment of the eight ordinary members was overseen by the Public Appointments Commission.

Supporting Families into Employment

Intreo Offices have begun accepting applications for the new Back to Work Family Dividend which aims to help those with children including lone parents to move from social welfare into employment. An extra weekly payment of almost €30 per child will be paid for the first year of work with half that paid for the second year. Work is underway on the legislative and operational aspects of the scheme which is due to be completed by April.

Increase Access to Subsidised Childcare

Changes were introduced last July to childcare programmes which extended eligibility for the Afterschool Programme and for participants on Community Employment (CE) programmes.

STATEMENT OF PRIORITIES

A new option now provides subsidised after-school childcare places, with a pick-up service, at no additional cost to the customer. Those on CE schemes will now also receive full support for children in primary school, an increase from the current age limit of 5 years. In order to further achieve better coherence between these childcare supports the parental contribution for the Afterschool Programme has reduced from €20 per week per child to €15 making it more accessible to low income families.

An inter-departmental group has been established to develop a coherent whole-of-government approach to investment in childcare services. It will seek to ensure that all the benefits of childcare investments are fully realised, and that future public investment in childcare will be evidence-based and strategically co-ordinated. It will also look at provision right across the 0 to 6 age group as well as consider the needs of older school-going children and focus on issues around accessibility, affordability, quality and workforce development in the sector. It will report to Government by summer 2015.

Tax Reform

Budget 2015 introduced a comprehensive income tax package including amendments to the Universal Social Charge and Income Tax Rates with the effect of reducing the 52% marginal income tax rate for low and middle income earners by 1%. This is the first instalment of a plan to progressively reduce the 52% tax rate on low and middle income earners while maintaining the highly progressive nature of the Irish tax system.

Amendments to our international tax regime came into effect on 1 January 2015. Changes to our residency rules now require all new companies registered in Ireland to also be tax resident thereby abolishing the ability of companies to use the 'Double Irish' and ensuring our tax regime is aligned with best practice internationally.

Water Conservation Grant

A €100 water conservation grant will be payable to all registered households as a more straightforward means of addressing water issues for everyone on equal terms and will reduce households' outlay on water services both now and in the future.

Introduce Free GP Care

The aim is to have universal GP care without fees for children under 6 years in place in Quarter 2 of this year subject to the conclusion of discussions with the IMO under the Framework Agreement and the subsequent fee-setting process. It is also planned to introduce GP care without fees at the point of access for all persons over 70 years at the same time.

Retain the Free Travel Scheme

The Government remains committed to the retention of the free travel scheme which benefits some 800,000 people in Ireland at an annual cost of €77m per annum.

Roadmap for New Pension Savings Scheme

A high level group has been set up to develop a roadmap and timeline for the introduction of a new supplementary workplace retirement saving scheme. The group will engage with the various sectoral interests including the pensions industry, and will consider the constituent factors involved in constructing an efficient and effective universal retirement savings system. A recommendation will be brought to Government by the end of 2015.

Enact Collective Bargaining Legislation

The General Scheme of the Industrial Relations (Amendment) Bill was approved by Government in December to provide for:

- a definition of what constitutes "collective bargaining"
- guidelines to help the Labour Court identify if internal bargaining bodies are genuinely independent of their employer
- clarity in the process of Trade Unions advancing a claim under the Act
- policies and principles for the Labour Court to follow when assessing those workers' terms and conditions

Reform Workplace Relations Structures

The Workplace Relations Bill 2014 has been published and will deliver a simplified two-tiered structure, amalgamating the current five workplace relations bodies into two - the Workplace Relations Commission which will deal with complaints at first instance, and the Labour Court which will deal with appeals.

The Complaints and Adjudication Solution is scheduled to go live on the establishment day of the Commission in 2015. A panel of external adjudicators have been selected and are currently being trained.

Study on Zero Hour Contracts

The University of Limerick has been appointed to carry out a study into the prevalence and impact of zero hour and low hours contracts. All sectors of the economy are expected to come within the scope of the study with a particular focus on the retail, hospitality, education and health sectors. The study which will cover both the public and private sectors is expected to be completed within six months of commencement.

Improving Housing Availability & Affordability

The Construction Strategy 2020 was published in May and commits to a detailed, time-bound set of actions to support the return of the construction sector to sustainable levels. The central aim of the strategy is to provide homes for people by tripling housing output by 2020 and adding 60,000 jobs to the construction sector over the same period. Key commitments include:

- a new National Framework for Housing Supply and annual statement of projected supply and demand
- the establishment of a Housing Supply Coordination Task Force for Dublin
- the establishment of a High Level Working Group dedicated to issues of sustainable bank and non-bank development financing
- supporting ex-construction workers on the live register

New Planning Legislation

The Planning and Development (No. 1) Bill which will be published by Easter will include new Part V proposals which will require developers to provide up to 10% of their housing units for social housing and remove the ability of developers to account for their social housing commitments through cash payments to local authorities. The proposals will furthermore ensure that the social housing units will be located predominantly on the site of the original developments.

Encourage Phased Development of Projects

The Construction Strategy recommended the support by Dublin local authorities of a 'kick start' initiative for prime development areas where extensive infrastructure investment has taken place. This will include flexibility around early phase densities in new larger-scale developments subject to the achievement of higher densities in later phases to underpin sustainable development. Revised Guidelines on Residential Density were issued to the Dublin local authorities in January 2014 in this regard. The four Dublin Local Authorities have been actively implementing the "kick-start" approach, where appropriate, in the consideration of planning applications, Local Area Plans and Strategic Development Zones. For example, a review of the Adamstown Strategic Development Zone that re-adjusts densities to favour lower densities in early phase development has been undertaken, and Dublin City Council has recently reviewed and adjusted densities in its North Fringe local area plan.

Introduce 'use-it-or-lose-it' Planning Permissions

The forthcoming Planning and Development (No. 1) Bill provides for local authorities to introduce a 'use it or lose it' system of planning permission for housing developments. This will require applicants for planning permission in respect of housing developments of scale (10 houses or more) to indicate their proposed development schedule, and where the development is subsequently not progressed in line with the schedule, without reasonable justification, to reduce the duration of the permission.

New First Time Buyers Schemes

Budget 2015 contained a provision for the refund of DIRT on savings used to purchase a home which runs until end 2017 and applies to savings up to a maximum of 20% of the purchase price of the property. The merits of a new Help to Build and a New Buy scheme were considered but not advanced in Budget 2015.

STATEMENT OF PRIORITIES

Encourage New Mortgage Lenders

Implementation of the Mortgage Credit Directive and the current 3 year exemption from the regulation of bank fees for new entrants should improve the attractiveness of the Irish market to new mortgage providers. A public consultation has concluded on the discretions contained in the Mortgage Credit Directive and analysis of the feedback received is ongoing.

Delivery of a Strategic Development Zone and Residential Development Funding

NAMA is committed to facilitating the funding of Grade A office accommodation and new housing on sites in the Dublin Dockland's Strategic Development Zone (SDZ). NAMA which has a direct interest in 15 sites within the SDZ is working closely with all key stakeholders, including Dublin City Council and IDA Ireland, in respect of its role in facilitating inward investment in Ireland. NAMA is involved in a number of initiatives which have been announced since the adoption of the SDZ:

- planning application to develop the 400,000 sq. ft. Boland's Mill site
- submission of planning permission for a 450,000 sq. ft. office and residential development in the South Docks
- construction of a 50,000 sq. ft. office space at Hanover Quay to commence shortly
- acquisition of a long-term leasehold interest by Oxley Holdings at North Wall Quay with the intention to develop 645,000 sq. ft. of office space and over 200 apartments on the site
- delivery of over 1,000 residential units in 2014 and a further 1,500 units in 2015

Increasing the Supply of Social Housing

The Social Housing Strategy 2020 was published in November 2014 to:

- provide 35,000 new social housing units, over a 6 year period at a cost of €3.8bn involving 29,000 jobs in construction
- support up to 75,000 households through an enhanced private rental sector
- set out a road map to accommodate everyone (90,000 households) on the housing waiting lists by 2020

- establishing the Dublin Social Housing Delivery Taskforce, to focus on the delivery of social housing in the Dublin area
- reform social housing supports

The delivery of the Strategy is over two phases with a Phase 1 target of 18,000 additional housing units and 32,000 HAP/RAS units by end 2017 and a Phase 2 target of 17,000 additional housing units and 43,000 HAP/RAS units by end 2020. Over €800m has been allocated for the housing programme for 2015 which is expected to deliver an additional 2,500 housing units. Work has commenced on both developing PPPs to invest €300m in social housing units by 2017 and setting up an off balance-sheet financial vehicle to provide up to €400m investment in the voluntary housing sector. To further assist the housing bodies in sourcing finance, work is underway in drafting Heads of the Approved Housing Body Regulatory Framework Bill.

Homelessness

Following a Special Summit on Homelessness attended by representatives from the Oireachtas, Government Departments, State Agencies, the four Dublin local authorities, the NGO sector and the churches, an Action Plan to Address Homelessness was put in place in December 2014. The actions constitute an immediate response to the issue of rough sleeping in Dublin and actions which tackle the more systemic issues around homelessness. Progress made to date includes:

- 271 additional emergency beds provided
- a Nite Cafe opened on Merchants Quay to provide food, rest area and showers for those not wishing to enter emergency accommodation
- a service in place to transport homeless persons to emergency accommodation and provide them with the necessary health and care supports
- Dublin City Council has established a Housing Assistance Payment pilot unit to co-ordinate rollout of HAP for homeless households in the Dublin region, sourcing accommodation from the private rented sector
- establishing a single assessment centre for families who are currently in hotels

- four Dublin housing authorities have been directed to allocate 50% of all housing allocated to homeless households and other vulnerable groups for the first six months of 2015

Responsible and Sustainable Management of the Public Finances

Reducing GDP Deficit

Latest forecasts suggest that Ireland will comfortably outperform both the 5.1% deficit limit set under the EDP process and the 4.8% deficit targeted for 2014 by Government. Budget 2015 targets a deficit of 2.7% for 2015, which is prudently inside the 2.9% limit set. Fiscal policy in subsequent years will be implemented in accordance with the new EU fiscal rules which will ensure that the general government deficit will reduce as a share of national income each year.

Complete Comprehensive Review of Expenditure

The CRE Report updating the multi-annual expenditure ceilings for the period 2015 – 2017 was published with Budget 2015. The objective of the Comprehensive Expenditure Review process was to provide the Government with a comprehensive set of decision options that would serve to:

- re-align spending with the revised Programme for Government priorities
- meet overall fiscal objectives
- explore new and innovative ways of delivering Government policy in a reformed public sector

Reducing Ireland's Debt

Following negotiations with EU Finance Ministers, Ireland received unanimous support to repay approximately €18bn in IMF loans which is being replaced with cheaper market funding. To date Ireland has repaid €12.5bn of IMF loans and will repay the remaining €5.5bn in the coming months. The full early repayment of the €18.3bn will result in interest savings in excess of €1.5bn over the lifetime of the loans.

Disposal of Bank Assets

External advisors have been appointed to provide advice on AIB's capital structure and in designing a roadmap that will see the bank start to return cash to the State. This is a necessary step before any decision is made in relation to the sale of the State's investments in the bank.

Accelerated Disposal Strategy by NAMA

During the course of 2014, NAMA redeemed €9.1bn of senior debt bringing the amount of senior bonds redeemed since inception to €16.6bn. NAMA has exceeded the senior debt redemption target it originally set for the end of 2016, two years ahead of schedule. NAMA is committed to redeeming 80% of its senior debt (a cumulative €24bn) by end 2016. On the assumption that current market conditions continue, it is envisaged that NAMA will redeem all of its senior debt and its subordinated debt and will do so whilst covering all of its operating costs and its working capital and development advances.

EU – Jobs, Stability and Growth

Jobs, stability and growth are reflected strongly in the EU Strategic Agenda agreed in June 2014 and further reinforced by the Work Programme adopted by the new Commission, including through the priorities of the Annual Growth Survey that will underpin European Semester 2015. Ireland and others continued to press for a more stable financial environment across the EU in order to facilitate growth and jobs.

Ireland has welcomed the proposal to establish a European Fund for Strategic Investment and is actively contributing to negotiations on its implementation. The European Council has also called for progress in other important areas which can provide a supportive environment for economic growth, including speeding up the adoption of EU legislation in the Single Market area, the negotiation of new trade agreements, and more effective regulation.

We look forward to the Commission's proposals for an improved and updated Europe 2020 strategy, drawing lessons from the first four years of the strategy and ensuring it acts as an effective post-crisis strategy for growth and jobs in Europe.

STATEMENT OF PRIORITIES

Rebuilding Trust in Politics & Public Institutions

Holding Referendums

Preparations are underway for two further referendums to be held in May 2015, one on marriage equality and the other to reduce the age of candidacy for Presidential elections. This will bring to nine the total number of referendums put to the Irish people since 2011.

Constitutional Convention

The Convention on the Constitution ran from December 2012 to March 2014 and produced nine reports, all of which were laid before the Houses of the Oireachtas. The Government has responded in the Dáil to five of the reports, on the Voting Age and Presidential Term; the Role of Women and Women in Politics; Same Sex Marriage; Electoral Reform; and Blasphemy, and has committed to holding referendums in May on marriage equality and on reducing the age of candidacy for Presidential elections. If either of the two referendums is passed it will be the first time that a proposal for constitutional reform put forward by a constitutional convention resulted in actual constitutional change.

Work is continuing on responses to the remaining Convention Reports, on giving citizens resident outside the State the right to vote in Presidential elections: Dáil Reform; Economic, Social and Cultural Rights; and Conclusions and Final Recommendations of the Convention. It is expected that the Government will give its response on these reports in the Dáil over the coming period.

Enact New Freedom of Information Legislation

The new legislation removing the application fee, extending FOI to all public bodies and revoking the main amendments introduced in 2003 was enacted in October 2014. To support effective and consistent implementation of the provisions across all public bodies and departments:

- a new Code of Practice was published
- new guidance on FOI (manuals, sample letters etc.) were developed and published
- a new website was developed www.foi.gov.ie

- an FOI Training Framework was put in place
- FOI briefing sessions for public bodies were held

Protected Disclosures Guidelines

The Protected Disclosure Act 2014 commenced in July and provides a robust statutory framework within which workers can finally raise concerns regarding potential wrongdoing in the workplace without fear of being punished for it. Draft guidelines have recently been circulated to Government Departments for observations before the final version issues.

Enact Lobbying Bill

The Regulation of Lobbying Bill 2014 which will be enacted shortly will provide for establishing and maintaining a register of persons who carry out lobbying activities, provide for a code of conduct relating to carrying on lobbying activities, and impose restrictions on involvement in lobbying by certain former designated public officials. Once enacted, senior Civil Servants, Ministers and Ministers of State along with special advisers appointed under Public Service Management Act 1997 will be designated public officials.

Introduce an Independent Garda Authority

The General Scheme of the Garda Síochána (Amendment) Bill 2014 providing for the establishment of the new Independent Policing Authority has been published and considered by the Justice Oireachtas Committee, in parallel with the priority drafting of the Bill. The legislation heralds the most far reaching reform of An Garda Síochána since the foundation of the State and is a key part of the major justice reform being delivered. The new Independent Policing Authority will strengthen public accountability of the administration of policing services and develop a key role in the future appointment of senior Garda management. Josephine Feehily has been nominated as the first Chairperson-designate of the new Authority.

Civil Service Reform

The Civil Service Renewal Plan was published in October representing a fundamental reform of the Civil Service. The 25 actions in the plan are focussed on delivering practical change that will strengthen capacity, capability, accountability and leadership

throughout the Civil Service. A new Civil Service Management Board comprising the heads of all Government Departments has been established and is driving implementation of the priority actions. Government has approved the terms of reference and appointment process for independent external members for Ireland's first ever Accountability Board for the Civil Service. This Board will be chaired by the Taoiseach and will provide oversight on accountability and performance across the Civil Service system.

Open Government Partnership Membership

Ireland's full membership of the Open Government Partnership was advanced in July with the publication of the first National Action Plan containing 26 commitments towards a more open government. The core objectives of the plan are to promote open data and transparency, build citizen participation, and strengthen governance and accountability to rebuild public trust in Government. Work is underway to set up a multi-stakeholder Implementation and Review Group to oversee the implementation of the National Action Plan.

Publish Open Data Plan

Open Data forms a core element of the OGP and the National Open Data Portal was launched in July containing 418 datasets from 45 public bodies. Work is now underway on developing a National Strategy for Open Data which is due for completion later this year.

Legislate for Role of NewERA on Appointments to the Commercial Boards

Part 2 of the NTMA Amendment Act 2014, commenced in December, giving the required statutory power to NewERA in relation to appointments to commercial Semi State Boards. Under the new State Board guidelines, appointments to the Boards of NewERA companies reflect NewERA's statutory function as a shareholder executive and require ministerial appointments to be made following consultation with NewERA.

Publish Appointments to State Boards

A Revised Model for Ministerial Appointments to State Boards came into force on 1 November and requires that appointments:

- be advertised openly on www.stateboards.ie
- meet specific and detailed criteria for the effective performance of the relevant role
- be processed by way of a transparent system designed and implemented by PAS

New Guidelines are in place setting out how the new appointments process will work in practice and will assist Departments to draw up clear specifications of Board roles.

Seanad Reforms

In early 2014, the Government presented a package of proposals on Seanad reform to the Leader of the Seanad for submission to the Seanad Committee on Practices and Procedures. The Taoiseach established a Working Group on Seanad Reform in November 2014. The Group invited submissions and suggestions from any interested parties with a closing date of 30 January 2015. The Group is due to report to Government by the end of March 2015. In addition, a Bill to implement the 1979 decision of the people to extend the franchise for the university panel is being prepared.

Reform Family Law

The Children and Family Relationships Bill has recently been published addressing the changing nature of family life in Ireland. Provisions include:

- modernising the law regarding the parental rights of children living in diverse family forms
- establishing that the best interests of the child are paramount in decisions on custody, guardianship and access
- setting out how parentage is to be assigned in cases of assisted reproduction
- extending automatic guardianship to non-marital fathers who have lived with the child's mother for at least 12 months, including 3 months following the child's birth
- enabling civil partnered or cohabiting couples to be eligible jointly to adopt a child

Establishing an Electoral Commission

A consultation paper has been published on the establishment of an Electoral Commission and has been referred to the Joint Oireachtas Committee on the Environment, Culture and the Gaeltacht.

STATEMENT OF PRIORITIES

The Committee has been asked to examine the paper, and to consider undertaking a focused and time-bound consultation process on it, and to report back to the Minister with its views on the planned legislation. The consultation paper examines the present system of electoral administration and its costs, sets out principles of good governance to inform the setting up of the electoral commission, analyses recommendations made by other bodies and considers experience internationally with similar structures.

Improving Supports for Asylum Seekers

A Working Group, established in October to examine what improvements should be made to the protection process, including Direct Provision and supports for asylum seekers, is due to report to Government by Easter 2015. The General Scheme of the International Protection Bill to be published shortly and will provide for a single application procedure which aims to reduce processing times and, as a result, the length of time spent in the Direct Provision System.

Coordinate the 2016 Commemorative Events

Ireland 2016 was formally launched in November 2014 to develop, coordinate and deliver a programme to honour and remember those who fought or died in the 1916 Easter Rising, to reflect on our achievements over the last 100 years and to consider where we want to go in the next 100 years. A dedicated 2016 Project Office is currently engaged in a consultation process to progress the development of detailed plans for 2016.

Ireland 2016 will encompass a range of initiatives including:

- €22m in 2015 for seven flagship capital projects - a new interpretative centre at the GPO; restoration works at Richmond Barracks; development of a cultural centre at Pearse's Cottage; a Tenement Museum on Henrietta Street; a new visitor centre at Kilmainham Courthouse and Gaol; renovation of the Kevin Barry rooms in the National Concert Hall; and the upgrading of the Military Pensions Archive building in Cathal Brugha Barracks

- national ceremonies, parades and events will take place to remember those who participated in the Rising
- through our Embassy network, talks, exhibitions, seminars and cultural events will be held to present Ireland 2016 to the world
- an Irish language programme, a schools programme and a series of exhibitions will also be delivered

Diaspora

Following the appointment of Ireland's first ever Minister for Diaspora Affairs, Ireland's new Diaspora Policy has been published. It recognises that Ireland has a unique and important relationship with its diaspora and sets out the role of Government to support and connect with those who have left Ireland. In recognising the important contribution that they have made, the policy facilitates a wide range of activity at local, national and international level to develop two-way diaspora engagement.

Implementation of the actions will be driven by a high level interdepartmental group involving external stakeholders with immediate plans to convene a new format Fourth Global Irish Economic Forum and a separate Global Irish Civic Forum in Ireland later this year to discuss the challenges facing the Irish abroad and to capture the voice of ordinary Irish emigrants.

Strengthen Local Government Funding

Local Authorities are allowed to vary the Local Property Tax (LPT) rate by up to 15% and to retain 80% of the LPT collected locally. Local authorities have been advised of their provisional LPT allocations for 2015 which take into account the decisions of 14 councils to reduce the LPT rates by between 1.5% and 15% for 2015 in their respective areas. 10 local authorities will receive higher levels of LPT income in 2015 which will fund services in the areas of Housing and Roads.

Establish Hospital Groups Funded on an Activity Based Funding Basis

Considerable progress has been made on the recruitment of Hospital Group Executive Management Teams and the implementation of Activity Based Funding (Money follows the

Patient) in acute hospitals. A draft Memorandum of Understanding setting out the respective roles, responsibilities, accountabilities and relationships of the D/Health, the HSE, the Hospital Group Boards and the Hospital Group Academic partners has been circulated for consultation together with guidance on developing Hospital Group Strategic Plans. Both of these will be finalised in Q1 2015.

Prioritise Access to Primary Care

Informed by the two reviews of the Medical Card Scheme, a range of actions are underway to improve the operation of the scheme so as to make it more sensitive to people's needs, especially arrangements relating to the issuing of medical cards on a discretionary basis. A clinical advisory group has been established to develop guidance on assessing applications involving significant medical conditions so as to take account of the burden involved and the needs arising from the condition and to ensure that appropriate services are provided to people who need them.

Publish School Evaluation Reports

A survey conducted last year of all primary and post-primary schools shows that a high number of schools have completed self evaluation reports and school improvement plans, summaries of which are being published and made available to the school community. The survey was repeated in February 2015. Throughout the 2014/15 academic year, school inspections will conduct advisory visits to schools to provide support and to assist schools to embed Self Evaluation as a whole- school involvement process

Protecting & Enhancing Peace in Northern Ireland

Full Implementation of the Good Friday Agreement

In 2014, the Irish and British Governments together with the Northern Ireland Executive parties took part in eleven weeks of political talks, resulting in the Stormont House Agreement. The Agreement covers a broad range of political, social and economic issues and has the potential to advance significantly its twin aims of reconciliation and economic renewal in Northern Ireland. It will progress a number of outstanding aspects from the Good Friday and St Andrews Agreements, including enhancing civic engagement through the establishment of a civic advisory panel by June 2015, and enhancing North/South cooperation. It also proposes a way forward on flags, identity, culture and tradition through the establishment of a commission.

As part of the Agreement, the Government also reaffirmed its commitment of £50m of financial support towards the development of the A5 motorway to improve access to the northwest and allocated €5m to the International Fund for Ireland to support its work on reconciliation in Northern Ireland and the border counties in the South.

Continue to Develop the North-South Institutions

In line with the Stormont House Agreement a report on new sectoral priorities for cooperation was considered at the NSMC Institutional meeting in February 2015 and there will be a meeting of relevant Ministers from North and South in the North West in early 2015 to consider strategic approaches to the development of the region. In the context of the Agreement the Government has also committed to a number of measures which will contribute to economic renewal in Northern Ireland as well as being beneficial to the all-island economy.

ECONOMY

Key Highlights

Banking and Fiscal Policy

- Re-structured the bailout loans to reduce borrowing requirements by €50bn over the next decade
- Early repayment of IMF loans to save €1.5bn
- Ireland continues to exceed deficit reduction targets
- NAMA has provided €1bn in capital development funding for Irish projects with a further €3bn to come
- Bank stress test results demonstrate recovery of Irish banks
- New IFSC Strategy to grow the sector especially outside Dublin
- €250m to support restructuring credit unions
- Oireachtas Banking Inquiry is underway

Jobs Programme

- Action Plan for Jobs 2015 launched to deliver more jobs and strong growth
- 90,000 additional jobs created since Government launched the Action Plan for Jobs in 2012 and on target to reach 100,000 in 2015
- Back to Education expands eligibility to wider group of jobseekers
- €1.1bn funding to support people back to work under Pathways to Work
- Doubling of JobsPlus places to 6,000
- Special focus on improving literacy for jobseekers
- Almost 60,000 new training and education places for jobseekers
- 59 Intreo offices delivering one-to-one supports for 169,000 jobseekers

Increasing Exports

- Exports for 2014 up by 2.4% to €39bn
- Ireland is first EU country to secure beef market access to US and China
- New embassies and consuls opened in priority export markets
- 18 Ministerial trade missions in 2014
- Meat and livestock exports grew by 3% to just over €3.6bn
- The majority of Ireland's producers are now signed up to Origin Green

Innovation and Commercialisation

- New five year Public Service ICT Strategy published
- €245m funding to help establish five new SFI Research Centres
- 3,000 researchers funded across Ireland's higher education sector
- 15 industry led Technology Centres supported
- 25 companies secured €8.5m in contracts with European Space Agency
- Budget 2015 brought in tax measures to attract foreign companies

Supporting SMEs

- Almost €30bn in credit made available to SMEs
- €22.5m in NAMA rent abatements to support SMEs in the retail sector
- New Strategic Bank established to provide low cost finance to SMEs
- New tender advisory service to encourage SMEs to bid for public sector contracts
- Ireland ranked 13th out of 189 countries for ease of doing business

Sectoral Strategies

- Draft regulations published banning unfair trading practices in the grocery sector
- All tourism markets growing with visitors and revenue up by approximately 9%
- New Tourism Policy Statement targeting growth to €5bn per annum by 2025
- New joint British-Irish Visa Scheme launched
- New strategy to increase Canadian visitors by almost 50% by 2016
- Major reforms of the international education sector introduced
- 36% growth in non EEA students studying in Ireland

Energy, Communications and NewERA

- Government agreed joint venture between the ESB and Vodafone to roll out next generation fibre for home broadband to towns nationwide
- 21,500 homes upgraded through better insulation, heating upgrade or retrofitting
- €35m seed funding to support public and private energy efficiency building upgrades
- €100m loan deal for ESB to develop renewable wind energy projects
- NewERA signed into law and sale of State assets led to dividend of €1.4bn for the State
- Draft BioEnergy plan published to maximise commercial opportunities in the sector

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

Enhancing the Sustainability of the Public Finances

Ireland has secured agreement on early repayment of up to €18.3bn of IMF loans, which will result in interest savings in excess of €1.5bn over the lifetime of the loans.

Fixing the Irish Banking System

The recent bank stress test results demonstrate the growing recovery and strengthening of the Irish banking system with AIB, Bank of Ireland and Ulster Bank sufficiently capitalised. While Permanent TSB showed some capital requirement, this will be fully addressed by its Capital Plan. The level of bank deleveraging agreed as part of the Troika Programme has been completed and ECB lending to the system has been reduced to pre-crisis levels.

Credit Availability for SMEs

The quarterly report of the Credit Review Office published in November shows that 56% of appeals have been found in favour of borrows, resulting in €29.7m of credit being made available to SMEs and farms and helping to protect/create 2,091 jobs.

Both AIB and Bank of Ireland have reported substantial increased year on year sanctioning activity for lending to the SME sector in 2014. Permanent TSB is continuing to develop its SME lending capabilities and will recommence actively lending to the SME sector later in the year. PTSB has also agreed to participate in the Credit Review Office process.

The latest Red C SME credit demand survey, covering April-September 2014, finds that 86% of credit applications to the banks were approved. The corresponding figure was 65% in 2011. Central Bank figures show that gross new lending to non-financial, non-property related SMEs amounted to €1.6bn over the first nine months of 2014; this was some €357m higher than the first nine months of 2013.

Disposal of Public Stakes in Banks

Given the significant progress made by AIB in 2014 and the expectations for 2015, work is underway to address its legacy capital structure which would be a pre-requisite to any exit decision. External advisors have been appointed to provide advice on AIB's

capital structure and the best way to monetise the State's investments so as to maximise the return to the taxpayer over time.

Operation of NAMA

NAMA's progress on debt redemption is contributing directly to the improved international sentiment towards Ireland's enhanced creditworthiness as illustrated by recent upgrades to Ireland's credit rating. Key achievements to date include:

- €24.5bn in cash generation since inception with €19.5bn from disposals and €5bn rental income
- €16.6bn of Senior Bonds redeemed
- €1bn in capital development funding for Irish projects with a further €3bn to come
- €22.5m in annual rent abatements to support SMEs in the retail sector
- 15,000 employees directly employed in trading businesses linked to NAMA loans
- Significant construction employment through NAMA development funding
- 5,700 houses and apartments made available for social housing

Market conditions permitting, NAMA is working to dispose of all its assets by 2018 and it hopes to show a surplus by the time it completes its work. NAMA is subject to a high level of public accountability, which includes the publication of quarterly and annual accounts as well as appearances before Committees. With effect from April, NAMA will be subject to Freedom of Information legislation.

Strategic Investment Bank

The Strategic Banking Corporation of Ireland was launched in October with initial funding of €800m secured to provide SMEs with access to long-term and lower cost finance. A major promotion and awareness campaign has been rolled out since February.

Supporting Credit Unions

Two new schemes of support for the credit union sector have been introduced in line with the recommendations of the Commission on Credit Unions to ensure a strengthened and revitalised credit union movement. Under the Restructuring Scheme, the Government has provided €250m to

help restructuring credit unions unable to finance the process themselves. A new Stabilisation Scheme, funded by mandatory contributions from credit unions, will provide stabilisation support for credit unions.

The Credit Union Restructuring Board is actively involved with 147 credit unions in 68 different projects. Of these, 8 credit union mergers involving 20 credit unions have been completed to date and a further 4 proposals involving 12 credit unions are at approval stage and are due to complete shortly.

Development of the IFSC

A new Minister of State has been appointed with responsibility for the International Financial Services Centre, the first time in twenty years and reflecting the importance of the international financial services sector to the Irish economy in terms of growth and jobs. Client companies of IDA and EI currently directly employ over 35,000 people in the sector. The new International Financial Services Strategy will ensure that existing jobs are protected and that the sector is in a position to take advantage of new emerging global opportunities for the remainder of the decade. The Strategy aims to grow the level of direct employment in the IFS sector over the next five years with a focus on building employment in regions outside of Dublin.

Banking Inquiry

A Joint Committee of Inquiry into the Banking Crisis was established by the Oireachtas last November and is the first inquiry to be carried out under the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act 2013. The Committee with a remit to seek to establish the reasons Ireland experienced a systemic banking crisis held its first public hearing in December and proceedings can be followed live on a new dedicated website: <https://inquiries.oireachtas.ie/banking/>. The Committee is expected to present its final report in November 2015.

Jobs Programme

The Action Plan for Jobs 2014 had an overall implementation rate of 91% and continued to improve supports for job-creating businesses and remove the barriers to employment-creation across the economy. Measures advanced during 2014 include:

- the establishment of the Strategic Banking Corporation of Ireland
- significant increase of IDA Ireland's presence in new emerging growth markets
- putting in place a process to develop Regional Enterprise Strategies
- approval of the establishment of a National Health Innovation Hub
- establishment of a network of 31 Local Enterprise Offices
- launch of the national Trading Online Voucher scheme
- preparations for the Year of Irish Design 2015

The fourth Action Plan for Jobs, published in January, includes over 360 specific commitments to be actioned in 2015 to improve the environment for doing business and to support job creation. A new aspect of the Plan is the introduction of impact assessment measures which means that each action can now be measured against objective criteria.

Enterprise Policy 2025

Work is ongoing to develop a longer term Enterprise Policy that will set out the strategic framework for enterprise development and supporting policies through to 2025 and beyond to achieve sustainable full employment, including the priority actions required to address barriers to growth in the immediate term and to put in place the enablers to accelerate growth. The Policy will be published later this year.

Back to Education Programme

The Back to Education programme is a second-chance education scheme for jobseekers, lone parents and people with disabilities in receipt of certain social welfare payments to undertake a second-level or third-level course to improve their education and skills. The programme has been revised in recent years to expand eligibility and improve the application and selection processes. Further developments are underway to orient the Programme to address skill needs of the economy and to prepare jobseekers to avail of emerging job opportunities. For the 2014/15 academic year some 23,000 jobseekers will be supported under the scheme with expenditure projected to be of the order of €150m in 2015.

Labour Market Policy

Work Activation Initiatives

An additional 2,000 Community Employment places were allocated in 2014 bringing the total number to 25,300 places. Budget 2015 provided €1.1bn for a range of working age employment supports, including:

- €22m for new Back to Work Family Dividend
- an extra €10m for Back to Work Enterprise Allowance to support start-ups
- doubling of JobsPlus places to 6,000 with €12m extra funding
- €29m for 2,200 places in the 3 year community-based childcare programme for Community Employment participants
- €12m for the JobPath initiative in 2015, which will match the long-term unemployed with appropriate training and employment opportunities
- €16m extra for Gateway in 2015

By the end of 2014 a total of 36,355 interns and 16,000 companies have participated in the JobBridge internship scheme. In June, a pilot Postgraduate Programme of Professional Practice commenced to facilitate JobBridge placements to level 8 graduates.

Adult Literacy

One of the key goals in the new five year strategy for further education and training (FET) published by SOLAS is to support the active inclusion of people of all abilities in society with special reference to literacy and numeracy. A key action is to devise and implement a strategy to embed literacy and numeracy within FET provision and set targets and objectives to improve literacy and numeracy amongst the adult population. A detailed implementation plan has been agreed and an Implementation Advisory Committee established to ensure effective oversight of this work. Also a new Employment Development Strategy which will include work-based literacy, numeracy and soft skills programmes will be developed during 2015.

Education and Training Places

Additional training and education places have been provided bringing the total new places to over 56,700, including:

- 5,800 places on the FAS Specific Skills Training programme
- over 20,000 places under the four rounds of the Springboard programme
- 2,400 places under three rounds of the ICT graduate skills conversion programmes
- 12,000 places on the Back to Education Initiative since 2011
- 4,000 Post Leaving Certificate places since 2011
- over 6,500 places in Momentum 1 and 6,000 places under Momentum 2

The focus has been on programmes in key economic sectors identified by the Expert Group on Future Skills Needs, including ICT, high-end manufacturing, entrepreneurship and international sales and marketing. The most up-to-date statistics suggest that over 50% of Springboard graduates and 56% of ICT skills conversion programme graduates were in sustainable employment six months after graduation.

One Stop Shop Employment Service

The provision of an integrated and case managed service to clients is now in place across the 59 Intreo offices. To end December 2014, some 186,000 unemployed people attended group information/engagement sessions and 169,000 jobseekers attended initial one-to-one guidance interviews. A new jobs campaign 'Skills to Work' was launched to raise awareness among jobseekers and employers regarding the range of skills initiatives available to them.

Increasing Exports

Goods exported in 2014 at €39bn rose by 2.4%, worth an extra €2bn in value. The key pharma and food areas are showing positive returns with food and live animals exports (+7%) with medical and pharmaceutical products (+5%). Notable increases were recorded in exports to China (+9%), Japan (+4%), USA (+8%) and France (+16%). The Action Plan for Jobs process was based on a strategy of initially targeting the exporting parts of the economy for growth and over the past four years has seen strong performances with almost 40,000 jobs added in those areas.

Sharing Export Expertise

The 2014 review of the Government Trade, Tourism and Investment Strategy, identified seven new “Exploratory and High Potential Markets” to complement the existing 27 priority markets. The recent expansion of Ireland’s diplomatic network was guided by the review and Ireland now has resident embassies in all but one of the Exploratory and High Potential Markets. Local Market Teams in each priority market, chaired by the resident Ambassador, meet regularly to coordinate implementation of local market plans, reports of which are considered each year by the Export Trade Council, including the prospects and potential of the seven new high potential markets.

A number of improvements were made to Foreign Earnings Deduction in Budget 2015 to support SMEs to grow their businesses abroad including:

- extending eligibility to include Mexico, Chile and certain countries in the Middle East and Asia
- reducing the number of days that employees are required to be abroad in a year
- including travel time in order to make it easier for smaller companies to send employees on trade missions

Promoting Ireland Abroad

New embassies have been opened in Thailand, Indonesia, Croatia, Kenya and the Holy See, while new Consulates General have been established in China, Brazil and Texas to strengthen Ireland’s capacity to promote trade, tourism, investment and education in these priority markets.

There were 18 Ministerial trade missions undertaken in 2014 including to the Gulf, USA, South Korea, India, Australia, Switzerland and Turkey. Focus was on a broad range of sectors including, aviation, ICT, education, financial services, life sciences, clean technologies, construction and engineering, food and software services.

A Policy Statement on Foreign Direct Investment in Ireland was published last July. It sets out the strategic direction for foreign direct investment to 2020 and the 14 areas of strategic action needed to enhance Ireland’s attractiveness and business environment in the context of intensified

international competition for investment and talent. A strategic increased investment has commenced in IDA Ireland overseas offices, targeting the creation of an additional 10,000 new jobs over 5 years. The investment programme will see the provision of 35 additional staff posts to IDA Ireland to be deployed overseas including in emerging markets.

Scholarship Schemes

22 scholarships have been awarded by the Higher Education Authority to students from Brazil, China and India under the 2014/2015 round of the Government of Ireland Scholarships. Each scholarship provides a €10,000 stipend and a full fee waiver for one year in return for which they are required to promote Ireland as a centre for international education through social media promotion.

Fáilte Ireland operates the Ireland Scholarship Programme for English language teachers and covers all costs associated with a three-four week recognised teacher training course in Ireland. The intention is that these language educators will become advocates for an English language education in Ireland in promotional campaigns in their home country. This year, three scholarships were awarded to language educators in each of the priority markets of Japan, South Korea and Russia.

The Student Ambassador Programme is aimed at promoting Ireland as a centre of high quality international education and aims to attract international students to study here with the help of students from their own country. This year it included almost 50 international students from 10 countries including USA, India, Canada, China, Brazil, Oman, Pakistan, Palestine, Malaysia and Saudi Arabia, representing 23 higher education institutions across Ireland.

Ireland has signed up to the US Government backed Generation Study Abroad initiative which aims to double the number of US students studying abroad by the end of this decade. The Department will be providing significant funding by way of sponsorship to ensure that Ireland’s message reaches every college in the US. Irish higher education institutions are putting together a proposal which will see the roll out of more than 800 scholarships for such students.

Education in Ireland's online presence has grown significantly since the programme began with over 1m interactions with the brand since 2012.

Innovation and Commercialisation

eGovernment and Cloud Computing

In February, a new five year Public Service ICT Strategy was published. The Strategy will enable the Public Service to use ICT to operate in a more efficient, shared and integrated manner across all of Government by:

- focusing on the sharing of services across Public Bodies delivered through a Government Cloud
- continuing to digitise high volume citizen and business interactions with Public Bodies
- facilitating better sharing of data on a whole-of-government basis
- focusing on improving ICT governance
- ensuring that the necessary resource levels and skillsets are available

Development will now commence on a Strategic Implementation Plan to develop business cases for investment in the various strategic initiatives.

Successor to Strategy for Science, Technology & Innovation

A successor to the Strategy for Science, Technology and Innovation is being developed in order to provide the framework for appropriate strategic direction to enable the delivery and support of effective research that produces outputs of maximum impact for Ireland's economy and society. The new Strategy will be published in mid 2015.

Knowledge Transfer and Innovation

Knowledge Transfer Ireland was launched in May with responsibility for centralising national technology and knowledge transfer activity to make it easier to commercialise State-funded research from all third-level institutes across the country. The key service offered is a web-portal that enables companies to identify experts, research centres and technology-licensing opportunities to benefit their business.

The establishment of this innovation advances the Government's plan to strengthen and standardise

the Irish knowledge transfer infrastructure in which it has already invested €30m through Enterprise Ireland, and working in cooperation with the Technology Transfer Offices in Irish Higher Education Institutes. A further €22m, up to end 2016, has been committed by the Government to increase the capacity of the knowledge transfer infrastructure.

Promoting Investment in Technology, Research, Development and Commercialisation

Funding of €245m is being provided by the Government, in collaboration with industry, to advance the establishment of five new SFI Research Centres in the areas of digital connectivity, communications, medical devices, geosciences, and software. When established, this will bring the number of Research Centres to twelve with an investment of €545m over the next 5-6 years from Government and industry.

Key funding activities by Science Foundation Ireland in 2014 to promote and assist the development and competitiveness of industry, enterprise and employment include:

- SFI funded research in over 900 collaborations, including 460 multinational companies and 461 SMEs
- over 2,500 research partnerships in 68 countries
- an SFI community of almost 3,000 researchers in Ireland's higher education institutes
- supporting early career researchers with the allocation of €23m to 40 researchers
- the launch of the SFI Advance Award to encourage female participation in research
- funding of €47m through the SFI Investigators Programme for 36 proposals, supporting 200 research positions, and involving collaborations with 62 companies
- the largest number of European Research Council Starting Grants awarded to date, delivering funding of €11m to eight Irish researchers
- SFI has partnered with the Irish Cancer Society to jointly fund collaborative research in Ireland focusing on unmet medical needs within the area of cancer
- SFI has established partnerships with the Department for Learning, Education and

Innovation in Northern Ireland and the Royal Society in the UK

Promoting Ireland's Engagement with Innovation Union

Trinity College Dublin and the University of Limerick, with their enterprise partners, were part of the winning consortia for two new Knowledge and Innovation Communities announced by the European Institute for Innovation and Technology, which bring together universities, research labs and companies to form cross-border partnerships. The two partnerships, in the areas of Health and Raw Materials, will become fully operational in 2015 and are an important part of the Horizon 2020 programme.

Establishment of Technology Research Centres

There are now 15 industry-led Technology Centres established in Ireland. Work has advanced in providing for a new Dairy Technology Centre with an investment of €25m announced recently. The new Centre which aims to build a strategic research and innovation base in dairy processing will be established by year end. Enterprise Ireland has also launched an industry consultation phase investigating the possible establishment of a Meat Technology Centre to service these needs of industry. Work by Enterprise Ireland in 2014 to promote collaboration and innovation includes:

- the national entrepreneur development programme, New Frontiers, worked with 137 entrepreneurs to develop their business ideas from potential to real companies
- a \$16m partnership brokered between Irish researchers and the Mayo Clinic which will deliver a pipeline of new medical technology start-up companies over the next five years
- 26 potential medical entrepreneurs supported through the BioInnovate Ireland programme
- 878 collaborative projects supported between companies and Irish colleges
- 25 Irish companies secured €8.5m in contracts to work with the European Space Agency to deliver sophisticated technologies and products
- over 1,700 people attended the first National Innovation Showcase

Managing Intellectual Property

The new Strategy for Science, Technology and Innovation to be published later this year will also address the achievement of a world class Intellectual Property regime through the development of the IP legislative infrastructure and policy to assist in becoming best in class for IP activities, management and in building IP capacity at firm level.

Plans are being developed to put in place a 'Knowledge Development Box' to enhance Ireland's offering to global companies and encourage companies to locate intellectual property in Ireland. It is intended that the Knowledge Development Box will be best in class and at a low competitive and sustainable tax rate and a public consultation process was launched in January on how it will be designed.

The Intellectual Property (Miscellaneous Provisions) Act 2014 enhances the research exemption in our patents legislation to benefit companies engaged in the pharmaceutical sector in Ireland.

Enhance the Tax Regime

To ensure Ireland continues to attract and retain companies of real substance offering real jobs, a number of measures in our corporate tax regime were introduced in Budget 2015 including:

- the removal of the 2003 R&D base year from 1 January 2015
- enhancement of SARP, the special assignee relief programme
- amendments to the Employment and Investment Incentive
- extending the three year corporation tax relief for start-up companies
- extending the accelerated capital allowances scheme for energy efficient equipment for a further three years
- countries relevant for the Foreign Earning Deduction expanded to include a number of countries in the Middle East and Asia

Supporting SMEs

A series of free business communication events 'Taking Care of Business' have been held, where business people can interact with personnel from up to 30 Government Agencies and find out about supports available. Four events have been held to date and 1,150 business people have participated.

A new Supporting SMEs Online Tool was launched in May, to help make small businesses aware of what Government supports are available for them. There are currently over 80 Government business supports which span 27 Departments and Agencies, totalling over €2bn available to SMEs.

A 12 month awareness campaign is also being run on radio and digital platforms to highlight where SMEs and start-ups can find information about the Government supports available to help grow their business.

Reforming Public Procurement

New guidelines were published in April to make it easier for small businesses to bid for work across the entire public sector. In addition, a number of other measures have been introduced to encourage SMEs to engage in public procurement including:

- an SME Working Group has been formed
- changes to the e-Tenders platform
- a programme rolled-out to encourage SME registration on eTenders
- launch of a new pilot Tender Advisory Service
- significant support in driving SME awareness, engagement and training through events such as Meet The Buyer and Go 2 Tender workshops

Reforming Bankruptcy Legislation

The reduction in the bankruptcy period from 12 to 3 years, and the reduction in official costs from €1,400 to €270 have made bankruptcy a more viable option for debtors struggling with debt to return to solvency. By end of 2014, there were 448 bankruptcy adjudications with a total debt involved of more than €581m, compared with a total figure of just 58 adjudications in 2013.

Reforming the Joint Labour Committee Structure

An independent chairman has now been appointed to each of the eight Joint Labour Committees, following on from the restructuring of the Committees in January 2014. Both worker and employer representatives have been appointed to three JLCs (security, contract cleaning and hairdressing) and these JLCs have met with a view to formulating proposals for terms and conditions for those sectors.

Reducing Compliance Costs for Micro Enterprises

Nine of the ten tax measures to support SMEs which were announced in Budget 2013 have been completed. On the remaining measure, taxation of micro-enterprises, a decision was taken following a public consultation not to proceed any further at this stage.

Reducing Government Red-tape on Business

The World Bank's 'Doing Business 2015' has ranked Ireland 13th out of 189 economies for ease of doing business, an increase of four places from last year. Ireland is now in the world's top 10 improvers group, the only EU Member State and the only OECD member to be included. The reduction in the overall administrative burden across Government is now at 20.4%, generating savings of €317m per annum for business.

Food Traceability

Food safety is the cornerstone of the Irish food industry and Ireland's system of traceability has been acknowledged as amongst the best in the world. The robust quality assurance schemes which are in place, along with disease monitoring systems and high animal welfare standards ensure that everyone across the supply chain, from farmers right through to the retailer, work to produce high quality and environmentally sustainable food.

The Food Safety Authority of Ireland carries out the enforcement of food safety and traceability requirements in Ireland through rigorous inspections under contracts with the Department of Agriculture and other agencies including the HSE, Local Authority Veterinary Service and the Sea Fisheries Protection Authority.

Developing a Unique Business Identifier

An expert group concluded that an immediate move to a Unique Business Identifier could be both disruptive and costly for business and State bodies. A group of regulatory enforcement agencies identified that a more effective approach is to use the existing Revenue Customer Number (with 90% coverage). This requires a legal underpinning to allow core business enforcement agencies to match databases and share data and would enable the agencies to initially match all of the businesses on their databases with the Revenue Customer Number. It is expected that the Data Sharing and Governance Bill currently being drafted will provide the means for achieving this.

Financial Services and Credit to Business

Credit Schemes for Businesses

The Strategic Banking Corporation of Ireland was launched in October with an initial funding balance of €800m. The new bank is providing access to flexible funding for Irish SMEs through both bank and non-bank specialist on-lenders. Further schemes providing funding to business include:

- the Credit Guarantee Scheme which has sanctioned 156 facilities with a total of over €21m to end 2014, supporting the creation of 649 new jobs and protecting a further 333 jobs
- the Microfinance Loan Fund has provided over €6m in loans to 430 micro-enterprises to end 2014, supporting 1000 net jobs of which 75% are outside Dublin
- 102 new High Potential Start Up companies were approved for funding of approximately €20m which in turn leveraged private sector investments of over €55m and a three year job commitment of 1,548 jobs
- the International Start-Up Fund to date has supported 38 companies with €5.8m

Developing a Dynamic Venture Capital Industry

In conjunction with Innovation Fund Ireland, Lightstone Ventures, a leading US venture capital fund, has established a \$172m venture capital fund, which will invest in innovative Irish companies in the Life Sciences sector.

The BDO Development Capital Fund, established under the Development Capital Scheme, has invested €8m in Version 1, one of Ireland's fastest growing IT services companies.

Under the Seed and Venture Capital Scheme 2013 – 2018, the Government made commitments of €99.5m in the Technology and Life Sciences sectors. Two of the funds which received commitments have completed their initial fundraising with the first of these launched in January 2015. The Fountain Healthcare Partners Fund II has reached a first close of €85m and will invest in Life Sciences companies.

Sectoral Strategies

Single Farm Payment System

Payments to farmers will be met through the new Basic Payment Scheme. The partial convergence model which was negotiated as part of the CAP reform package will see payment entitlements reach 60% of the average national entitlement by 2019. An additional 'greening' payment will be made to farmers for farming in a way that is beneficial for the climate and the environment, and a young farmer top-up payment will be made in order to encourage the participation of young farmers in the sector.

Dairy and Meat Sectors

The value of meat and livestock exports grew by 3% to just over €3.6bn. Dairy exports also grew by 3% and the end of milk quotas on 31 March 2015 provides Irish dairy farmers the opportunity to expand production for the first time in 30 years. Key progress in 2014 includes:

- Ireland became the first EU country to secure beef market access to the US and China
- additional market access secured for beef and other meats to Lebanon and for sheep-meat to Hong Kong

ECONOMY

- Vietnamese market opened for pork
- Philippines market open for beef, pork and sheepmeat
- launch of Kerry Group's infant formula product in China
- launch of both Avonmore and Kerrygold UHT milk in China

Cooperation in the Agri-Sector

A Beef Roundtable Forum has been established to provide a platform for engagement between farmers, processors and stakeholders in the sector. Four meetings were held in 2014 and agreement was achieved on a range of issues including price transparency, quality payment system, quality assurance, weight and age specifications, and the development of Producer Organisations.

Promote Greater Land Mobility

Following a comprehensive review of Agri-taxation, a number of changes were made in Budget 2015 to promote greater land mobility and create a more favourable environment to enhance Irish farm structures including tax incentives to encourage long-term leasing.

Banning Unfair Trading Practices in the Retail Sector

Following the enactment of the Competition and Consumer Protection Act 2014, draft regulations aimed at regulating certain practices in the grocery goods sector have been published for consultation. Among the areas covered are requirements for grocery goods contracts to be in writing and records available for inspection, openness and fairness in grocery goods dealings and restrictions on unilateral changes to grocery goods contracts and on payment for shelf space, marketing costs, advertising costs, wastage and shrinkage. The new Competition and Consumer Protection Commission will be the independent body to oversee and enforce these regulations.

Developing New Food Businesses

A number of new food businesses have received support and investment through the Food Works programme:

- of the eleven new companies who submitted investor-ready plans in 2013, four have received equity support to date, with a further three in the pipeline for 2015
- in Food Works 2, five companies progressed to the stage where they developed investor-ready plans with two companies having received equity and financial support to date
- Food Works 3 commenced in January 2015 and 18 companies are participating in the programme

Food Academy was rolled out nationally in 2014 to develop small food suppliers' ability to grow in the Irish retail environment from start-up to national listing. Products from over 100 applicant companies are proceeding to a 12 week trial to prove a business case. 30 graduates of Food Academy Start up are now undertaking Food Academy Advance, a follow on programme aimed at achieving regional listing for companies.

Developing a Single Brand for the Agri-food Sector

Over 75% of food and drink export companies and 90% of Ireland's beef production are now verified members of Origin Green, Ireland's unique sustainability development programme. A campaign has also been launched aimed at the dairy sector to bring on board over 18,000 dairy farms. The Origin Green Ambassador Programme has seen ten Origin Green Ambassadors appointed to work placements in 'blue chip' international food and drink companies.

A trade directed promotional campaign has been rolled out with Origin Green shown over 5.5m times as a referral link or advertisement and reaching trade fairs in the UK, Europe, UAE and Asia. Further advertising will be shown over the next two years, in 9 languages, to move the message on from the 'promise' that Ireland is becoming a world leader in sustainably produced food and drink to 'providing the proof' of how Ireland is doing.

Irish Seafood Strategy

A new Seafood Development Programme to be published later this year will set out plans for the investment of €241m of EU and Exchequer funds in the seafood industry. The Programme will include a range of investment measures to encourage

and foster the further sustainable development and growth of our seafood industry, including aquaculture, processing, the fishing fleet and coastal communities.

Since publishing 'Capturing Irelands Share of the Global Seafood Opportunity' Strategy in 2013, Bord Áascaigh Mara has undertaken a number of supporting actions including:

- EU co-funded capital grants for construction and equipping of seafood processing premises with the total approved investment programme for 20 seafood companies of €8m including €2.4m in grant aid
- a Value-Adding Scheme to encourage new product development saw nine companies approved for an overall investment programme of €311,033
- a Category Management Scheme to encourage collective actions and joint ventures saw 15 projects approved with an expenditure of over €1.2m with grants paid amounting to €507,455
- a Graduate placement scheme to enhance the strategic management capability of processing SMEs

Tourism Marketing

Growth was seen from all the main markets with an additional 618,500 (+8.9%) visits to Ireland from around the world in 2014, compared to 2013. Visits from North America increased by 14.7%, Great Britain by 8%, mainland Europe grew by 7.1% and long-haul and developing markets saw an increase of 8.7%.

Revenue generated from overseas visitors continued to grow in 2014 with €2.8bn spent in the first nine months of the year, representing an increase of €241m (+9.3%) on 2013.

In 2014, in excess of 60,000 international business delegates came to Ireland, worth an estimated value of €85m.

A new Tourism Policy Statement 2014 – 2025 is to be published shortly to increase revenue from overseas tourism to €5bn per year by 2025 and to employ 250,000 people in the sector.

A new group, the 'Grow Dublin Tourism Alliance', has been established to implement 'Destination Dublin – A Collective Strategy for Growth to 2020' to compete competitively for market share with other cities across Europe.

New Arrangements for Visitor Visas

The British-Irish Visa Scheme was launched in October and is expected to be hugely positive in promoting tourism, particularly for the key tourism growth markets. The Scheme allows for travel to and around Ireland and the UK, including north and south of the border, on a single visa. It is currently available to visitors travelling from China and India. A formal joint review with the UK will be carried out and both Governments have committed to the worldwide rollout of the Scheme to be substantially completed by the end of 2015.

It has also been agreed for Ireland to share the UK's worldwide network of 200 Visa Application Centres to provide services to Irish visa applicants.

Marketing Campaigns for Long Haul Markets

In September, an €11m promotional campaign was launched, to boost late-season travel from Great Britain, the United States, Mainland Europe, Australia and emerging markets. A new Tourism Ireland strategy 'Canada: Land of Opportunity – A Strategy for Growth 2014-2016', was also launched in September and sets out targets to grow the number of Canadian visitors by +47% by 2016.

A number of tourism trade missions have taken place with the aim of assisting the ongoing efforts of the tourism agencies to increase visitor numbers to Ireland, including Boston, the World Travel Market and the "Flavours of Ireland" events in London.

Ireland has been selected as the first partner country for a Mexico Social Tourism Programme which will see 2m federal employees in Mexico being supported to travel abroad for social tourism.

Niche and Event Tourism

The Wild Atlantic Way was launched last year and is attracting overseas visitors to the West of Ireland. Signage along the 2,500 km route has been completed, and investment in 159 Discovery points. The route is proving popular among key overseas markets such as Britain, the US, France and Germany.

A new pilot programme, the Blueway, has been launched to encourage visitors to engage with the sea by developing trails for water activities such as snorkeling and kayaking at the five Blueway locations in counties Mayo and Galway.

Funding of almost €4m was provided last year in support of over 200 national and regional festivals and events across arts, sport, food and other activities. A number of key events which took place include the Giro d'Italia, The Irish Open, The Dublin Horse Show and the Croke Park Classic.

In December, the Government, in conjunction with the Northern Ireland Executive, announced its support for the preparation of a bid for the Rugby World Cup by the Irish Rugby Football Union. Other future high profile events which have already been secured include UEFA 2020, the 2018 World Amateur Golf Championships and the 2016 Junior Karate Championships.

A new Community Tourism Initiative for the Diaspora was launched last year building on the legacy of The Gathering 2013. The initiative will provide an annual fund of €1m over the next three years to support up to 700 local community-based events and festivals each year.

Strategy for International Education

Three Ministerial led Education Missions took place in 2014 to the Gulf, China and India, each a priority market for international education. Since the publication of the International Education Strategy there has been 36% growth in the number of full time non EEA students in Irish institutions. The first Higher Education System Performance report published by the HEA notes that, the higher education system is broadly on target to have international students accounting for 15% of total full-time student numbers by 2020.

In consultation with key stakeholders, the International Education Strategy 2010-2015 has been reviewed and is being considered by the high level group on international education. The outcomes of this review will be published as part of a new International Education Strategy 2016 - 2020 which will be delivered by the end of 2015.

Attracting More International Students

Major reforms of the international education sector were announced in September 2014 following the closure of a number of private sector colleges. The reforms are designed to protect the consumer and educational interests of genuine international students, to tackle abuse of the labour market and the immigration regime, and to safeguard the strong international reputation of high-quality Irish education providers. The final report of the Task Force established to help students affected by the college closures was published in September and alternative educational accommodation has been put in place for affected students.

Changes have already been introduced to the operation of the work concession, which allows non-EEA students to work. The working year for the concession will be standardised to clamp down on abuse and to make the situation clearer for students and employers alike.

Target High Value Research Students

Postgraduates at honours primary degree level are currently permitted to remain in Ireland for 12 months post study and are free to work without a permit during this period. Following this, those who wish to remain longer are required to obtain an employment permit and this can be applied for during the 12 month post graduation period. PhD students are permitted to be accompanied by family members and there is a scheme for paid scientific researchers which provides for immediate family reunification.

Home Energy Finance

Approximately €57m in funding was provided last year for the various Better Energy and Warmer Homes initiatives supporting the retrofitting of about 3,000 homes, the majority of them in energy poverty. A further 18,500 homes were also upgraded with grant assistance towards the cost of insulation and heating system upgrades. Pilots on Better Energy Financing will continue in 2015, with a view to launching a domestic financing vehicle in 2016, alongside the current grant schemes.

The Energy Efficiency Obligations Scheme, introduced last year, places obligations on larger energy companies to achieve specified annual savings targets across the residential, commercial and energy poverty sectors.

Insulating Public Buildings

A 'pay as you save' model has been introduced through the National Energy Services Framework to support the development of energy performance contracting projects in the public and commercial sectors. The key aim of the Framework is to encourage the development of robust projects which are investment-ready for financing entities such as the National Energy Efficiency Fund.

Ireland's first ever National Energy Efficiency Fund was launched in March 2014 with €35m seed capital available to finance public and private sector client organisations undertaking energy efficiency projects throughout Ireland. By end 2014, the fund which is being managed by Sustainable Development Capital, had closed its first deal and a second round of capital raising completed.

A Public Sector Energy Efficiency Action Plan will be published later in the year and will focus the efforts of the public sector to meet our target of 33% energy efficiency savings by 2020. The Action Plan will be accompanied by an Annual Report on Public Sector Energy Use and the first ever Government Circular on Public Sector Energy Efficiency Requirements.

Establishing Ireland as a Renewable Manufacturing Hub

Ireland ranked 11th in performance in the Global Green Economy Index 2014 and 33rd in terms of how it is perceived to perform. The Action Plan for Jobs 2015 will focus on communicating the performance of Ireland's Green Economy more effectively in order to encourage greater investment in the sector and to explore the potential for the development of new employment opportunities in the Green Economy at regional level as part of the development of Regional Enterprise Strategies.

In June 2014, the Sustainable Energy Authority of Ireland published 'Ireland's Sustainable Energy Supply Chain Opportunity' which examined how well the Irish supply chain is positioned to capture new business as a result of the anticipated investment

in the sustainable energy related products and services needed to meet Ireland's renewable energy and energy efficiency targets for 2020. The report is the start of a process that will seek to capture some of this opportunity in Ireland.

In October, the ESB and European Investment Bank signed a loan facility for €100m which will be used to enable further development of renewable generation by supporting work to connect wind farms in the south-west into the national grid and the construction of five new substations. This is the second part of a total loan facility of €200m with the first tranche signed in December 2013.

Green IFSC

During 2013-2014, the Green IFSC saw partner firms win some €4bn in new funds to be managed, administered or deployed in or from Ireland. In 2015, the Green IFSC will be rebranded and broaden its remit to become the International Sustainability Investment Centre. The ISIC will expand its reach nationwide, and will support a broad range of domestic and multinational corporations involved in international sustainability investments.

Social Enterprise

Development of the Social Enterprise Sector

The Inter-Departmental Group established to consider the recommendations of the Forfás report has met with the Social Enterprise and Entrepreneurship Task Force six times to examine the social enterprise sector. Progress includes:

- inclusion of support for social enterprises in the new Social Inclusion and Community Activation Programme
- the establishment of a Social Innovation Fund with funding of €5m to stimulate innovation
- new Local Enterprise Offices will act as the first-stop-shop to any enterprise, including a social enterprise, that is commercially viable and meets the eligibility criteria
- development of capacity in the sector and inclusion of social impact clauses in public procurement are also being examined

Investment Strategy

Capital Investment

The Government's investment strategy for the period 2015 to 2020 will be published in 2015. It will be a citizen centred strategy and will ensure that the critical economic and social infrastructure needs of the State are delivered in order to ensure continued, sustainable and equitable economic growth.

NewERA

NewERA and Sale of State Assets

NewERA has been put on a statutory footing following the enactment of the National Treasury Management Agency (Amendment) Act 2014. The programme of State asset disposals reached a successful conclusion this year resulting in special dividends of some €1.4bn being paid to the Exchequer.

In 2014, NewERA's work contributed to:

- completion of ESB's disposal of interest in the Spanish tolling plant
- completion of the disposal of Bord Gais Energy for up to €1.1bn
- restructuring of the Ervia Group
- financing of Irish Water
- progressing the partial merger of Bord na Mona and Coillte
- the design and delivery of Ireland Energy Efficiency Investments Plc, a €70m fund to finance energy efficiency projects in the public and commercial sectors

NewERA is currently working with relevant Government Departments to deliver key components of the National Broadband Plan, the draft BioEnergy Plan and Better Energy Financing.

Ireland Strategic Investment Fund

The Irish Strategic Investment Fund has been established on a statutory basis with a discretionary portfolio of €7.1bn available for investment to support economic activity and employment in the State. To date commitments totalling some €1.5bn have been made which has attracted third party co-investment commitments of €2.1bn.

A New Water Network

Irish Water was established in July 2013, and assumed responsibility for water services functions on 1 January 2014. It has responsibility for providing water and wastewater services to domestic and non-domestic customers, and maintaining and operating the public water system. The utility will be financed by domestic and non-domestic water charges, Government subvention and third-party borrowing. Irish Water is currently implementing its 2014-2016 Capital Investment Plan, and has published a 25-year Water Services Strategic Plan, which is currently subject to public consultation. Domestic water charging commenced on 1 January 2015.

In addition to providing water and wastewater services, and managing the public water network, Irish Water is implementing the Programme for Government commitment to a national domestic metering programme. Over 600,000 meters have been installed, which represents over half of the total to be installed under 'Phase One' of the metering programme. By the end of 2014, over 513,000 meters had been installed, over 60,000 higher than the end-of-year target. As of end of January 2015, approximately 1,250 jobs were being sustained by the metering programme. 82% of these jobs were held by workers in one of three social inclusion categories: employees of SMEs; employees from the Live Register; those who had been apprentices, graduates or school leavers.

Next Generation Broadband

The national broadband coverage map was launched in November and allows members of the public to identify their premises and see whether high-speed broadband will be provided by a commercial operator or through State intervention. It is expected that the building of the network will commence from 2016 following the publication of an intervention strategy along with a procurement process later this year.

A 21st Century Smart Grid

ESB Networks is responsible for the safe and efficient operation and development of the network that provides electrical connection to all 2.4m premises in Ireland. Network efficiencies are being delivered through a number of initiatives:

- over 53% of the rural medium voltage networks has been converted to operate at 20kV instead of 10kV thus improving efficiency by a quarter, with further improvements planned
- continued network refurbishment and conductor upgrading programmes across the systems have a positive contribution to increasing efficiencies
- implementation of automated fault isolation and supply restoration technologies which minimise the impact of faults and outage duration to customers

Bio-Energy and Forestry

The commercial operations of Bord na Móna and Coillte are to be streamlined and refocused to establish a joint venture, Bioenergy Ireland. This new venture will focus on the areas of, biomass supply, wind energy, shared services, recreation and tourism.

A draft BioEnergy plan was launched in October and will shortly undergo Strategic Environmental and Appropriate Assessments, including a public consultation, which will inform the content of the finalised Plan. A cross-departmental/agency Bioenergy Steering Group has been established to oversee and coordinate the implementation of the draft Plan.

Fiscal Policy

Achieving 3% of GDP Deficit Target

The latest forecasts suggest that Ireland will comfortably outperform both the 5.1% deficit limit set under the EDP process and the 4.8% deficit targeted by Government. Budget 2015 targets a deficit of 2.7% for 2015, which is prudently inside the 2.9% limit set under the Excessive Deficit Procedure process.

Reviewing the Universal Social Charge

Budget 2015 introduced a number of changes to the Universal Social Charge (USC) including increasing the entry threshold which will remove 87,000 people from the charge altogether. Other measures include reducing both the higher and lower rates of USC by 0.5% to 3.5% and 1.5% respectively, introducing a new 8% rate for incomes in excess of €70,000 and an 11% rate for self-employed incomes in excess of €100,000.

REFORM

Key Highlights

Constitutional and Political Reform

- Referendum on Marriage Equality to be held in May
- Referendum on the age of Presidential Candidates will also be held in May
- If passed, this will be the first time that a proposal put forward by a Constitutional Convention results in a Constitutional change
- New State board appointments system in place

Oireachtas Reform

- The Banking Inquiry has commenced under the new system of Oireachtas inquiries
- New rules requiring all new proposals for legislation to be considered by Oireachtas Committees
- Seanad reforms Working Group established to advance Seanad reform
- Number of Dáil sitting days have increased by 33%
- Use of Guillotine in Dáil was reduced by 75% in 2014
- New provisions for second stage debates leading to almost four times more Private Members Bills being introduced

Overhauling Politics

- Freedom of Information provisions restored and extended to all public bodies
- New laws protecting Whistleblowers commenced
- New legislation advanced to regulate lobbying
- Work underway to establish an Electoral Commission
- Publication of Ireland's first Open Government National Action Plan

Reforming Local Government

- Establishment of Local Enterprise Offices in every county to support and coordinate State support for small local businesses
- New local government structures in place with 60% less councillors
- Rebalancing of powers between elected councils and chief executives
- New regional assemblies set up to prepare new regional strategies
- New independent Audit Commission to oversee local government performance
- Rollout of new shared services for local government
- New public participation networks set up giving the public a say in local policy making

Europe

- Blue Star Programme renewed to communicate a better understanding of EU
- Review of Oireachtas scrutiny of EU legislation underway
- Additional resourcing provided to support Oireachtas committees

Public Sector Reform

- Public sector staff reduced by 25,400 since end 2010
- 90% of planned state body rationalisations complete
- Peoplepoint delivering shared services for 26,000 Civil Service staff
- Public bodies now have greater autonomy over staffing levels
- External Service delivery of public services being implemented
- 1.2m Public Service Cards issued with over 300,000 being used to access free travel
- Publication of a new ICT strategy for the Public Service
- New proposals for data sharing in the public sector have been developed

Civil Service Renewal

- New Civil Service Renewal Plan published
- New Civil Service Management Board established and driving implementation of the priority actions
- New Accountability Board is to be set up with external members to oversee Civil Service performance
- Key priorities include actions on open recruitment and performance reviews for Secretaries General

Context for Reform

Constitutional Reform

The Convention on the Constitution ran from December 2012 to March 2014 and produced nine reports, all of which were laid before the Houses of the Oireachtas.

The Government has responded in the Dáil to five of the reports, on the Voting Age and Presidential Term; the Role of Women and Women in Politics; Same Sex Marriage; Electoral Reform; and Blasphemy, and has committed to holding referendums in May on marriage equality and on reducing the age of candidacy for Presidential elections. If either of the two referendums are passed it will be the first time that a proposal for constitutional reform put forward by a constitutional convention resulted in actual constitutional change.

Work is continuing on responses to the remaining Convention Reports, on giving citizens resident outside the State the right to vote in Presidential elections: Dáil Reform; Economic, Social and Cultural Rights; and Conclusions and Final Recommendations of the Convention. It is expected that the Government will give its response on these reports in the Dáil over the coming period.

Overhauling Politics and Government

Restoring the Freedom of Information Act

The Freedom of Information Act 2014 came into effect in October and has restored and enhanced FOI provisions including:

- the extension of FOI to all public bodies and provision to extend to non-public bodies that are in receipt of significant public funding
- the removal of the €15 FOI application fee for non-personal requests
- search, retrieval and copying fees to only apply where the work involved exceeds 5 hours
- a new Code of Practice published to assist all public bodies to enhance their capacity to deal effectively and consistently with FOI requests

Whistleblowers Legislation

The Protected Disclosure Act 2014 commenced in July and provides a robust statutory framework within which workers can finally raise concerns regarding potential wrongdoing in the workplace without fear of being punished for it. Key measures include, scope for protection of a disclosure made prior to the legislation coming into effect; the availability of interim relief if an employee is dismissed for having made a protected disclosure; and strong protections against the disclosure of a whistleblower's identity.

Regulation of Lobbying

The Regulation of Lobbying Bill 2014 passed all stages in the Dáil and is advancing through the Seanad. It will ensure greater transparency in making publicly available who is lobbying whom about what. Once enacted, senior Civil Servants, Ministers and Ministers of State along with special advisers appointed under Public Service Management Act 1997 will be designated public officials.

Oireachtas Inquiry System

In 2014, Standing Orders were introduced in the Dáil and Seanad to provide the framework to establish Parliamentary Inquiries under the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act 2013. The Committee of Inquiry into the Banking Crisis was established under this new system in May 2014 and held its first meeting in June 2014. The Banking Inquiry's Terms of Reference were approved by the Dáil and Seanad in November 2014 and the Committee held its first Public Hearing on the 17th December 2014. The Committee has taken evidence from 16 witnesses to the 4th March 2015.

Establishing an Electoral Commission

A consultation paper has been published on the establishment of an Electoral Commission and has been referred to the Joint Oireachtas Committee on the Environment, Culture and the Gaeltacht. The consultation paper examines the present system of electoral administration and its costs, sets out principles of good governance to inform the setting up of the electoral commission, analyses recommendations made by other bodies and considers experience internationally with similar structures.

Legal Services to the State

In 2015 the Office of Government Procurement will run a competitive tendering process for solicitor services. Extra staff resources have been provided to the Law Offices to reduce the State's dependence on a limited number of legal firms for legal advice, promote consistency of approach and reduce interstate agency litigation. In addition, the Law Offices have put in place enhanced mechanisms for the rigorous examination of claims from the legal profession.

The Statute Law Revision Project

The Statute Law Revision Bill 2015, which will be published very shortly, provides for the second phase of this ambitious project which will see 5,788 pre-independence Government regulations and orders revoked, representing the largest repealing of obsolete laws ever undertaken in the history of the State.

Dáil Reform

Increased Dáil Sitting Times

The number of Dáil sitting days have been significantly increased by reducing the length of Dáil breaks at Christmas, Easter, bank holidays and the summer and introducing regular Friday sitting days. The present Dáil sat 31 days more per year (33%) with an average 124 sitting days per annum since 2011 compared to an average of 93 days per annum in the same period for the previous Dáil. The reduction in the length of Dáil recesses also means that Deputies no longer have to wait an unreasonable length of time to receive a reply to a PQ. During the past 12 months a total of 44 Bills were enacted, a list of which is set out at Appendix 1.

Enhancing the Role of Committees

The role of Oireachtas Committees has been enhanced through the Pre-Legislative Stage process, Committee Reports being debated in the Dáil, and legislation to introduce an Oireachtas Inquiry structure among other reforms. The Pre-Legislative Stage before the relevant Oireachtas Committee is now a requirement for all non-emergency legislation and a Minister is required to provide explanation to the Dáil if it does not take place. This allows for unprecedented and extensive engagement by the

public in law making. The Committee can consult with citizens with expertise in the area, civic society groups and other interested groups - before the legislation is drafted. There were 41 cases of pre-legislative scrutiny by Joint Committees between March 2011 and February 2015, 37 of which have been completed and reports issued on their findings.

Committee and Private Members Bills

The Dáil now sits every second Friday for four hours to allow for a two hour debate of a Private Member's Bill, followed by a two hour discussion of Committee Reports the first Friday and a two hour debate on two Private Members Bills the second Friday. This has encouraged a rapid growth in the number of TDs introducing their own Bills from 14 PMBs published by TDs in 2010 to 53 published in 2014. 82 Private Members Bills have been debated in the 31st Dáil to the 6th March 2015 compared to 16 debated in the 30th Dáil. 21 Committee Reports have been debated in the 31st Dáil to 6th March 2015 compared to 9 debated in the 30th Dáil.

Reducing the Use of the Guillotine

The increase in Dáil sitting days per year and the increased length of each individual sitting day has provided additional time in the Dáil to debate legislation. As a result of this and the specific reforms introduced in 2013, the use of the guillotine has been significantly reduced. Just 3 Bills were guillotined in the Dáil in 2014 down from 12 in 2013 and from 19 in 2010.

Investigations, Oversight and Petitions Committee

Since the Public Petitions System was launched in September 2012, the Committee has received 129 petitions from members of the public on a range of issues. Under its Public Service remit each office of the Ombudsman must submit its annual report to the Committee with seven Ombudsmen appearing before the Committee in the past year - the Ombudsman, Garda Síochána Ombudsman, Pensions Ombudsman, Financial Services Ombudsman, Defence Ombudsman, Ombudsman for Children and An Coimisinéir Teanga.

More Effective Financial Scrutiny

Public Sector Accounting

While the majority of public service bodies already produce accrual accounts, the transition of all accounts to an accruals basis is being managed in the context of the development of financial management shared services and developments at EU level regarding the harmonisation of accounting standards.

Performance Budgeting

As part of the Performance Budgeting Initiative, information is presented for each Government Department under each Strategic Programme contained in the Department's Statement of Strategy. This includes human and financial resources allocated, the services and outputs delivered as well as data relating to the context, impacts or results of the Programme. The advantage of this approach is that it presents such information in a structured manner to the Oireachtas and is publicly available in the Revised Estimates and on the Ireland Stat website.

Oireachtas Scrutiny of the Estimates

The Oireachtas Commission has assigned six policy advisors, the majority of whom are graduate recruits, to provide analysis and research support to Committees involved in the scrutiny of Estimates.

Additional Powers for C&AG

Arising from recent reviews of both the C&AG and the Local Government Audit Service, discussions have taken place regarding appropriate mechanisms to enhance coordination of, and cooperation on, audit work.

The National Parliament and the European Union

Communicating Europe to the Irish People

The Blue Star Programme has been renewed for a second 3 year period, from 2014 – 2017, to foster a better understanding and knowledge of the European Union amongst Irish primary pupils. Over 200 schools and approximately 15,000 pupils have participated to date and the intention is to

increase this over the coming three years. The Blue Star Programme Teachers were recently awarded the European Parliament Citizens Prize 2014. The Communicating Europe Initiative provides grants to local community groups, NGOs, academic institutions, etc to encourage projects with a focus on public communications on the EU.

Committees to be Supplemented by a System of Rapporteurs

In March 2014, the Oireachtas Commission in its Annual Resource Plan approved significant additional resources for both the Committee Secretariat and the Library & Research Services to support the reforms introduced to the Oireachtas Committee system. These additional resources have strengthened the capacity of Oireachtas Committees to undertake new functions including the Pre-Legislative Stage of Bills. The involvement of rapporteurs in Oireachtas Committee Reports is also becoming a more regular feature. Where a Committee member has a particular interest in an area they can now, in agreement with the membership of the Committee, work on developing a report. Reports completed last year include Childhood Obesity, Recognition of Traveller Ethnicity, and Hearings in Relation to Domestic and Sexual Violence.

Enhanced Role for Committees in EU Scrutiny

The mainstreaming of scrutiny of EU legislation across sectoral Committees has led to greater engagement and more focused oversight of Departments' EU business, including the transposition and implementation of EU legislation within their remit. The Interdepartmental Group on EU Engagement, chaired by the Minister for European Affairs, is presently engaged in a review of Oireachtas scrutiny procedures with a view to making practical recommendations including on the issue of better transposition practice and Regulatory Impact Analyses.

The Seanad has over the last 12 months engaged with the EU Commission on developing structures under which the Seanad would review the Draft Annual Work Programme and this is set to commence in 2015.

Reforming Local Government

Local Government Reform

The 2014 local elections saw 949 councillors elected across the country to the new structures, down from 1,627 outgoing councillors. There was also a reduction of local authorities from 114 to 31, involving the merger of Limerick city and county councils, Waterford city and county councils and North and South Tipperary county councils, as well as the dissolution of the 80 town councils and other subsidiary bodies.

Rebalance of Executive Functions

New governance arrangements have come into effect giving elected councils greater policy development powers and stronger oversight of the implementation of policy by the executive, including the requirement on the Chief Executive to submit monthly management reports. Some 30 additional reserved functions are being assigned to the elected members rather than the executive, including those in the key areas of revenue raising, economic development and the role of the municipal districts. Elected members now have the power of decision over the appointment of the Chief Executive following the independent selection procedures of the Public Appointments Service.

Regional Planning

The new regional assemblies were established on 1 Jan 2015 and are tasked with preparing Regional Spatial and Economic Strategies by 2016. These will be aligned with wider government policies as well as taking account of key investment plans of the departments and agencies allied to the wider commercial sector. The participation of the relevant agencies, particularly the enterprise agencies, in the formulation of the strategies will ensure that the planning, promotion, coordination and integration of their specific sectoral interests are to the forefront in regional and local economic planning and development.

Audit of Local Government Performance

The National Oversight and Audit Commission was established on 1 July 2014 under an independent chairperson and will report publicly to relevant Ministers and Oireachtas Committees. It is a key part of the reform process legislated for by the Local Government Reform Act 2014, ensuring independent scrutiny of local government performance.

Shared Services for Local Government

To date, 34 operational areas have been examined for potential as a shared service with progress made including:

- the Payroll/Superannuation Shared Services centre began operating in 2014 with 10 local authorities now live and with a target of 25 by the end of 2015
- the new online Building Control Management System went live in March 2014 and is now successfully operational in all 31 local authorities, processing 4,000 commencement notices to date
- shared management services from 30 to 21 fire services is underway
- a Strategic Procurement Centre has been established

Re-investment of Efficiency Savings

New arrangements have been announced for delegated sanction for management of staffing numbers, subject to agreed commitments on pay ceilings and meeting ongoing reform and efficiency objectives. Where savings are achieved, these can be reinvested in recruitment or promotion of staff, subject to certain restrictions.

Devolving Greater Decision Making to Local People

Public Participation Networks have been set up in each local authority area to enable the public to take an active formal role in relevant policy making and oversight committees. Following registration of interested groups, plenary meetings have taken place or are taking place across the various local authorities.

REFORM

Local Community Development Committees, comprising public and private sector members, have also been established for the purposes of developing, coordinating and implementing a coherent and integrated approach to local and community development including:

- preparing the community elements of a 6-year Local Economic and Community Plan
- coordinating, managing and overseeing the implementation of local and community development programmes as part of implementing the Plan

Fixyourstreet.ie

In 2014, a total of 10,923 local community issues were reported for follow up by local authorities to 'fixyourstreet.ie' with Litter and Illegal Dumping being the most common (32%), Roads and Path Defects (26%), Street Lighting (21%), Tree and Grass Maintenance (12), Graffiti (4%), and Leaks and Drainage (5%).

Public Sector Reform

Public Sector Reform

The recent progress report published sets out the considerable progress made in the area of Public Service Reform during 2014, including:

- HR and Pensions Shared Services are being delivered for 26,000 employees across 21 organisations
- Payroll Shared Services are being delivered for 21,000 payees across 22 organisations
- Over 1.2m people have been issued a Public Services Card, nearly a third of which can be used to access free travel
- the new Irish Passport Card, for travel within the European Union, was launched in January 2015 and is the first of its kind in the world
- 90% of the planned mergers or rationalisation of State Bodies are complete
- the Office of Government Procurement continues to drive efficiencies and best practice in public procurement saving the taxpayer about €100m over the last two years

- a Property Asset Management Plan setting out measures to deliver efficiencies in the State's property portfolio is currently being implemented
- a number of new services are now being provided externally including the Revenue call centre for the Local Property Tax and provision of employment services to 160,000 long-term unemployed
- a new ICT strategy for the Public Service was published in January 2015

Public Sector Numbers

According to latest CSO figures, total public sector employment excluding semi-state bodies has reduced by 25,400 from the end of 2010 to end of 2014. The estimated reduction in the Exchequer pay bill since 2011 is €1.4bn. In Budget 2015, Government announced the ending of the moratorium on recruitment and a new approach to recruitment. In line with the reform agenda to give greater autonomy for public bodies to manage their own staffing levels, delegated sanction for management of staffing numbers will be given, subject to agreed commitments on pay ceilings and meeting ongoing reform and efficiency objectives.

Open Government

Ireland's full membership of the Open Government Partnership was advanced by the publication of the first National Action Plan in July which contains 26 commitments towards a more open government. The core objectives of the plan is to promote open data and transparency, building citizen participation and strengthen governance and accountability to rebuild public trust in Government. Work is underway to set up a multi-stakeholder Implementation and Review Group to oversee the implementation of the National Action Plan. Implementation of the Plan to date includes:

- the launch of a national Open Data Portal containing 418 datasets from 45 public bodies
- restoring and enhancing Freedom of Information
- raising awareness of whistleblower duties and responsibilities
- advancing legislation on regulation of lobbying and ethics reform

Public Service Accountability

The report of the Independent Panel on Strengthening Civil Service Accountability and Performance made a number of recommendations to strengthen accountability which were integrated into the Civil Service Renewal Plan published in 2014. Government has approved the terms of reference and appointment process for independent external members for Ireland's first ever Accountability Board for the Civil Service. This Board will be chaired by the Taoiseach and will provide oversight on accountability and performance across the Civil Service system. The publication annually by each Department of who does what and to whom they are answerable along with other actions will help strengthen corporate governance in the Civil Service and strengthen the performance management process for senior managers including Secretaries General.

Top Level Appointments in the Civil Service

The Top Level Appointments Committee with an independent chair comprising of a majority of private sector members made 23 appointments to senior positions in the Civil Service during 2014. A review of the effectiveness of the process and the suitability carried out by the Public Appointment Service highlighted overall satisfaction levels with the people being appointed to TLAC level posts. However the findings indicate that there is room for improvement in terms of attracting suitable applications from the private sector and wider public sector.

Regulatory Impact Assessments

All Government Departments are required to conduct Regulatory Impact Analysis when proposing changes to the regulatory framework. Also, pre-legislative scrutiny has been introduced as part of the Government's political reform programme, enabling the Oireachtas to scrutinise draft legislation at an early stage, and providing a further opportunity to consult civil society and advocacy groups, stakeholders and experts on policy options under consideration.

Reformed Incentive System for Civil Servants

While bonuses and financial incentives for Civil Servants remain prohibited, the Civil Service

Renewal Plan highlights the value of rewarding exceptional performance by staff and recommends the introduction of an annual Civil Service Excellence and Innovation Awards to recognise and celebrate success, in particular, innovative and impactful team initiatives.

Waste

Establish Shared Services

The Payroll Shared Service Centre delivers payroll, pensions and travel and subsistence payments to 21,000 individuals across 22 Public Service Bodies and handles 70,000 payments every month. By the end of 2015, it will provide services to almost 5 times that number i.e. 95,000 payees across 39 Public Service Bodies. Last year, a further 3 public service bodies moved over to PeoplePoint, the HR and Pensions Administration Shared Service, which now services more than 26,000 employees across 21 Public Service Bodies.

Rationalise State Bodies

The programme of rationalisation of State Agencies has been substantially achieved, with more than 90% of the bodies to be merged or rationalised now completed. When fully completed there will be 181 fewer State Bodies operating in the Public Service as a result of the Programme. Recurring annual savings of over €15m annually are accruing to the Exchequer, with a further €2.8m in once-off revenue arising from the disposal of property. Further annual savings of €9m will be achieved by 2018, as the full year efficiency savings from some of the measures are realised. In addition about €40m of annual savings will accrue to the local authority sector on foot of the reform and rationalisation of the local authority structures which took effect in May 2014.

External Delivery Service

All Government Departments and major offices have completed an External Service Delivery Plan to progress opportunities for outsourcing delivery of non-core processes, with the objective of reducing costs and focusing staff resources on priority areas. Significant projects progressed so far include:

- Revenue Commissioners' call centre for collection of the Local Property Tax

- administration of the RSA's driving licence applications
- the Department of Social Protection's Jobpath scheme
- administration of SUSI, the third level grants administration process and
- data collection for the CSO Quarterly National Household Survey

“Choice and Voice” for Service Users

Public Bodies to Set Their Own Staffing Needs

In line with the reform agenda to give greater autonomy for public bodies, including schools and hospitals, to manage their own staffing levels, delegated sanction for management of staffing numbers will be given, subject to agreed commitments on pay ceilings and meeting ongoing reform and efficiency objectives. Where savings are achieved, these can be reinvested in recruitment or promotion of staff, subject to certain restrictions.

Empowering the Civil Service

Civil Service Renewal

Building on the work of the Independent Panel on Strengthening Civil Service Accountability and Performance and the work of the Civil Service Renewal Taskforce, the Civil Service Renewal Plan was launched in October 2014. The Plan was also informed by an extensive consultation and engagement process with staff across the Civil Service and a range of stakeholders in Ireland and internationally. The Plan is a major part of the Government's Public Service Reform programme and represents a fundamentally reform of the Civil Service.

The 25 actions in the Plan are focussed on delivering practical changes that will strengthen capacity, capability, accountability and leadership throughout the Civil Service. A new Civil Service Management Board comprising the heads of all Government Departments and major Offices is meeting monthly to strengthen the collective leadership of the Civil Service and to drive implementation of the Plan including the delivery of priority actions within 200 days.

Accountability

The Independent Panel on Strengthening Civil Service Accountability and Performance clearly set out that its recommendations on accountability and performance could be implemented without the need for legislative change and that the potential of the Public Service Management Act 1997 should be fully exploited.

The Government have approved the terms of reference and appointment process for independent external members for the first ever Accountability Board for the Civil Service. This high level accountability mechanism, chaired by the Taoiseach and balanced with ministerial, Civil Service and external membership, will have an overall governance role across the Civil Service to strengthen accountability and performance.

The changes to be implemented in the Renewal Plan include setting a common governance standard in order to strengthen corporate governance in the Civil Service in line with international best practice.

Performance Management

The Renewal Plan contains a number of specific actions designed to strengthen the performance management process, including measures to ensure that underperformance is identified and addressed consistently by managers at the earliest opportunity. This will include steps to renew and simplify the current performance management systems and processes and putting in place a robust performance review process for senior managers. This will be accompanied by measures to strengthen supports for staff around learning and development and putting in place supports for managers to effectively manage staff performance.

Reviewing the Grading Structure of the Public and Civil Service

Action 16 in the Renewal Plan is intended to simplify organisational and grade structures in the Civil Service so that all roles and responsibilities are clear. This will support Departments to become more agile and responsive to demands.

Data Sharing

A policy paper on Data Sharing and Governance was published last August for public consultation. The paper set out key elements of proposed legislation and outlined the benefits of effective data-sharing between public bodies while taking account concerns relating to data protection, data quality and integrity. The outcome of both the consultation process and a public information event held last November have been considered and work is almost complete on a General Scheme of the Data Sharing and Governance Bill which is expected to be approved by Government shortly.

FAIRNESS

Key Highlights

Health

- Health spending vote moved from HSE to the Department of Health
- Hospital groups have been established and rollout of new funding model continues
- New measures introduced aided stabilisation of the private health insurance market
- Publication of the White Paper on Universal Health Insurance
- Publication of Keane report and roll out of new approach to allocation of medical cards
- Finalisation of arrangements for rollout of free GP care
- New Care and Welfare Regulations introduced for the nursing home sector
- Project Brief for the new Children's hospital approved
- Work underway to replace the Central Mental Hospital with a new forensic facility
- New National Dementia Strategy launched
- New Suicide Prevention Strategy to be published shortly
- Review of Mental Health Act completed
- New €34m Symphysiotomy Payment Scheme agreed
- Extension of BreastCheck to women over 65
- Policy proposals developed on Assisted Human Reproduction
- €2.9m funding to promote organ donation

Education

- 2,500 early years staff funded to secure new required qualifications
- New early years inspectors ensuring standards are met
- €43m supporting over 25,000 pre-school children in disadvantaged areas
- New teacher training reforms advanced
- New system of school self evaluations in place
- €60m for 900 extra teachers, 480 resource teachers and 365 SNA posts
- 811 additional fully qualified Maths teachers being provided
- 73% rise in Higher Levels Maths uptake at Leaving Cert
- Ireland's education system ranked 9th in a new global report
- A new English specification for junior cycle introduced
- New Right to Read campaign launched
- New Digital Strategy for schools to embed technology in teaching and learning
- 42 new major school projects built in 2014 providing 13,000 new school places
- 614 prefab units replaced across 217 schools
- Nine new schools opening under new patronage process 2014/2015
- New model being developed for allocating teaching resources for students with special educational needs
- Institute of Technology groups progressing to becoming technological universities
- New performance compacts agreed with universities setting out agreed targets
- Expert group established to develop options for future funding of higher education
- 1,000 new students commenced studies in 2014 at new DIT Grangegorman campus

Housing

- New Social Housing Strategy to deliver 35,000 new social housing units
- €30m spent returning 2,300 vacant local authority units to social housing
- 200 new homes delivered under urban regeneration schemes in Limerick and Dublin
- 110,000 mortgages in arrears have been restructured by banks
- 547 approved arrangements through the Insolvency Service of Ireland
- Application fees suspended for debt solutions
- A further 278 unfinished housing developments resolved
- 271 additional emergency beds delivered for the homeless

Justice

- New Independent Policing Authority announced
- First ever open recruitment of Garda Commissioner and Deputy Commissioners
- Major structural changes to Gardaí announced
- Recruitment of 300 new Garda recruits
- 125 Gardaí freed up from immigration functions
- 370 new Garda vehicles purchased to support Gardaí
- New DNA database to become operational this year
- New legislation to provide for roadside drug testing
- New Court of Appeal established with 1,500 cases transferred to it
- New laws to reduce the use of imprisonment as a sanction for unpaid fines
- Recommendations from the Penal Policy Review Group being implemented
- New legislation to strengthen post release supervision of sex offenders
- Work advancing on new legislation to address domestic violence

- All 526 cells in Mountjoy prison to have in-cell sanitation by May
- Garda text alert scheme extended nationwide

Social Issues

- Increases to child benefit and living alone allowance in 2015 and Christmas bonus for welfare recipients in 2014
- New laws to repossess local authority houses from those engaged in anti-social behaviour
- First ever Public Health Bill tackling alcohol misuse
- Pharmacy Needle exchange programme exceeds service provision target
- A new Anti-Fraud Strategy published and 20 Gardaí assigned to tackle welfare fraud
- Introduction of the new Housing Assistance Payment on a phased basis
- New Irish Human Rights and Equality Commission established
- New measures to improve gender balance on State Boards
- New legal framework for people requiring assistance in decision making

Health Service Reform

The Government is committed to the major agenda of health reform set out in the Programme for Government and the policy statement, Future Health. In particular, key reforms are being advanced in areas such as extending a universal GP service on a phased basis, improving the management of chronic diseases, implementing key financial reforms including Activity Based Funding, and embedding hospital groups as a critical enabler of improving patient quality and efficiency.

Progress achieved in the programme of health reform during 2014 included:

- establishment of hospital groups and appointment of Chairpersons and Group CEOs
- publication of a review paving the way for the establishment of new Community Health Organisations
- passing of legislation to disestablish the vote of the Health Service Executive and provide for funding of health services through the Office of the Minister for Health
- further development and implementation of Activity Based Funding (also referred to as Money Follows the Patient) by the Healthcare Pricing Office
- preparations for the rollout of free GP care
- review and reforms of the medical card system
- new measures to stabilise the private health insurance market

Oversight of Health Reform

The enactment of the Health Service Executive (Financial Matters) Act 2014 has put in place a new statutory financial governance framework for the HSE and new Service Plan approval arrangements.

This is intended to strengthen the accountability of the HSE to the Minister for Health and the Department of Health with funding for the HSE now being provided through the Vote of the Office of the Minister for Health.

Universal Health Insurance

The White Paper on Universal Health Insurance which sets out the model of UHI for Ireland

was published in April 2014. Following a public consultation on the White Paper, an independent thematic analysis of the submissions received has been finalised and published. In addition, a major costing exercise for UHI is underway, led by the ESRI, the HIA and others, and it is expected to have initial costings in the second quarter of 2015 which will assist in developing proposals on the next steps.

Cost of Private Health Care

A series of measures designed to address rising premiums and make health insurance as affordable for as many people as possible have been announced. These include a reduction in Stamp Duty rates and the Health Insurance Authority Levy, the introduction of Lifetime Community Rating and special lower premiums for young adults. These measures are closely aligned to the recommendations made in the two reports published by the independent chairman of the Consultative Forum on Health Insurance. After a number of years of a fall, the number of people covered by health insurance increased by over 8,500 in the second half of 2014 and further significant increases are expected in 2015.

Emergency Departments, Delayed Discharges and Hospital Waiting Lists

2014 was a challenging year for the health service with resource pressures affecting the positive improvements made in recent years on hospital waiting times for both scheduled and unscheduled care.

Budget 2015 allocated €25m to social care and community services to alleviate delayed discharges in Acute Hospitals across the country through a multifaceted approach. This response includes provision of additional long stay care places under the Nursing Homes Support Scheme, increasing the number of step-down beds, more Home Care Packages and an expansion of the community intervention team service.

In setting his priorities for 2015, the Minister for Health has set an immediate target to reduce by a third the number of patients with Delayed Discharges and the number of patients on trolleys in Emergency Departments waiting for admission for over 9 hours. He also intends HSE to develop and implement a plan to address waiting lists

during 2015, with a focus on very long waiters so that by mid-year, nobody will wait longer than 18 months for in patient and day case treatment or an outpatient appointment, with a further reduction thereafter to no greater than 15 months by year end (whilst maintaining focus on existing Government waiting list targets in the medium term).

Primary Care

Medical Cards

Over 1.9m people, or 42% of the population, are covered by either a medical card or a GP visit card at an overall cost of €1.5bn per annum. Arising from the review initiated by Government and the appointment of an Expert Panel on Medical Need for Medical Card Eligibility (Keane Report), a number of measures have been initiated to improve the operation of the medical card system, particularly for people with significant medical needs. The medical card system is now operating in a more sensible and sensitive manner. The number of medical cards issued, where the HSE has exercised discretion, has increased by 54% from approximately 50,000 at the start of 2014 to 77,000 at the end of 2014.

Free GP Care

The Health (General Practitioner Service) Bill 2014 which paves the way for a universal GP service without fees for children under six years has been passed by the Oireachtas. A new Framework Agreement agreed in June 2014 opened the way for discussions between the Department of Health, the HSE and the IMO on a draft contract followed by a fee-setting process. Government also approved the drafting of legislation to provide a GP service without fees for all persons aged 70 years and over. The aim is to implement both of these services in Quarter 2 of 2015.

GP retention

A Strategic Review of Medical Training and Career Structure completed in 2014 made 25 recommendations, which addressed a range of barriers and issues relating to the recruitment and retention of doctors (including General Practitioners) in the Irish public health system.

The HSE is working to deliver a medical workforce planning model in 2015 applicable to all medical

specialties, including General Practice, which aims to provide greater clarity in relation to future opportunities for medical graduates and a more dynamic approach to trainee intake, including GP training places, based on service needs and requirements.

Increase Number of Practice Nurses

Of the 17 Nurse Specialists posts approved to support the phased implementation of the Integrated Care Diabetes Programme, 16.5 posts have been filled with a recruitment process ongoing in relation to the unfilled half post. These nurses are working with GP practices focused on progressing integrated care and playing a key role in the development of clinically sound collaborative links between primary care and secondary care providers. They will also be an essential resource in empowering patients to achieve optimum diabetes control. Under the GMS GP Contract, contracted GPs receive practice support payments towards the employment of practice nurses. The discussions on a new GP contract will pay a particular focus on enhancing the role of the practice nurse in the delivery of services to GMS patients.

New GP Contract

The new Framework Agreement also makes provision for discussions to commence on the overall GMS contract while work on the under 6 contract is progressing. The HSE, Department and the IMO have recently commenced talks on a new GP contract. A priority of these discussions will be the inclusion of chronic disease management for patients.

Universal Hospital Care

White Paper on Universal Health Insurance

The White Paper on Universal Health Insurance which sets out the model of UHI for Ireland was published in April 2014.

Retaining VHI in Public Ownership

Following a ruling of the European Court of Justice, Government agreed to proceed with all necessary steps to bring the VHI to the point of authorisation, including proceeding with a formal application for this purpose. VHI submitted its application to the Central Bank of Ireland on 16 May 2014 and significant progress has been made towards achieving

authorisation. VHI's readiness for authorisation including any capital requirements will be determined by the Central Bank, as the independent regulator, after its assessment of VHI's application. VHI has indicated that it expects to be in a position to self-fund any capital requirements without recourse to Exchequer funds.

Hospital Groups

Following the establishment of seven hospital groups on an administrative basis, considerable progress made on the recruitment of all Group CEOs and Hospital Group executive management teams. The focus for 2015 will be on getting the groups up and running as cohesive entities and on the development of group strategic plans.

Activity Based Funding

The new hospital funding model is now operating in 38 of the largest hospitals in Ireland in respect of in-patient and day-case activity and is being phased in to ensure operational stability in hospitals. This will drive new efficiencies by ensuring a fairer system of resource allocation where hospitals are paid for the quality of care they deliver based on agreed activity performance targets. Significant work has been undertaken to improve the timeliness of hospital activity coding with over 1.5m annual cases or 95% now being coded within the 30-day target. Appropriate governance arrangements and new IT systems have also been put in place. A Strategic Framework and Implementation Plan of this activity based funding model for the coming years is nearing completion and will be backed up with robust monitoring and reporting systems.

Introduction of a National Licensing System for Hospitals

Work is underway on the development of a mandatory licensing system for public and private health service providers, to be operated by the Health Information and Quality Authority. It is proposed to adopt a phased approach which will see HIQA's remit under the Health Act 2007 extended to the private healthcare sector.

A Licensing Working Group will be convened in 2015 to focus on the practical implementation and operation of the licensing system and work through any issues with a view to finalising the Heads of the Licensing Bill.

Services for Older People

Care for Older People

In 2014, the HSE spent €130m providing home care packages to over 13,000 people and €185m providing approximately 10.3m home help hours to over 47,500 people.

HIQA has proposed an update to its 2009 National Standards for Residential Care Settings for Older People and these are under consideration. Standards are underpinned by the Health Act 2007 (Care and Welfare of Residents in Designated Centres for Older People) Regulations, 2013 which came into effect last July and which contain provisions that must be adhered to by all nursing homes, both public and private.

HIQA published an overview report on its regulatory programme for designated residential centres for Older People based on the 814 inspections carried out during 2013 of 565 centres, 78% of which were unannounced. While it is clear from the report that further improvement is required, the Chief Inspector noted significant improvements in the quality of care provided since HIQA commenced its regulatory function.

Fair Deal

The 2014 budget for the Nursing Homes Support Scheme was €939m which supported 22,360 people in long-term full time residential care. An additional €10m was provided for the Scheme for 2015 which has allowed for the provision of an additional 300 long-stay beds as part of the Fair Deal scheme. These were put in place in the opening weeks of the year. The review of the Nursing Homes Support Scheme is at an advanced stage and will be published shortly.

Integrated Care

Integration of Care

The Community Healthcare Organisations Report set out plans for a comprehensive reorganisation of health services outside the acute hospital system. This involved the 17 Integrated Service Areas being replaced by nine Community Healthcare Organisations, which will provide the maximum proportion of care to people in the communities where they live and achieve joined-up, integrated services. The new structures will have a strong focus on building good linkages with the acute hospital system so that people's care pathways are appropriately planned and their needs met in the right setting. Information sessions with key stakeholders have taken place in local areas and an interim Working Group is developing an Implementation Plan to guide the change process over the next 18 months.

Cost Control

Reference Pricing and Greater Use of Generics

Since June 2013 the maximum price of all new medicinal products reimbursed under the community drug schemes are set in accordance with new criteria set out in the Health (Pricing and Supply of Medical Goods) Act 2013. By Q4 2014, generics accounted for 87% of the total off-patent market, well ahead of the original 60% target set for end 2014 and is on track to generate approximately €50m savings in 2014 and a further €25m in 2015. The Agreements reached in 2012 with the Irish Pharmaceutical manufacturers and suppliers realised gross combined savings estimated at €273m in 2013/2014.

Savings in Procurement

The total procurement savings achieved by the HSE in 2014 is approximately €31m.

Capital Developments in Health

Capital Spend in Health

In 2014, some €291m was spent building, equipping, enhancing and replacing hundreds of health infrastructure projects across the country. This

funding facilitates the opening of a range of new health facilities during 2014, including additional primary care centres, the refurbishment and upgrading of community nursing homes and new and refurbished accommodation for mental health services. Significant radiation oncology projects are in design phase at Cork University Hospital and Galway University Hospital. Construction and fit-out of the National Emergency Operations Centre, Tallaght, which is the new Control and Command Centre for the National Ambulance Service was completed in 2014 and became operational in early-2015.

New National Children's Hospital

The Project Brief for the new children's hospital has been approved setting out the scope, size, estimated cost and programme timelines for the hospital. Capacity is planned to include:

- 384 in-patient beds including 62 critical care beds, all in single en-suite rooms
- 85 daycare beds
- 14 theatres in total
- 111 outpatient consulting examination rooms in the hospital and satellite centres
- ED and urgent care facilities in both the new children's hospital and satellite centres

The leading architectural firm BDP has been appointed to design the hospital with Irish partners O'Connell Mahon Architects with a view to submitting a planning application to An Bord Pleanala by the middle of 2015.

Work is in progression on the relocation of the National Maternity Hospital from Holles Street to the St Vincent's campus and it is anticipated that a planning application will be submitted to An Bord Pleanala by Q4 2015.

Mental Health

Vision for Change

The HSE National Service Plan 2014 saw the commencement of a series of reforms across the community mental health services, primarily designed to reconfigure the General Adult and Child and Adolescent Teams for an integrated,

recovery-focussed model of care. This included a desktop review of the implementation of A Vision for Change which identified areas which needed to be further developed e.g. improved workforce planning, streamlined recruitment, information systems and capacity for response. Work will continue during 2015 to prioritise outstanding actions, aim for more integrated service delivery and identify gaps in services.

The 2015 budget for mental health services is €792m, this includes an additional €35m allocated in Budget 2015 for the continued prioritised development of mental health teams and specialist services, including psychiatry of old age. At the end of December 2014, there were 114 General Adult teams, 63 Child and Adolescent teams, 25 Psychiatry of Old Age Teams, 3 Child and Adolescent Day Hospital Teams and 3 Liaison Child and Adolescent Teams. By December 2014:

- 75% of accepted referrals / re-referrals to General Adult Community Mental Health Teams were offered a first appointment and seen within three months
- 96% of accepted referrals / re-referrals to Psychiatry of Old Age Mental Health Teams were offered a first appointment and seen within three months
- 73% of accepted referrals / re-referrals to Child and Adolescent Mental Health Teams were offered a first appointment and seen within three months

Approximately 86% (764 / 893) of the combined 2012 and 2013 posts for mental health had taken up duty at the end of 2014. The €20m allocated to mental health for 2014 will allow the Mental Health Division of the HSE to commit to approximately an additional 260 to 270 posts.

Implementation of Reach Out

Work is being finalised on a new strategic framework for suicide prevention for the period 2015 - 2019, building on the comprehensive work delivered under the current Reach Out strategy. The process also incorporates a review of the implementation of Reach Out, a public consultation process, and a review of the evidence base for suicide prevention initiatives. The new strategic framework for suicide prevention will underline

the importance of a collaborative approach by a broad range of stakeholders to promote a better understanding of and attitudes to mental health and suicidal behaviour in our families and communities. Following finalisation and approval, a cross-departmental framework will be required to oversee its implementation. Specific initiatives for suicide progressed during 2014 include:

- Samaritans national freephone number (116123) launched
- new national social marketing campaign entitled #Littlethings
- new website www.yourmentalhealth.ie detailing all mental health services and supports
- new suicide crisis assessment services by specially trained nurses in 8 hospital emergency departments
- increase in the number of Resource Officers for Suicide Prevention from 10 to 16 to coordinate action on suicide prevention within communities
- training of a further eight new teams (four adult and four child and adolescent teams) delivering specialist therapeutic service for people who have a history of deliberate self-harm
- a 'Community Resilience Fund' has been established to support local HSE Suicide prevention initiatives
- online education programme in suicide prevention is being rolled out to GPs and Practice Nurses

Modernising our Psychiatric Institutions

Work is underway to replace the Central Mental Hospital with a new, modern forensic facility following the recent decision of An Bord Pleanála to grant the project Strategic Infrastructure Development status. This project will see the provision of a new 120 bed Adult Forensic Hospital at Portrane, together with a 10 bed Forensic Child & Adolescent Unit, and a 10 bed Forensic Mental Health Intellectual Disability Unit on the same site. A total of 19 older psychiatric hospitals across the 4 HSE regions have either closed completely, or have closed to new admissions.

Care of Elderly Patients Under the Mental Health Services

The forthcoming Capacity Bill and the recently completed review of the Mental Health Act 2001 will put in place an appropriate legislative framework for dealing with individuals, including the elderly and those with an intellectual disability, whose capacity may be in question and who are admitted to or detained in approved centres for treatment. Current arrangements for dealing with the group known as the 'compliant incapacitated' are acknowledged to be inadequate for a modern mental health service.

One key priority of the Housing Strategy for People with a Disability 2011 – 2016 is to assist those with intellectual disability who are in the care of the mental health services, move away from residential institutions to community based settings under the care of community mental health teams. One of the new special provisions funded from the additional funding secured for mental health was the strengthening of community mental health teams for older people and mental health intellectual disability teams. An additional €125m has been provided for mental health generally since 2012.

Promoting Good Mental Health

The Department of Health recognises the need to adopt a joined-up cross-departmental approach to mental health and works closely with various Government Departments across a range of areas including housing, employment and education. Work progressed includes:

- the Housing Strategy for People with a Disability 2011 – 2016
- new guidelines to support primary schools in promoting mental health and well-being
- the development of a ten-year Comprehensive Employment Strategy for people with disabilities including those with mental health issues

End the Practice of Placing Children in Adult Psychiatric Wards

The total admission of children and adolescents to adult psychiatric wards has dropped from 217 in 2007 to 89 in 2014. There are currently 54 Child and Adolescent Beds in the country which will also help to reduce the practice.

Review of the Mental Health Act 2001

The Report of the Expert Group established to review the Mental Health Act 2001 has been published and sets out 165 recommendations mainly relating to mental health legislation. The changes seek to ensure the necessary safeguards for mental health legislation are robust and in line with best practice moving away from a paternalistic approach to one where the individual has the final say in what they deem to be in their best interests. Work will commence on the General Scheme of a bill to reflect the necessary legislative changes.

Other Health Priorities

National Dementia Strategy

A National Dementia Strategy was launched in 2014 and sets out a number of principles to underpin the provision of care and supports for people with dementia including:

- encouraging the participation of people with dementia in society and in their own communities as fully as possible for as long as possible
- the prioritisation of end-of-life care in an appropriate setting for those with dementia
- appropriate training and supervision for all those caring for or providing services to people with dementia
- directing resources to provide the best possible outcome for those with dementia, and for their families and carers

A joint initiative with the Atlantic Philanthropies to implement significant elements of the Strategy over the period 2014-2017 represents a combined investment of €27.5m to support a programme of Intensive Home Supports and Homecare Packages, additional dementia-specific resources for GPs and public awareness programmes.

Symphysiotomy Payment Scheme

The Surgical Symphysiotomy Payment Scheme commenced on 10th November 2014 and applications are being assessed by former High Court Judge Maureen Harding Clark.

Some €34m has been made available for the scheme and participants receive awards at three levels - €50,000, €100,000 and €150,000. The Scheme was designed to be simple, straightforward and non-adversarial, and aims to minimise the stress for all women concerned.

The Scheme also caters for women who underwent a surgical symphysiotomy or a pubiotomy in the State between 1940 and 1990. 574 applications had been accepted by the Symphysiotomy Payment Scheme so far with €6.8m paid out to date.

Extension of BreastCheck

BreastCheck, the national breast screening programme, offers free mammograms every two years to women aged 50 to 64 years.

It is now in its 15th year of screening and has provided almost 1m mammograms for just over 400,000 women. Approval has been given to extend the service in 2015 to include women up to the age of 69 years.

Bioethics

Clarify the law on Assisted Human Reproduction and Stem Cell Research

Significant work has been carried out to develop comprehensive policy proposals on assisted human reproduction including surrogacy and egg and sperm donation. The Government has recently approved the drafting of the General Scheme of an Assisted Human Reproduction Bill which will be informed by these proposals which have been subject to consultation with a wide range of government departments. The legislation will also provide for the regulation of stem cell research.

Expert Group on the A, B and C v Ireland Judgement

Guidelines were published to assist professionals in the practical operation of the Protection of Life During Pregnancy Act 2013 arising from the work of an independent committee of experts. The Committee of Ministers of the Council of Europe at their meeting on the 4th of December 2014 closed the case as they were satisfied that the Irish Government had given effect to the ruling by the introduction of the Protection of Life During

Pregnancy Act, related regulations and guidance document.

Legislate for Post-mortem Procedures and Organ Retention

The Heads of a Human Tissue Bill currently being drafted will meet the key recommendation of the Madden Report on Post Mortem Practice and Procedures that no hospital post-mortem may be carried out, and no tissue retained, without consent.

Organ Donation

The General Scheme of a Human Tissue Bill will be published this year to establish a legal framework in relation to the donation of organs for transplantation, including consent arrangements.

An additional €2.9m was allocated in 2014 for the appointment of 19 staff to increase organ donation. These additional staff will work to foster a strong culture of organ donation, optimise conversion rates and ultimately increase the number of transplantations that are carried out each year.

A new measure introduced will provide income tax exemption on reimbursable expenses for people who donate one of their kidneys in order to keep someone else alive. The vital contribution of living kidney donors is being further recognised with the introduction of a new policy to reimburse the expenses of living kidney donors to be managed by the HSE.

Early Childhood Care and Education

Investment in Childcare Services

An inter-departmental group has been established to develop a coherent whole-of-government approach to investment in childcare services. It will help to ensure that all the benefits of childcare investments are fully realised, and that future public investment in childcare must be evidence-based and strategically co-ordinated. The Group will report to Government by summer 2015.

Maintain and Improve the Quality of the Free Pre-School Year

A number of measures are underway to promote and enhance the quality of education for our youngest children:

- the formation of an Early Years Education Advisory Group to advise on education issues in the early years sector
- an important review of education and training programmes for the sector
- the establishment of a Learner Fund to assist existing staff working in the childcare sector to meet new qualification requirements. Of the 3,955 people who applied under the initiative, 2,454 were approved
- the recruitment of a dedicated team of early years childhood education inspectors
- the introduction of Better Start with 30 graduates in early childhood care and education to work directly with services to improve quality, including assisting services in the implementation of the Síolta Framework and the Aistear Curriculum

Early Education in Disadvantaged Areas

The Community Childcare Subvention programme, which provides support for sectional pre-school, full time, part time and after school places, is targeted at disadvantaged or low income families and eligibility is based on means-tested entitlements. Some €43m was spent on the programme in 2014, which supported in the region of 25,000 children. There are in the region of 900 community services providing a range of child care services to communities throughout the country.

Empowering Schools to Improve Standards

Reform Teacher Training

Significant and substantial improvements have been made to initial teacher education courses since 2011. The lengthened and reconfigured programmes include substantial periods of school placement as central to student teacher development and a number of mandatory elements including literacy and numeracy.

€25m will be invested in a comprehensive Continuous Professional Development programme in 2015, focusing on priority areas such as literacy and numeracy, primary language curriculum, project maths, junior cycle reform, special education, health and wellbeing, DEIS supports, teacher induction

and behaviour management. The pilot model of induction and probation for new teachers is underway since September 2013 with 71 primary and 79 post primary schools and 190 newly qualified teachers participating and will inform the final model reflecting the importance of induction for new teachers.

Structural changes to the configuration of providers are continuing to progress the recommendations made in the Sahlberg report of 2012. The Froebel NUIM merger is complete and significant progress has been made to enable a further two mergers to be completed in 2016. The remaining 3 groupings do not propose to merge but are required to come together as part of a collaborative regional cluster and agree a programme of work. To date, each of the relevant regional clusters has been set up, governance arrangements agreed and initial objectives and milestones agreed.

The Teaching Council (Amendment) Bill, currently before the Dáil, will strengthen the legislative architecture for the protection of children, and the Council's investigation of complaints against teachers.

Easing the Administrative Burden on Schools

Education and Training Boards have provided assistance to schools in relation to the delivery of a number of large scale school building projects on behalf of primary and post primary schools in Monaghan, Louth, Kildare, Limerick and Cork under a Service Level Agreement with the Department. Guidelines are being developed whereby voluntary secondary schools can avail of project management, procurement and project delivery expertise in Education and Training Boards.

Protecting the Frontline

Protect Frontline Services in Education

Front line services continue to be protected in schools. An additional €60m has been allocated for 2015 to provide for 900 new classroom teachers, 480 new resource teachers and 365 new Special Needs Assistant posts. €5m will also be invested in capital funding as part of the planned three year €15m investment to extend book rental schemes to cover all primary schools, resulting in lower back to school costs for families.

Improving Outcomes

Position Ireland in the Top Ten Performing Countries

The introduction of project maths and the National Literacy and Numeracy Strategy are actions that have positively impacted on Ireland's global position. In May, Ireland's education system was ranked in 9th position in a new global report which is a compilation of the results and rankings of existing studies including PISA, where Ireland continues to rise up the international rankings.

Reform of Junior Cycle

A new English specification for junior cycle was introduced in September 2014 and is being taught in schools. The new specification enhances student's experiences of English through the following improvements:

- increased focus on students' literacy skills, including the development of oral language skills and engagement with digital texts
- learning outcomes clearly set out expectations for student learning and what they are to achieve
- new assessment modes in the areas of written and oral literacy
- new lists of texts for first to third year along with guidelines to ensure broad range of literacy experiences, including literary, non-literary and digital texts

Reform of Maths and Science

While Science is not mandatory, almost 92% of the Junior Cert cohort sat science at either higher or ordinary level in 2014. As part of Junior Cycle Reform, a revised Science specification will be rolled out to schools in September 2016. To facilitate teachers' full engagement and consultation, implementation of this specification which had been originally planned for 2015 has been delayed by one year.

The Junior Cycle for Teachers Science team has been in place since the start of the 2014/15 school year and has been developing materials for the roll out of training for 2,300 science teachers in the context of the introduction of the new science specification. Revised specifications for Senior

Cycle Physics, Chemistry and Biology have been prepared by the National Council for Curriculum and Assessment and are to be trialled in 2015.

The first cohort of participants graduated from the professional Diploma in Mathematics Teaching programme in Q4 2014. An additional offering of places was made in February 2014 and attracted 290 applicants which will provide up to an additional 811 fully qualified teachers of Mathematics. A recent report by the Educational Research Centre on the initial impact of Project Maths show a positive impact on student achievement in Maths, with 15-year-olds studying under the new Project Maths syllabus outperforming students studying under the old syllabus.

Bonus Points for Maths

The number of students taking Higher Level Mathematics has risen from 8,237 in 2011, when bonus points were introduced, to 14,326 in 2014, a rise of 73%. The numbers of students taking Chemistry, Biology and Physics are all up slightly over the last year, as are the numbers studying Applied Mathematics.

The new Smart Futures Strategy 2014-2016 was launched and aims to deliver a 10% increase in the uptake of Science, Technology, Engineering and Maths subjects by students at second and third level by 2016. The programme has trained a total of 929 volunteers to date, visiting 427 schools in the 2013/14 academic year, reaching over 13,000 students.

Making Literacy a National Cause

National Literacy and Numeracy Strategy

Progress on the implementation of the Literacy and Numeracy Strategy includes:

- review of education and training programmes in Early Childhood Care and Education
- development of a new integrated English and Irish specification at primary level which is expected to be rolled out to schools from September 2016

- work has begun on the structure of the revised primary maths curriculum in line with the specification for the junior cycle maths curriculum
- Project Maths is now fully rolled out to all schools with clear evidence that it is having an initial positive impact on student achievement in maths
- national assessments at 2nd and 6th class show the first significant improvements in standards in reading and maths recorded in over thirty years

Right to Read

The Right to Read campaign was launched in July setting out a new Local Authority strategy to support literacy in the community through the development of the local library network, through housing initiatives and in the course of sport and recreation. Some of the actions set out include:

- a review of existing best practice
- national guidelines for Literacy Action Plans are to be developed
- a core range of materials identified and standardised throughout libraries

21st Century Schools

Digital Strategy for Schools

The new Digital Strategy for Schools, to be published shortly, will set out a set of actions to assist schools to embed technology in teaching, learning and assessment. As part of the process a public consultation was held encouraging all education stakeholders, including the publishing industry, to engage the development of the new Strategy. The Strategy will include key deliverables under the following four main themes:

- learning, teaching and assessment using ICT
- teacher professional learning
- infrastructure
- leadership, research and policy

Broadband to Schools

High-speed (100Mbps) broadband has been rolled-out to all 780 post-primary schools following the completion of the final phase of 269 schools connected in 2014. This will facilitate the integration of ICT into teaching, learning and assessment in schools providing alternative and innovative ways of presenting and engaging with the curriculum.

Greater Use of Online Platforms

An eportfolio solution was piloted by 26 post primary schools as part of Ireland's participation in an EU funded project to inform and support the implementation of innovative learning environments using ICT across Europe. The results of the pilot will be available shortly. The Scoilnet.ie portal contains more than 11,000 online resources including websites, quizzes, lesson plans, notes, video/audio, games and other multimedia which are mapped to the Irish curriculum. In 2014, a facility was added to allow teachers upload and share resources and since then almost 400 resources have been uploaded. From May 2014 to January there were over 131,000 users, 1.12m page views and 215,412 resources accessed.

The Digital Schools of Distinction Award recognises excellence in integrating ICT into learning and teaching. There are currently 1,153 schools registered for the programme and to early December, 147 have been awarded. HP Ireland and Microsoft Ireland have committed expertise and resources to the new phase of the Digital Schools Award scheme and are providing worthwhile devices for schools that achieve Digital Schools status.

Building Schools for the Future

School Building Projects

Capital investment in schools continued in 2014 a total of 42 major school projects completed, comprising 27 new schools and 15 large-scale extensions. These projects will provide almost 19,000 permanent school places, of which almost 13,000 are additional school places. Spending of €70m was approved to allow over 770 schools undertake improvement works under the 2014 Summer Works Scheme and a further €28m was provided in grants to all primary schools for minor works.

Replacement of School Prefabs

Under the Department's Prefab Replacement Initiative approval was given to 209 primary schools and 8 post primary schools to replace 614 prefab units with permanent accommodation. In excess of €57m was allocated of which €46.2m has been paid to date. Of the total 217 approved school projects, 165 projects have been completed and a further 16 projects are on site.

Devolve Budgets for School Development

The Monaghan Education Campus was officially opened in January and incorporates a Gaelscoil, Gaelcholáiste and Institute of Further Education. The campus was one of the first and largest projects where responsibility for managing and delivering a capital project was devolved to an Education and Training Board.

School Accommodation Inventory

An in-house project team has been assigned to progress the Department's inventory data set and to link this with its GIS system including collation of individual school floor and site plans already available. Collection of the remaining information from external sources prioritising key areas of expansion has commenced.

Delivering Equity in Education

Review of the DEIS Programme

An overall report on the learning from DEIS is currently being prepared by the ESRI and is expected by the Department shortly. This report will incorporate information on the various inputs, processes and educational outcomes contained in the findings from the DEIS research and evaluations. It will also review other Irish and international related research on educational disadvantage. The report will assess the main findings of the evaluations and provide advice to inform future policy direction on educational disadvantage, including DEIS.

Keeping Disadvantaged Teenagers Connected with the Educational System

Statistics published in the recent School Retention Report show the average retention rate for DEIS schools continues to increase with 82.1% of those

entering secondary school in 2008 completing the Leaving Certificate. By comparison the completion rate in 2001 was 68.2%. Ireland has the 8th highest secondary school completion rate across the 28 member States.

Two schemes are in operation to assist with the retention and participation in the educational system - the Home School Community Liaison Scheme which deploys 400 school-based co-ordinators at a cost of €24.8m in 2014 and the School Completion Programme which operated across 124 projects serving school clusters at a cost of €25m in 2014. These key DEIS supports continue to work alongside the statutory educational welfare service in TUSLA in an integrated services approach to supporting students and families, primarily within the school and community context, in relation to school attendance, participation and retention.

Supporting Children with Special Needs

The National Council for Special Education published a report in 2014 on a proposed new model for allocating teaching resources for students with special educational needs which takes into account the individual needs of pupils and the educational profile of schools when allocating teachers and removes the need for medical assessments before resources are allocated. While there has been a broad welcome for the proposed new model from parents, disability groups, schools and stakeholders, the existing model is currently being retained in order to ensure sufficient time is allowed for further consultation to take place with the education stakeholders before it is implemented in schools.

This time will also enable a robust mechanism for identifying children with complex special educational needs to be finalised. A pilot of the new model is being developed which schools will be able to opt into on a voluntary basis. The NCSE has now commenced the allocation of SNAs for the 2015/16 school year including the additional 365 posts allocated in Budget 2015 to meet all valid applications it has on hand. Additional posts have also been provided to meet expected increased demand for resource teaching support.

Anti-Bullying Policies in Schools

Work on the implementation of the Action Plan on Bullying continued in 2014 including:

- launch of National Anti-Bullying Research and Resource Centre to carry out research on how bullying can be tackled in schools, on-line and in the workplace
- launch of a Literature Review on the impact of bullying linked to social media on the mental health and suicidal behaviour among young people
- a total of €115,000 allocated in 2014 to support the delivery of 200 anti-bullying training sessions for parents

Co-ordination of Government Services to the Traveller Community

An assessment undertaken of the effectiveness of the structures in place for consultation with, and delivering better outcomes to, the Traveller & Roma communities has made a number of recommendations with the aim of improving effectiveness in the structures. A consultation phase with relevant Government Departments and Traveller Organisations was conducted and the recommendations are now being implemented, including the development of a revised National Traveller and Roma Inclusion Strategy, a cross-agency Traveller & Roma data collection strategy and implementation of a national strategic framework to increase the effectiveness of the inter-agency framework at local authority level.

In 2014, over €200,000 was spent on initiatives aimed at improving communications between the Traveller and settled communities and the provision of mediation and conflict management initiatives. Additional funding of over €68,000 was provided for Pavee Point to conduct an assessment of need for the Roma community.

Supports for Gifted Students and Links to Higher Education

Schools at both primary and second level use strategies such as curriculum differentiation, curriculum enrichment and acceleration to facilitate the development of pupils who are exceptionally able. The Early University Entrance programme run

by the Centre for Talented Youth, Ireland targets about 90 high ability transition year students who demonstrate the necessary motivation and maturity to participate in university at a young age. The programme is designed to give such students a chance to participate in selected first year degree modules in Engineering, Maths, Psychology or Law & Politics on one day each week during their transition year.

Patronage

White Paper on Patronage and Pluralism

A Paper on the follow-up to the Forum on Patronage and Pluralism in primary sector was published in July 2014 setting out progress made to date on implementing the Forum's recommendations on new schools, divesting of patronage, enrolment legislation and the development of programmes on Education about Religion and Beliefs and Ethics. The paper outlines good practice and options for promoting diversity in schools, in particular in relation to:

- the right to opt out of religion classes
- scheduling of Religion Classes and other Religious Activities
- options for Pupils in relation to Religious Ceremonies of the Ethos of the School
- celebration of Religious Festivals
- display of Religious Artefacts

The paper is not prescriptive on how schools should address these issues but instead it encourages school authorities to engage in consultation with stakeholders and to review their policies and practices on an ongoing basis to ensure that they remain suitable for the school population that they serve.

Divesting Patronage

Four new primary schools opened in September 2014 under the patronage divesting process and a fifth school that opened in temporary accommodation in 2013 moved to a building acquired under this process in September 2014. All of the new schools are operating under the patronage of Educate Together.

A further four new multi-denominational primary schools are expected to open this September. This development will bring to nine the number of new schools opened under the patronage divesting process.

Abolish Discrimination of People Applying for Teacher Positions

Work on the Employment Equality (Amendment) (No.2) Private Members Bill is underway and provides for certain changes in the exclusions of discrimination provided under Section 37 of the Employment Equality Act 1998 relating to educational and medical institutions in receipt of public funding.

Third Level Reform

Reform of Third Level Education

Following the roll-out of the System Performance Framework 2014-16, where the HEA engaged in a strategic dialogue process with all higher education institutions to agree performance compacts, key indicators were agreed relating to the seven overarching system objectives set out by the Minister. These set out indicators and targets relating to student profiles, access, research, teaching and engagement activity. Performance Funding will be allocated in future on the basis of meeting these targets and will drive diversity in the system and provide a mechanism for steering the system and holding it accountable for meeting national priorities and system objectives set by Government.

The first System Performance Report was published last June setting out progress against the seven objectives and the results of the first dialogue with institutions and institutional profiling.

Audit of Level 8 Qualifications

The Transition Reform Steering Group is working to finalise implementation arrangements for the reform of the transition between second level and higher education. Detailed research and modelling is currently being undertaken for the Group and an implementation plan will be finalised before Easter 2015.

Review of Third Level Funding

An expert group on future funding of higher education was established in July 2014 with Mr. Peter Cassells appointed as the independent chair. The group will consider the options for the future funding of higher education based on rigorous analysis and international evidence. The Group is undertaking a series of consultations with relevant stakeholders and interested parties during the course of its work. The first event was held in January and focused on the role, value and scale of higher education in Ireland and the implications for its further development.

Relocation of DIT to Grangegorman

The first phase of relocating DIT to Grangegorman was realised in 2014 when over 1000 students and staff relocated to the Grangegorman campus. The site will accommodate as many as 10,000 students by 2017.

New Universities

Two groups of institutes of technology, Cork and Tralee; and Dublin, Tallaght and Blanchardstown have submitted detailed plans towards a merger to the HEA. These have now been assessed by an independent expert panel and both consortia have been notified that they have passed Stage 3 of the technological university process. The two consortia will now proceed to merge and then apply to become technological universities when they have met the criteria for the new status.

Housing and Distressed Mortgages

Supporting People with Mortgage Arrears

By end Q3 2014, banks reported that they have met and exceeded the targets both for proposing and concluding solutions with people in mortgage arrears. The Central Bank is currently concluding a review of these targets. The number of arrears for people in family homes is continuing to fall as is the number of arrears over 90 days. However the number of long-term arrears, those over 2 years, continues to increase albeit at a declining rate. Nearly 110,000 mortgage holders in arrears have had their loans restructured to make them more viable and over 80 per cent are meeting the terms of their new arrangements.

Supporting People in Debt

The take up of debt solutions overseen by the Insolvency Service of Ireland (ISI) is steadily increasing every month as people become more comfortable with the debt solutions available. Last year, the Insolvency Service of Ireland accepted 1,425 applications with a total number of 547 approved arrangements. In order to remove any perceived barrier to seeking help the ISI and the Courts Service have suspended all application fees for debt solutions until the end of 2015. Other measures implemented by the ISI to assist people struggling with debt to seek the help they need include:

- commissioning research to better understand how to reach people struggling with debt
- rolling out a long-term information campaign titled 'Back on Track' featuring a new user-friendly website www.backontrack.ie, print and radio ads and simplified guides
- hosting a series of townhall meetings in venues around the country

A review was completed in December 2014 of the ISI's operation and its powers to support families willing to work their way through their debt problems.

Ghost Estates

A further 278 unfinished housing developments were resolved in 2014 and there has been a reduction of over two-thirds of unfinished housing developments since 2010. A further 74 developments should be resolved in the months ahead. Of the remaining 992 developments, 587 of them are currently going through some form of site resolution process.

Social Housing

Social Housing

The Social Housing Strategy 2020 was published in November 2014 and forms the basis for an enhanced approach to social housing provision with clear actions to be taken to increase supply and reduce the number of people on waiting lists. The Strategy aims to provide 35,000 new social housing units over a 6 year period.

A new €30m initiative to return vacant and boarded-up local authority housing units to productive use was launched in 2014 and over 2,300 units were completed last year.

A further 400 units were delivered from NAMA's portfolio with others mechanisms such as the Rental Accommodation Scheme and the Mortgage to Rent Scheme leading to an overall delivery of about 6,000 total social housing units in 2014.

Urban Regeneration

The housing construction programme for Ballymun has now been completed with 1,800 new homes delivered as well as key social and amenity projects. The new housing regeneration strategy for Limerick saw 64 new homes completed and a further 81 units commenced in 2014. Other work advanced includes:

- completion of 76 new units at St. Michael's Estate, Inchicore
- refurbishment of 50 apartments for St. Teresa's Gardens
- finalisation of a masterplan for Dundalk which will provide a multiannual programme of physical and social regeneration for Cox's Demense

A revised masterplan has been developed for Cork City regeneration and 23 new social houses are under construction at present with construction of an additional 23 units due to commence in 2015.

Work is also ongoing in developing the specification for a pilot project in relation to 2,000 older social housing apartments that do not meet new building standards of energy efficiency, 1,500 in Dublin city and 500 units in Cork and Limerick.

Homelessness

Ending Long-term Homelessness

Following a Special Summit on Homelessness attended by representatives from the Oireachtas, Government Departments, State Agencies, the four Dublin local authorities, the NGO sector and the churches, an Action Plan to Address Homelessness was put in place in December 2014. The actions constitute an immediate response to the issue of rough sleeping in Dublin and actions which tackle

the more systemic issues around homelessness.

Progress made to date includes:

- 271 additional emergency beds provided
- a Nite Cafe opened on Merchants Quay to provide food, rest area and showers for those not wishing to enter emergency accommodation
- a service in place to transport homeless persons to emergency accommodation and provide them with the necessary health and care supports
- DCC has established a Housing Assistance Payment pilot unit to co-ordinate rollout of HAP for homeless households in the Dublin region, sourcing accommodation from the private rented sector
- establishing a single assessment centre for families who are currently in hotels
- four Dublin housing authorities have been directed to allocate 50% of all housing allocated to homeless households and other vulnerable groups for the first six months of 2015

Criminal Law Reform

Strengthen the Rights of Victims of Crime

The General Scheme of the Criminal Justice (Victims Rights) Bill 2015 which will be published shortly will provide that victims should be informed concerning the criminal justice process and their role within it, receive information on available support services, be informed of a decision not to prosecute in their case and be able to seek a review of that decision. It will also provide for individual assessment of victims to identify specific protection needs both in the course of the investigation and during court proceedings. Following the success of a number of pilot offices in Ballymun, Store Street and Waterford, Victim Services Offices are expected to be extended to all Garda divisions in the near future.

Establishment of a DNA Database

The Criminal Justice (Forensic Evidence and DNA Database System) Act 2014 has provided for the establishment of a new DNA database to become operational this year to assist the Gardaí in carrying out their duties. The database will enable Forensic Science Ireland to store DNA from crime scenes

as well as profiles generated from samples taken from persons within Garda custody, convicted offenders and volunteers. It will also be populated with profiles generated from samples taken from relatives of missing persons, unidentified persons and the bodies of unknown deceased persons for the purpose of aiding identification.

Roadside Drug Testing

The Road Traffic Act 2014 provides for non-technological intoxicant impairment testing and will assist the Gardaí in forming the opinion that a driver is under the influence of drugs while driving and which can be used as evidence in Court for a prosecution. The Government have approved the drafting of the Road Traffic Bill 2015 which will provide for roadside testing by members of An Garda Síochána.

Garda Reform

The Government is implementing a major programme of Garda Reform including:

- the first ever open competition to appoint the Garda Commissioner and Deputy Commissioners
- publication of the General Scheme of a Bill to establish an Independent Policing Authority
- the recent appointment of the chairperson-designate of the new Authority, Josephine Feehily, following advertisement of the post by PAS
- a new group to draw up a new Garda ICT strategy with immediate and long-term priorities
- new legislation which extends the remit and capacity of the Garda Síochána Ombudsman Commission
- publication of a Garda Inspectorate Report on criminal investigation procedures
- Garda reserve members are having their powers extended
- largest change of Garda management structures in its history including a new strategic transformation unit to ensure implementation of Garda reforms

Garda recruitment recommenced in September 2014 with an intake to the Garda College of 100 Garda recruits, the first recruits since May 2009. There have since been two further intakes of 100 recruits each, in December 2014 and February 2015. Garda strength currently stands at approximately 12,800.

An additional investment of €7m was provided for the Garda fleet in 2014, on top of the original allocation for 2014 of €4m, with a further €3m made available for 2015. A total of 370 new vehicles were purchased on foot of the additional investment of €7m. The vehicles include 290 marked cars and vans and 80 unmarked cars.

Strong and Efficient Policing

Freeing up Gardaí resources

A major programme to civilianise the immigration functions currently carried out by members of An Garda Síochána is underway with an additional 80 civilian staff being deployed to the Dublin airport border control booths on a 24/7 basis. The immigration registration function is being transferred to the Irish Naturalisation and Immigration Service. When fully implemented, the programme will result in 125 Gardaí being released from immigration functions and redeployed to core Garda duties.

Combating Smuggling

Over 5,300 seizures of cigarettes and tobacco were made by Revenue Customs Service in 2014 with an estimated value of €25.7m. A further 6,157 drug seizures were made with an estimated value of over €19m.

In 2014, there were 46 joint controlled delivery operations involving the Revenue Customs Service and An Garda Síochána, and/or the Irish Medicines Board. They also participated in several international operations including:

- targeting trade in illicit/counterfeit medicines and internet pharmacies
- a joint EU regional maritime Customs Operation
- an EU wide operation focusing on drugs and synthetic drugs

Sentencing and Penal Reform

Alternatives to Imprisonment

The Fines (Payment and Recovery) Act 2014 aims to reduce the use of imprisonment as a sanction for unpaid fines. Following the commencement of the Act this summer, the Court shall take into account a person's financial circumstances when imposing a fine. Where a person fails to pay the fine, the Court may make an Attachment Order to earnings as a means of recovering the fine as opposed to a prison sentence. Where it is not appropriate to make an Attachment Order, the Court can make either a Recovery Order, where the fine is more than €500, or a Community Service Order. Imprisonment will only apply where it is not possible to make a Community Service Order or where one is made and the person fails to comply with it.

Aggravating Factors in Sentencing

Aggravating and mitigating factors must be taken into account by the sentencing judge, as well as being guided by sentencing precedents and statements on behalf of the prosecution and the defence. Under the DPP's Guidelines for Prosecutors, in relation to sentencing, the prosecution may bring any aggravating factors to the attention of the court and, according to the Guidelines, has a duty to do so.

Post-Imprisonment Monitoring

The General Scheme of the Criminal Law (Sexual Offences) Bill 2014, published in November, provides for strengthening the post-release supervision and monitoring of sex offenders. The changes include:

- a reduction in the period in which sex offenders must make notifications to the Gardaí from 7 days to 3 days
- that sex offenders will provide fingerprints, palm prints, photographs, if requested by Gardaí
- that notification is only possible by attending in person at the district/divisional Garda station for the area in which the sex offender lives, and
- enhanced supervision of high risk offenders including, in limited circumstances, the electronic monitoring of offenders subject to post release supervision orders

Earned Remission

Amendments made to prison rules via the Prison (Amendment) (No. 2) Rules 2014 S.I. provide a much clearer and more comprehensive basis for the current enhanced remission rate. Following the publication of the Final Report of the Strategic Review of Penal Policy Working Group, the Minister for Justice and Equality announced her intention not to increase automatic remission above 25% and requested more detailed proposals or options on the increased use of earned remission be prepared. The work underway is likely to focus on incentivising prisoners to engage in as wide a range of structured activity as possible to demonstrate that they are less likely to re-offend on release.

Review of Mandatory Sentencing Laws

The Final Report of the Working Group established to conduct a Strategic Review of Penal Policy was published in September with a Working Group established to take forward the key recommendations in relation to sentencing. This involves:

- preparing proposals and options on reform of sentencing policy including a review of the threshold at which presumptive minimum sentences in drugs and other offences apply
- preparing proposals on legislating for the review's recommendation that Courts set out in writing their reasons for imposing a custodial sentence

The Penal Policy Review Group also recommended that a more structured approach to sentencing should be led by the judiciary. Recent judgements from the Court of Criminal Appeal have given guidance for the first time on appropriate sentence ranges which should lead to greater consistency in sentencing.

Upgrading the Prison Infrastructure

The refurbishment of the A, B and C wings of Mountjoy Prison is complete and following the completion of D wing in early May, all 526 cells will have in-cell sanitation. As part of the D wing refurbishment a number of training workshops will be converted to cells. Construction on the new prison in Cork is due to be completed in the summer and is expected to be operational in mid-October 2015.

St. Patrick's Institution

The recent completion of the first 3 units of residential accommodation at the new €56m Oberstown development and the recent recruitment of 38 new care staff will prioritise the transfer of responsibility for 17 year old boys from the adult prison system in 2015. New legislation is being drafted to delete all references on the Irish statute book to the detention children in adult prisons.

Anti-Social Behaviour

Community Policing

The Gardaí continue to work with local communities to provide Garda services to meet local needs:

- the Garda Text Alert Scheme now has been extended to over 500 community groups around the country
- the Garda Supporting Safer Communities Campaign provides Gardaí with an opportunity to engage with, and raise awareness within communities of initiatives aimed at preventing crime. Focus last year was on high visibility policing, theft from vehicles, crime prevention and reduction, road safety and supporting victims of crime
- the operation of over 1,300 local groups is supported through the Community Alert programme. The Gardaí also run community clinics that deliver a standalone service or support wider initiatives
- revised Guidelines for the operation of Joint Policing Committees were issued in August and new Committees have been put in place in each City and County area

Addressing Anti-Social Tenants

The Housing (Miscellaneous Provisions) Act 2014 provides for a new procedure for the repossession of local authority dwellings, including a court hearing of the merits of the proposed repossession in disputed cases. The Act also strengthens the statutory power of a tenant, tenant purchaser, local authority or approved housing body to apply to the District Court for an order excluding a person engaged in anti-social behaviour from a particular dwelling, area or estate.

Youth Diversion Programmes

An additional €2.8m was approved under the Dormant Accounts Scheme to allow the Irish Youth Justice Service Community Programmes to support a number of proposals including the establishment of 10 new Garda Youth Diversion Projects (GYDP) at additional locations around the country. The increased funding will also support the employment of additional youth justice workers in 16 existing GYDPs and the development of enhanced interventions to support young people coming to the attention of An Garda Síochána.

During 2014, progress continued to be made on measures to align resource allocation models to address local youth crime needs. A pilot, undertaken in Kerry, facilitated a service delivery across the full division/ county as opposed to the traditional GYDP catchment areas. The pilot proved to be successful and stakeholders are now working on consolidating the progress achieved. The Irish Youth Justice Service have met with Garda Management and community based organisations delivering GYDPs in Cork City to commence a similar process of realigning service delivery to reach areas which are not currently served by the existing projects in the city.

Four measures are being trialled in 15 sites under the capacity-building and change management programme of the GYDP to enable them to better focus on local youth crime problems.

Drugs

Tackling Alcohol Misuse

Government approved a comprehensive set of measures, set out in the General Scheme of the Public Health (Alcohol) Bill. This is the first time legislation will deal specifically with the issue of alcohol misuse from a public health perspective. It aims to achieve a reduction in excessive patterns of alcohol consumption and the resultant social, economic and health harms, including by:

- minimum Unit Pricing for retailing of alcohol products
- regulation of marketing and advertising of alcohol

- enforcement of structural separation of alcohol from other products in shops
- health labelling of alcohol products

Substance Misuse Strategy

The allocation attributed to drugs programmes in 2014 was approximately €240m of which €114m related to the HSE's addiction services. In 2015, funding amounting to €27.65m is being provided for drug initiatives in Local and Regional Drug and Alcohol Task Force areas.

An additional €2.1m has been provided in the HSE's 2015 budget for a range of measures to improve addiction services, including enhancing detox and rehabilitation facilities, mainstreaming needle exchange services outside Dublin and a pilot project to increase access to naloxone to treat overdose in heroin users.

Rehabilitation Programmes

Compulsory rehabilitation is not in line with national drugs policy where the key aim is the empowering of recovering problem drug users so they can re-engage with society in a manner consistent with their needs and expectations. The HSE has re-orientated its services to develop a comprehensive service capable of dealing with all substances in order to respond to recent trends, such as the increased geographic dispersal of problem drug use, the increased incidence of polydrug use, and the emergence of new psychoactive substances.

Recent figures indicate that there are now 804 residential beds, comprising 23 inpatient unit detoxification beds, 117 community-based residential detoxification beds, 4 adolescent residential detoxification beds, 642 residential rehabilitation beds and 18 adolescent residential rehabilitation beds. This represents a substantial increase of almost 20% since the 2007 report of the HSE Working Group on Residential Treatment & Rehabilitation.

Supply Reduction

Drug seizures valued at approximately €62.5m were made by the Gardaí in 2014 through targeted operations focusing on specific facets of the drugs trade. A further joint operation involving An Garda

Síochána, Revenue Customs Service and the Naval Service led to a significant drug seizure of cocaine with a provisional estimated street value of over €71m.

Raising Substance Misuse Awareness

Dormant Accounts funding of €1m has been provided in 2015 to support a range of activities, including community mobilisation, the development of drug and alcohol policies, the review and evaluation of drug and alcohol policies and local and regional drug and alcohol awareness campaigns. In addition, the Alcohol Forum is piloting community mobilisation training in five Drug and Alcohol Task Force areas to encourage community engagement in tackling the misuse of alcohol at the local level. It is intended to evaluate the pilot and to extend it to other Task Force areas if successful.

Combating Drugs in Schools

Implementation is underway of a series of recommendations aimed at assisting teachers in the delivery of the SPHE programme with a view to complementing actions specified in the National Drugs Strategy 2009-2016 including a new short course on SPHE at Junior Cycle with more time allocated including a strand that deals with substance misuse.

Needle Exchange Programmes

The Pharmacy needle Exchange Programme exceeded its target of recruiting 130 pharmacies by 2014 with 133 recruited in total. The number of unique service users has steadily increased from 2,995 in Quarter 3 of 2013 to 4,318 in Quarter 3 of 2014. Similarly the number of encounters has steadily increased over the same period totalling 10,467.

Law Reform, Courts and Judiciary

Establishment of a Court of Appeal

The new Court of Appeal was established on 28 October and sat for the first time on 5 November. The Court which comprises a President and nine ordinary Judges will help reduce the backlog in hearing appeals in the Supreme Court and to date over 1,500 cases have been transferred to it.

Provide for a Commercial Court

An assessment of the proposal to provide for a Commercial Court at Circuit Court level has been carried out in consultation with the Courts Service. The Courts Service indicated that they were not aware of any demand for this, either from practitioners or others. It was also considered that the Circuit Court's operating model might not lend itself to the creation of a Commercial Court.

Reforming Family Law

The Children and Family Relationships Bill has been published to safeguard the best interests of children and to modernise family law in relation to important issues affecting families such as parentage, guardianship, custody, maintenance and access reflecting the diversity of family types in modern Ireland. It is intended that this legislation will be enacted in advance of the referendum on same-sex marriage in May 2015.

Domestic Violence Legislation

The General Scheme of a consolidated and reformed Domestic Violence Bill will be published shortly to address all aspects of domestic violence, threatened violence and intimidation. A new National Strategy on Domestic, Sexual and Gender-based Violence will also be published this year to strengthen Ireland's approach to preventing and responding to all forms of sexual and domestic violence.

Regulation of Moneylenders

Legislative provisions relating to the regulation of money lending are provided for under Part VIII of the Consumer Credit Act 1995 (as amended) and persons who engage in money lending are required to hold the necessary licence granted by the Central Bank. Other provisions in criminal law include the Non-fatal Offences against the Person Act 1997 and the Criminal Justice (Public Order) Act 1994 which provide for offences relating to harassment, extortion and demanding money with menaces.

Regulation of Legal Services

The Legal Services Regulation Bill should shortly complete its passage through the Oireachtas with the Legal Services Regulatory Authority expected to be up and running over the coming months.

The Bill has four main levers of modernisation and change:

- a new Legal Services Regulatory Authority, with responsibility for oversight of both solicitors and barristers
- an independent complaints system
- a new and enhanced legal costs regime that will bring greater transparency to legal costs
- a framework for Alternative Business Models

Passports, Citizenship, Immigration and Asylum

The Passport Office

Major advances have been made in improving the efficiency of the Passport Service. An online appointment service has been introduced in the Dublin and Cork offices, allowing customers to book guaranteed time slots and thus eliminating hours spent queuing. A new same day application process is now in place to allow renewals where immediate travel is required. The design of a new Passport Card was unveiled in January 2015; it will be available from July this year. This is the first of its kind in the world and allows travel within all the countries of the EU and the EEA.

The Passport Service has strengthened its internal fraud detection procedures and is working closely with a number of agencies to develop collaborative approaches to fraud prevention.

Additionally there are a range of reform initiatives aimed at reducing the administrative burden for applicants and further enhancing the security of the process underway. A stability in governance is essential to allow this reform programme be completed before further consideration of a transfer of the service is made. As such, having evaluated the options, the passport service will remain with the Department of Foreign Affairs at this time.

Equality and Social Protection

Maintaining Social Welfare Rates

The Social Welfare Christmas bonus was partially re-introduced in 2014 and a 25% bonus was paid out in early December to long-term social

welfare recipients such as pensioners, people with disabilities, carer's and long-term jobseekers at a cost of €65m. Since January, the rate of Child Benefit has been increased by €5 to €135 per month and the Living Alone Allowance increased by €1.30 to €9 per week. All other social welfare rates have been maintained.

Tackling Poverty

Ireland is pursuing an active inclusion strategy building on the National Action Plan for Social Inclusion which has three policy components:

- adequate minimum income – minimum welfare rates have been protected and targeted increases have been made in Budget 2015
- inclusive labour markets – Pathways to Work 2015 with actions to help tackle long-term and youth joblessness, to improve engagement between Intreo and employers, and to improve the financial return to work for unemployed jobseekers with children
- access to quality services – improvements are being made in key healthcare, education and social housing services

Other measures include:

- minimum social welfare rates have been protected
- the Living Alone Allowance has been increased to €9/week benefiting almost 180,000 people
- an additional €100 has been included in the Household Benefits package for Water Support
- a 25% Christmas bonus was paid to long-term social welfare recipients
- increased access to the afterschool childcare programme and the community employment childcare programme

The Government has recently set a child poverty target as part of the National Policy Framework for Children and Young People, which is to lift over 70,000 children out of consistent poverty by 2020.

To support the target, work is ongoing under the Framework to implement a multi-dimensional approach building on the life-cycle approach in the National Action Plan for Social Inclusion.

Area Based Approach to Tackle Child Poverty

A number of measures were introduced in Budget 2015 including the increase of €5 per month in child benefit, the introduction of a back-to-work family dividend of €29.80 per child, and the increase of €2m in the school meals programme. A multi-dimensional approach to tackling child poverty is being implemented as a priority action under the children and young people's policy framework.

Intensive support and guidance has been provided to all thirteen ABC Programme Areas with ten sites now contracted, in funds and fully operational. Discussions are ongoing in relation to the remaining three sites to ensure that contracts are finalised. A range of programmes and services are being implemented in each ABC area targeting parenting, early years, literacy and numeracy skills. An overall evaluation of the impact of the ABC Programme, along with regular analysis of the outcomes, will be undertaken in each area to support its implementation with initial data expected to emerge in mid 2015.

A Zero Tolerance Approach to Welfare Fraud

Social Welfare Fraud

The new Compliance and Anti-Fraud Strategy 2014 – 2018 sets out a range of measures to prevent and detect fraud and to ensure effective debt recovery and deterrence measures are in place. These include:

- utilising predictive analytical techniques to enhance the methods currently in place to identify claims that are more likely to be fraudulent
- enhanced debt recovery through a new debt management system which went live in November
- the extension of notice of attachment powers to recover social welfare overpayments from other State payments
- 20 Gardaí have been seconded to the Department's Special Investigation Unit to increase the investigative capacity of the Department to prevent, detect and deter social welfare fraud

New Technology to Combat Fraud

Some 1.23m Public Services Cards have been issued including 368,000 Public Services Card Free Travel variants. Engagement is ongoing across Government and public bodies to leverage the SAFE/PSC project for identity authentication, card replacement and online service provision in relation to driver licences, passports, EU Residence Permit Cards, Garda Age Cards and many others.

Jobseekers Allowance

Sanctions in the form of penalty (reduced) rates may be applied if a Jobseeker refuses, fails to engage with or drops out of an activation process. The total number of penalty rates applied in 2014 was 5,325.

Getting Better Value for Money

Reducing Reliance on Rent Supplement

The new Housing Assistance Payment (HAP) is being introduced on a phased basis from last September for new and existing customers who have been assessed as having a housing need by a local authority. There are currently some 71,000 rent supplement recipients of which some 48,000 have been in receipt of the payment on a long-term basis. It is expected that this cohort will transfer to HAP in the coming years. The Rental Accommodation Scheme will continue to operate but HAP will take precedence over the coming years for social housing tenants in the private rental sector.

Equality

Equality on State Boards

Since 1 November all appointments to State boards are advertised on www.stateboards.ie and guidelines have been published to assist Departments in implementing the new arrangements for appointments. Departments have prepared and are implementing plans to increase the minimum representation of women and men on all State boards to 40% by 2016 and for those Boards which have already reached 40%, a new target of 45% will apply.

A Talent Bank of suitably-qualified women, who would be prepared to serve on State Boards, will be launched in early 2015. It will be used to identify

potential female candidates to serve on those State Boards that currently fall below either the 40% or the new 45% target for female representation.

Equality and Human Rights

The new Irish Human Rights and Equality Commission was established on 1 November following the merger of the Human Rights Commission and the Equality Authority. The Commission will assist public bodies to comply with the duty to have due regard to human rights and equality in their work, by producing guidelines, training and codes of practice.

Marriage Equality

The Thirty-fourth Amendment of the Constitution (Marriage Equality) Bill 2015 has been published and will shortly be considered by the Oireachtas. It sets out the wording of the proposed amendment of the Constitution to enable same-sex couples to marry. The General Scheme of the Marriage Bill which will set out the legislative changes needed if the referendum is passed by the people will be considered by the Government shortly.

Collective Bargaining

The General Scheme of the Industrial Relations (Amendment) Bill was approved by Government in December to provide for:

- a definition of what constitutes “collective bargaining”
- guidelines to help the Labour Court identify if internal bargaining bodies are genuinely independent of their employer
- clarity in the process of Trade Unions advancing a claim under the Act
- policies and principles for the Labour Court to follow when assessing those workers’ terms and conditions

Promoting Integration

The Cross Departmental Group on Integration was reconstituted last year to review the activities being undertaken by Departments and agencies directed to promoting the integration of migrants.

The Group is currently preparing an updated Integration Strategy which will be published later this year and will include the outcome of a public consultation and a number of thematic meetings which were held with stakeholders throughout 2014.

People with Disabilities

Implementation of the National Disability Strategy

Progress on the National Disability Strategy Implementation Plan is reviewed by the National Disability Strategy Implementation Group through thematic meetings which are attended by all relevant bodies to ensure cross-sectoral input and review. Three such thematic meetings have been held to date and these focused on Irish Sign Language, Housing and Employment.

Consultations are also underway on the follow up to the current NDS Implementation Plan and on reviewing the approach in consulting with people with disabilities to ensure that they have real participation in monitoring the existing strategy and in the development of themes, objectives and actions for the successor measure. A Comprehensive Employment Strategy for people with disabilities, with realistic and achievable targets will be published by the summer.

Reforming the Law on Mental Capacity

The Assisted Decision-Making (Capacity) Bill, currently progressing through the Oireachtas, will provide a legal framework for people who have difficulties in making decisions unaided, whether for reasons of intellectual disability, mental illness, acquired brain injury or dementia. It will also contribute towards facilitating ratification of the UN Convention on the Rights of Persons with Disabilities. The Report of the Expert Group established to review the Mental Health Act 2001 has been published and sets out 165 recommendations mainly relating to mental health legislation.

PROGRESS

Key Highlights

Children, Families and Older People

- Child and Family Agency delivering social work services to 20,000 children
- New Child Protection legislation published
- Working Group looking at funding of Childcare established
- New bill to modernise and clarify law for children living in diverse families
- Review of the Adoption Act 2010 is underway
- New group to develop roadmap for new retirement saving scheme

Culture, Sport and Transport

- Government approved bid for the Rugby World Cup 2023 is underway
- Work underway to develop new National Cultural Policy, 'Culture 2025'
- Plans for the Ireland 2016 commemorations launched
- Expansion of online genealogical material available to the public
- €40m allocated in new sports grants 2014
- Leap Card has been extended to Cork, Galway and Limerick
- €171m investment programme for Irish Rail
- Completion of N7 Newlands Cross upgrade
- €60m minor works programme for national roads
- Publication of the Vehicle Clamping Bill
- Extension of successful Dublin Bike Scheme to Cork, Limerick and Galway
- 17 new Transport Co-ordination Units to manage Rural Transport Scheme
- Irish Airport passenger numbers up 7%

International

- Expansion of Ireland's diplomatic network reaching 178 countries
- €2m Start Fund supporting co-ordinated response to countries in crisis
- Stormont House Agreement sustaining peace in the North
- North South economic cooperation including joint trade missions abroad
- Ireland continues to build on its successful EU Presidency
- Ireland performs strongly in transposing EU legislation

An Gaeilge agus an Ghaeltacht

- Clear progress on implementation of 20 year Irish language strategy
- Specific funding to support the Irish Language Scheme
- New reforms in teaching of Irish at primary and second level
- 22% increase in students taking higher level Irish
- Review of Official Languages Act leading to further legislative changes

Communications, Energy and Climate Change

- Publication of the Climate Action and Low-Carbon Development Bill
- The National Broadband Coverage Map has been published
- Launch of Knowledge Transfer Ireland to help commercialise State funded research
- New Post Office Development Group setup to maximise future business potential
- Completion of Ireland's first seismic survey
- New tax provisions to encourage offshore exploration
- New systematic response system to better deal with public environmental complaints
- New regulation on the way for household waste collection, car scrappage and tyre disposals
- New fixed penalties being introduced for certain producer responsibility offences

Agriculture and Marine

- Roll out of the €4bn Rural Development Programme in 2015
- The US and Chinese markets opened up to Irish beef
- New 2025 Agri-Food Strategy in development to further grow the sector
- Publication of a new Forestry Programme 2014-2020
- New €98m seafood development programme investing in the fishing sector
- Work underway on a new minor fisheries offence programme
- Finalisation of new Safety at Sea Maritime Strategy

Children, Families and Older People

Child and Family Agency

In its first year of operation, Tusla provided dedicated social work services to 20,000 children, including 6,500 children in care and is progressing a wide ranging programme of reform including:

- the alignment of resources and processes to ensure that referrals are subject to initial assessment, prioritisation and response in line with national policies
- completion of plans for the roll-out of a model of out-of hours service outside the greater Dublin area
- development of a Quality Assurance Framework
- piloting of the roll-out of the National Child Care Information System
- the implementation of an area- based approach to Prevention, Partnership and Family Support and the operation of Meitheal - a national practice model for all agencies working with children, young people and their families

Work is also underway in developing an implementation plan for Better Outcomes Brighter Futures, the national policy framework for children and young people, with detailed actions for each commitment to 2017, allowing for a mid-term review at that point. Arising from this work and at an advanced stage, is the development of Ireland's first Early Years Strategy to address a range of issues affecting children in their first years of life such as child health and well-being, parenting and family support, learning and development, and play and recreation.

Enhancing Child Protection

The Children First Bill 2014 to put elements of the Children First: Guidelines on a statutory footing has been published and work has commenced to revise and update the child protection guidelines to reflect the new legislative obligations and provide a comprehensive resource for individuals and organisations.

On 10 November 2014, the Gardaí and UPC signed a Memorandum of Understanding whereby the internet service provider has agreed to block access to images

of child abuse on their network in Ireland on the basis of a list to be provided by the Gardaí.

Legislating for Diverse Family Forms

The Children and Family Relationships Bill has been published and deals with long outstanding family law and children issues in relation to parentage, including parentage in assisted reproduction, guardianship, custody, adoption, access and maintenance.

Reform the Law on Adoption

A review of the Adoption Act 2010 is underway and will be completed later this year. An amendment to the Adoption Act to make important changes to adoption law will be brought before the Oireachtas as soon as legal proceedings and processes relevant to the Children's Referendum are concluded. The new Children and Family Relationships Bill aims to extend the current provisions for adoption to include civil partnerships and same-sex or opposite-sex cohabiting couples. Provisions are also being worked on with regard to adoption issues in the Gender Recognition Bill 2014.

Commission of Investigation into Mother and Baby Homes

The Government has established the Commission of Investigation into Mother and Baby Homes and Certain Related Matters and has approved its Terms of Reference. Three Commissioners have been appointed to lead the investigation, with the significant powers afforded under legislation, to look at the operation of 14 institutions as well as some county homes over the period from 1922 to 1998. It will examine, among other matters, the pathways of single women into and out of the institutions, review the conditions and care arrangements and investigate burial arrangements. The timeframe for the completion of the work of the Commission of Investigation is three years although it will report on the Social History Module to establish an objective and comprehensive historical analysis of significant matters within 18 months.

Implement National Standards for Home Support Services

In 2012 the HSE as part of a procurement process introduced standards of care for all external providers of enhanced home care. They are monitored through service level agreements with the HSE to ensure

that standards are being met. The intention is to introduce over time a statutory regulation system for home care services to be implemented by HIQA.

Smart Ageing

Further to a recommendation by the Global Irish Economic Forum in 2013, the Action Plan for Jobs 2014 included specific actions to explore the potential economic and social opportunities of the smart ageing sector for Ireland. A Steering Group has overseen the completion of a mapping exercise of relevant initiatives and an assessment of the potential smart ageing opportunity areas within Ireland and will finalise a report for Government by end Q1 2015 with recommendations on measures to maximise this potential.

Pension Reform

A high level Group has been set up to develop a roadmap and timeline for the introduction of a new supplementary workplace retirement saving scheme. Work is also under way to reform and simplify the pension's landscape to ensure schemes operate effectively and that there is a regulatory structure which gives pension savers confidence in the system.

Arts, Culture and Sport

Strategic Policy for Arts, Culture and Sport

A new national Cultural Policy, Culture 2025, is currently being drafted which will set out the high-level aims and policies in this area for the period up until 2025. The policy which will be subject to public consultation will focus on the meaning of culture in the 21st century, policies for growth and expansion and what can be done to embed culture at the heart of decision making across all sectors.

Supporting the Arts

An independent strategic review group has examined the role and remit of the Arts Council and set out a series of proposals to inform strategy in the years ahead. The Arts Council is now embarking on a process to develop a new strategy for the arts in 2015 and has undertaken to develop a new funding framework and assessment system for 2016/17 which will be more transparent, and linked to the new strategy.

In 2014, the Arts Council supported 50 organisations under their touring remit with funding of over €1.3m. Culture Ireland spent €3.15m supporting over 300 events, generating 3 million audience members and a further 6 million television viewers as well as creating over 6,000 employment days for Irish artists.

Reviewing the Opening Times of National Cultural Institutions

Most of Ireland's National Cultural Institutions open at weekends to facilitate access by the public with further 24/7 access to the extensive online collections and materials. Last November, the National Gallery of Ireland extended its Sunday opening time. Alternative means of access and the extending further of public opening times are matters of ongoing review with the institutions in the context of the Haddington Road Agreement.

Commemorations

The Government launched outline plans for the "Ireland 2016" commemoration of the 1916 Rising which will be the centrepiece of the Decade of Centenaries. The plans available on www.Ireland.ie are currently subject to a period of public consultation. A number of formal State events will be held over Easter weekend 2016, including a military ceremony on Easter Sunday, 27th March 2016 and a commemoration at Arbour Hill on Sunday, April 24th, to mark the date of the Rising.

In Budget 2015, the Government announced a €4m package to allow for an integrated plan to be rolled out over 2015, to lead up to 2016. This was in addition to the €22m provided for seven flagship capital projects - an interpretative centre at the GPO; restoration of specific parts of Richmond Barracks; development of Pearse's cottage; a Tenement museum; refurbishment of Kilmainham Courthouse; restoration of the Kevin Barry rooms in the National Concert Hall; and a new military archive building in Cathal Brugha Barracks.

Centenaries of events which impacted on the foundation of the Irish State over the decade 1912-1922 continue to be commemorated as part of the Decade of Commemorations. To date significant events covered include:

- 2012 - the introduction of the Third Home Rule Bill and the signing of the Ulster Covenant

PROGRESS

- 2013 - the Dublin Lockout
- 2014 - the outbreak of the first World War

Promoting Genealogical Tourism

The Working Group established to examine the technical, legal and resourcing issues in relation to publishing the 1926 census submitted their report last year. Under the Statistics Act 1993, census data must be withheld for 100 years and any change could prejudice and undermine the ongoing collection of national statistics data. Work is instead being progressed to facilitate the extensive preparatory work required to prepare the 1926 Census database for processing and eventual digitisation to facilitate the release of the data into the public domain.

The National Archives has expanded the range of digitised material being made available to the public online including census material, census search forms and Tithe Applotment Books. Approval has recently been given for approximately €8m for the first phase in a scheme providing for major improvements of the Bishop Street Headquarter which will contribute to establishing that part of historic Dublin as a genealogical quarter.

National Sports Facilities Strategy

Work has commenced on a Sports Policy Statement which will define the agenda for Sport Ireland and set out policy and targets in the areas of participation, high performance and facilities. The Policy Statement, which will be published later this year following a public consultation and engagement with key stakeholders, will also examine cross-sectoral issues such as sport and education and health.

Promoting Participation in Sport

Participation in sport has risen from 44.8% in 2011 to 47.2% in 2013, which is equivalent to almost 1.7m Irish adults participating in sport regularly. In June, over €40m was allocated under the Sports Capital Programme for 880 local and non-local sports projects across the country, representing an increase of 30% on the 2011 allocation.

A further special grant of €975,000 was allocated to the Irish Amateur Boxing Association to purchase equipment for boxing clubs, provide for works at the National Stadium, and to extend the 2011 facilities initiative devised to improve boxing facilities. An investment package of over €7.4m was announced

in April to support the work of the three major field sports in developing their games around the country at grass roots level.

Foreign Affairs, ODA and Defence

Promoting Ireland Abroad

Ireland's diplomatic network abroad has been expanded with the establishment of five new Embassies and three new Consulates General. The Embassies are located in Thailand, Indonesia, Croatia, Kenya and the Holy See while the Consulates General have been established in Hong Kong, São Paulo and Austin, Texas. Ireland's diplomatic network now consists of 80 diplomatic and consular offices, maintaining relations with 178 states. The Embassy Network continues to play a key role in promoting Ireland as an attractive destination for investment among influential decision makers. During the 2014 St Patrick's Day period, Embassies organised on average 17 events each, in 133 cities across 68 countries. A Heads of Mission conference recently took place in Dublin to coordinate the work of Ireland's Embassy network in advancing key Government priorities.

Co-ordinated Responses to Humanitarian Crisis

The Start Fund which is co-funded by Ireland and the UK was launched on 1 April 2014 which saw over £2m spent in 2014 responding to the needs of over 1.3m disaster affected people through 29 projects in 12 emergencies. These include emergency activities responding to displacement caused by conflict in Myanmar, Yemen, Turkey and the Democratic Republic of Congo; disease outbreaks such as Ebola in Sierra Leone and cholera in Cameroon and Nigeria; flooding in Bangladesh, Nepal and Somalia and food insecurity in South Sudan and Somalia.

Defence Forces Medical Services Review

A joint civilian/ military Standing Committee has been set up to develop a sustainable integrated medical service, involving both internal and outsourced service provision, to meet the needs of the Defence Forces. The Standing Committee is reviewing each medical service individually and a review of physiotherapy services has been completed. The Committee recommended that this service be delivered by employing civilian physiotherapists in-house and implementation of

this is underway. Reviews of laboratory services and psychiatry and psychology services are underway and are expected to be completed in 2015. Reviews of dental, pharmacy and nursing services are also planned for 2015.

Prohibition on the use of Irish Airspace, Airports and Related Facilities

The Government continues to make it clear that it does not and will not tolerate the use of our airspace or airports for any illegal purpose, including torture and extraordinary rendition.

Northern Ireland

Implementation of the Good Friday Agreement and St. Andrew's Agreement

The political talks concluded successfully in December 2014 with the Stormont House Agreement. The Agreement covers a broad range of issues, including finance and budgetary issues; flags, identity, culture and tradition; parades; the Past; institutional reform; and outstanding commitments from previous Agreements. Very significantly, it establishes a new comprehensive framework for dealing with the legacy of the Past. It will progress a number of outstanding aspects from the Good Friday and St Andrews Agreements, including enhancing civic engagement through the establishment of a civic advisory panel by June 2015 and enhancing North-South cooperation.

The focus in the period ahead will be on implementation of the Agreement. The Government has already begun to implement its own commitments, including allocating €5m to the International Fund for Ireland. In December, the second round of Reconciliation Fund grants totalling over €1.2m were made to organisations working to further peace and reconciliation on the island of Ireland.

Economic Cooperation to Support Jobs

Ministers in conjunction with their Northern counterparts continue to identify and act on opportunities to cooperate in a number of areas of mutual economic benefit including:

- the holding of joint trade missions, the latest one having taken place at the Arab Health Conference in January 2015

- an all-island bid for the Rugby World Cup in 2023
- cooperation in the area of sustainable transport such as developing cross-border Greenways
- cooperation in the e-Health sector
- the feasibility of developing an all-island air ambulance service

Ireland in Europe

Building on the considerable goodwill and expertise generated during our successful 2013 EU Presidency, Ireland worked across Council formations and with our EU partners and the EU Institutions to ensure that the core agenda which informed our Presidency of pursuing growth and jobs remained to the fore. Government stepped up its level of engagement following the election of a new Parliament and the appointment of a new Commission.

Implementation of EU Legislation

The Government gives high priority to the timely transposition of EU Directives and this matter is closely monitored by the Interdepartmental Group on EU Engagement. The review of Oireachtas scrutiny procedures including the implementation of EU law, currently underway, will include proposals for further improvements.

Our transposition record continues to improve with Ireland highly ranked in terms of timely transposition.

An Gaeilge agus an Ghaeltacht

Supporting the 20 Year Language Strategy

Government Departments published progress reports in 2014 demonstrating a coherent approach to the implementation of the 20 year strategy which will have a positive impact on the Irish language in the long-term. For the first time, in 2014, a specific allocation of €500,000 was provided for the Strategy to assist with funding:

- for a pre-school and an after-school services scheme for Gaeltacht families raising children through Irish
- to develop the ABAIR project, a text-to-speech synthesis system in Irish

PROGRESS

- two pilot projects for the development of automatic translation systems

Other work progressed includes:

- a further six notices to designate areas, as part of the 26 Gaeltacht Language Planning Areas, were published in June 2014, bringing the current number to nine
- public consultation held on a list of towns which may be recognised as Gaeltacht Service Towns
- a new Irish Language Network Scheme to be launched shortly by Foras na Gaeilge
- the establishment of an Advisory Committee to foster better cooperation in relation to the implementation of the Strategy and the language planning process

Reform the Irish Curriculum in Schools

Work continues on the development of a new draft specification for Junior Cycle Gaeilge to be finalised for consultation early in 2015.

The new integrated language curriculum for English and Irish, for Junior Infants to Second class, will be delivered in primary schools from the start of the 2016 school year, but it will be made available to teachers from September 2015.

The roll out of the new curriculum will be supported by a programme of in-service training for teachers. These developments in the first four years of the primary curriculum will inform the subsequent development of the integrated language curriculum for 3rd to 6th class inclusive.

Students Sitting Higher Level Irish

The number of students taking Higher Level Irish has risen from 14,359 in 2011 to 18,134 in 2014, a rise of 26%. Research on the impact of changed assessment arrangements for the oral examination of Irish is underway with the initial findings expected early in 2015 which will feed into the review of Leaving Certificate Gaeilge due for completion in 2015.

Review of the Official Languages Act

The review of the Official Languages Act 2003 was published in April following which the Government approved the General Scheme of the Official

Languages (Amendment) Bill. The primary aim of the Bill is to amend the Act to ensure that it continues to be an effective support to everyone who wishes to avail of high quality services in Irish from the State. It will also ensure that expenditure on the language is best targeted towards the development of the language and that obligations are imposed appropriately in response to demand from citizens.

Climate Change

Climate Change

The Climate Action and Low-Carbon Development Bill 2015 has been published and sets out the national objective of transitioning to a low carbon, climate resilient and environmentally sustainable economy up to 2050. The Bill provides for the development of new five-yearly National Mitigation Plans which will set out how our national greenhouse gas emissions are to be reduced, in line with wider international commitments.

Zero Carbon Homes

Under its Towards Nearly Zero Energy Buildings in Ireland: Planning for 2020 and Beyond plan, Ireland is committed to ensuring that by 2020 a typical new dwelling will have a low energy load for space heating, water heating, fixed lighting and ventilation of 45 kWh/m²/annum.

In 2011, a revision of Building Regulations brought the energy load of a typical new dwelling to 60kWh/m²/annum and a further amendment is envisaged to ensure that Ireland meets our 'nearly zero energy' obligation by 2020. A similar level of ambition is being pursued in respect of buildings other than dwellings and draft amendments will be released for public consultation in late 2015.

Energy

Geothermal Energy

The published General Scheme of a Geothermal Energy Development Bill aims to create a legislative framework to facilitate the exploration for, and development of, geothermal energy resources. Key elements of the final Bill will include exploring for geothermal energy, regulation of developments above a certain level of capacity, environmental

practices, and safety. The Draft Geothermal Development Bill is to be re-examined in 2015 following publication of the related Minerals Development Bill.

Renewable Energy

The second phase of a public consultation on the Renewable Electricity Policy and Development Framework will commence shortly with the publication of a Strategic Environmental Assessment and an assessment scoping document. The Framework seeks to optimise the opportunities in Ireland for renewable electricity generation development on land at significant scale and is expected to be completed in 2015.

Incentivise and Promoting Off-Shore Drilling

The regional seismic survey was concluded in July and provides a valuable data set for exploration companies and the research community. A review was also concluded early in 2014 of the Fiscal Terms applying to oil and gas exploration. Industry has reacted very positively in terms of acquiring copies of the survey and it, along with the clarity provided by the review, is expected to be critical to decision-making by companies in the context of applications to be made in the 2015 Atlantic Margin Licensing Round.

The new fiscal regime will be implemented by way of the Finance Bill 2015 and will apply to new licences issued from June 2014 onwards. Exploration companies applying under the Round now have certainty in relation to the fiscal terms that would apply in the case of future commercial discoveries made on the new licences awarded under the Round.

Reviewing the PSO Levy

Costs associated with the ReFIT schemes are payable from the Public Service Obligation fund, which is raised by a levy on all electricity consumers. Prior to the introduction of ReFIT 3, a review of ReFIT was carried out with conditions tightened up and cost savings achieved.

Work is about to begin on a new support scheme for renewable electricity that takes account of the structure of the target market, a key component of which will be consideration of the available

technologies, their cost effectiveness, support required and who should bear the costs of any support.

Micro-Generators

An analysis of the potential of micro-generation technologies such as small scale wind, solar and small scale hydro has been carried out by the Sustainable Energy Authority of Ireland. It shows that while micro-generation has the technical potential to make a significant contribution to Irish electricity consumption, careful consideration would have to be given to the design of any potential future support scheme to ensure it is cost-effective.

The consultation process on the Green Paper on Energy sought feedback on the role that alternative technologies, such as micro-generation, could play in delivering our renewable energy ambitions. The SEAI's findings, along with submissions received on the Green Paper on Energy Policy will inform future policy on the provision of any market support for micro-generation.

Regulation

Rationalising Regulators

The Action Plan for Jobs for 2014 contained specific commitments to implement the necessary actions at sectoral level in order to implement the strategic framework for economic regulation. Progress in 2014 includes:

- in the Energy sector, the development of a hierarchy is being reviewed as part of the White Paper consultation process currently underway, following the publication in May of a Green paper on Energy Policy
- the Commission for Energy Regulation has been established as the regulator for public water and waste-water services
- a number of Memoranda of Understanding for sharing of services have been implemented including in the Energy sector and the Broadcasting/Communications sector
- a New Aviation Policy Statement will be published shortly

- in the Broadcasting sector, it intended that the hierarchy will be considered as part of the forthcoming changes proposed to the Broadcasting Action
- while in the Communications sector negotiations on the proposed EU Single Telecoms Market are continuing and will inform the review of ComReg's mandate

Waste

Waste Producer Responsibility Initiatives

The final report of the review of the Producer Responsibility Initiative model was published in July 2014, containing approximately 170 recommendations. Decisions taken on key elements include:

- the non-application of any new packaging levy
- the re-introduction of visible fees in the Waste Electrical and Electronic Equipment sector
- new regulatory structures to be established during 2015 for both the 'tyre' and the 'end of life vehicles' sectors

The Environment (Miscellaneous Provisions) Bill currently before the Oireachtas will provide for Fixed Penalty Notices for certain offences relating to producer responsibility.

Regulating Waste Collection

Work on the new regulatory framework for the collection of household waste, including proposed new Regulations, is well advanced and it is anticipated that the proposed provisions will be operational by 1 July 2015. Measures such as failure to introduce a weight based charging system or failure to have a customer charter in place, will automatically trigger a review of a waste collection permit, with the possibility of that permit being revoked. It is also proposed to introduce a range of fixed payment notices for non-compliant waste collectors.

Enhancing the Quality of the Environment

Environmental Crime

Both the Environmental Protection Agency (EPA) and the Local Authority Enforcement Network have improved how public environmental complaints are dealt with by implementing systematic complaint response systems, a national 24-hour complaints line, a smartphone App, and online complaint forms. Major illegal waste activity has been tackled right across the country including significant action against illegal scrapyards, non-complaint waste companies and other illegal waste operations.

Overall the EPA and local authority enforcement teams receive and investigate approximately 57,000 environmental complaints each year with a close-out rate of 93%. Enforcement activities have resulted, on average, in 900 court prosecution proceedings being brought to court each year and a further 12,000 enforcement actions per annum.

Communications

Broadband

The national broadband coverage map was published identifying the homes, businesses and schools where commercial providers will deliver high-speed broadband access by the end of 2016. Following a period of public consultation, the State will invest in all the remaining areas to ensure that every home, school and business in Ireland has access to high-speed broadband, regardless of where it is located. An intervention strategy will follow along with a procurement process later this year, it is expected that the building of the network will commence from 2016.

Last year, ComReg trialled a consumer tool to measure broadband speeds experienced by consumers across a range of platforms. During November, a panel of over 500 testers downloaded and tested a 'Broadband Test and See' software tool. ComReg is now analysing the data and is expected to issue an information notice in respect of the trial shortly.

Knowledge Transfer and Innovation

Knowledge Transfer Ireland (KTI) was launched in May with responsibility for centralising national technology and knowledge transfer activity to make it easier to commercialise State-funded research from all third-level institutes across the country. The key service offered is a web-portal that enables companies to identify experts, research centres and technology-licensing opportunities to benefit their business.

The establishment of KTI advances the Government's plan to strengthen and standardise the Irish knowledge transfer infrastructure in which it has already invested €30m through Enterprise Ireland, working in cooperation with the Technology Transfer Offices in Irish Higher Education Institutes. A further €22m, up to end 2016, has been committed by the Government to increase the capacity of the knowledge transfer infrastructure.

Maintaining the Post Office Network

A new Post Office Network Business Development Group chaired by Mr. Bobby Kerr has been established to examine the potential and opportunities for new Government and commercial business that could be transacted through the post office network.

Transport

Public Transport

Leap card sales have now reached 921,000 and a number of enhancements were introduced last year including a Tourist Leap card, a new Leap fare for 16-18 year olds and an extension of the scheme to Cork, Galway, Limerick. By the end of 2014, over 94m journeys were taken using Leap cards. The new Rosie Hackett Bridge was opened in May to buses, cyclists and pedestrians and will facilitate the forthcoming Luas Cross City.

Investing in Public Transport

Last May, the Government announced a €7m investment programme for public transport improvements. €5m was spent to date on works including bus stop upgrades, additional real time signs and cycling projects in Greater Dublin Area/ Regional Cities.

The LUAS cross city project is proceeding on schedule and within budget with the contract for the main infrastructure works signed in January. The project is scheduled for completion at end 2017.

A €171m investment programme was provided to Irish Rail to cover its renewals and maintenance programme, repairs arising from storm damages and the upgrading of the Enterprise service.

Funding has also been approved:

- to replace buses – 155 for Dublin Bus and 114 for Bus Éireann
- to upgrade Quality Bus Corridors including the Swords Road and Thomas St/James St
- for sustainable public transport projects in Cork, Galway, Limerick and Waterford to promote walking, cycling, and develop bus priority measures

Investing in Roads

Following the severe weather from late 2013 into 2014, over €12m was spent last year on clean-up and infrastructure repair and restoration works for regional and local roads. In addition, €5.52m is being allocated in 2015, which includes expenditure on works carried over from 2014.

A number of roads projects were progressed in 2014 including:

- the opening of the N3 Belturbet Bypass which includes 6.7km of new road and a cable stay bridge across the River Erne
- the opening of the R402 Enfield Edenderry Road Improvement Scheme, which includes 11km of single carriageway linking Edenderry to Enfield
- the opening of the N7 Newlands Cross Upgrade scheme
- the commencement of the M17/M18 Gort to Tuam PPP Scheme

Funding of €60m was also announced for minor works on national roads, to begin next year and continue over a three year period. The works will cover Donegal, Galway, Kerry, Leitrim, Louth, Mayo, Meath, and Roscommon.

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Regulation of Clamping

The Vehicle Clamping Bill 2014 was published to provide for a new regulatory regime to ensure that all clamping activities are carried out in a fair and transparent manner, including a code of practice for operators, maximum fines, requirement to display signs and a simple appeals process.

Investing in Cycling

The hugely successful Dublin Bikes scheme has taken almost 9.5 million journeys around Dublin since the scheme was launched. It has also been extended in Dublin and launched in Cork, Limerick and Galway. There are now 100 stations with 1,500 bikes in Dublin, and 31 stations with 330 bikes in Cork. There will be 23 stations with 215 bikes in Limerick and 16 stations operational with 195 bikes in Galway by the end of Q2 2015.

As part of the Government Stimulus Programme 2014, €10m has been earmarked to develop 11 greenways and cycling routes across 9 counties with the construction of a number of on and off-road cycling routes designed to facilitate commuters and attract cycling tourists to the country. Additionally, the national Cycle Network has been further developed with funding of €13.3m for the period 2012-2016.

€23m was provided under the Smarter Travel Areas Programme for the development and promotion of sustainable transport in Westport, Dungarvan and parts of Limerick City.

Rural Transport Programme

Following the restructuring of the 35 Rural Transport groups, 17 new Transport Co-ordination Units are being established to ensure a more efficient transport delivery structure that maximises integration with other State funded transport services. 16 TCUs are now in place and it is expected that the remaining one will be established shortly. These Units will play an important role in embedding integration within transport services planning, primarily by co-ordinating requirements for access to employment, health, social and education opportunities.

Airport Performance

Following a consultation process last year a new National Aviation Policy will be published shortly to

develop new routes and services into Ireland and continue developing the sector over the next 20 year period.

Passenger numbers through Irish airports have continued to show strong growth with figures to end 2014 showing 26.57m travelling, an increase of 7% on 2013. A total of 35 new routes commenced during 2014 at Dublin and Shannon airports with increased frequency on another 37 existing routes. A further 17 new routes are due to commence this year at Dublin, Cork and Shannon airports.

Agriculture

Food Harvest 2020

The value of agri-food exports increased last year by 4% to reach almost €10.5bn, marking a cumulative growth of 45% since 2009. This continued strong performance indicates that the export target of €12bn by 2020 should be reached and potentially exceeded. The value of meat and livestock exports grew by 3% to just over €3.6bn.

Dairy exports also grew by 3% and dairy farmers are currently preparing for the end of milk quotas on 31 March 2015.

A new Competitive Feasibility Fund for Agri-Business was launched in September to assist new start-up companies, which are likely to achieve significant growth within three years, investigate the viability of a new growth orientated agri-business proposition.

€4.2m has been allocated to the 2015 scheme of Investment Aid for the Development of the Commercial Horticulture Sector. The Scheme is open to all horticultural sectors – protected crops, nursery crops, field vegetables, soft fruit, apples, beekeeping and mushrooms.

A new 2025 Agri-Food Strategy is being developed which will set out the key actions required to maximise the contribution of the sector to economic growth, job creation and environmental sustainability over the next decade. The Strategy will be published in July this year.

Afforestation Programme

A new Forestry Programme 2014-2020 was published in February involving a commitment of

€482m of new investment in the forestry sector. The new programme will support the planting of over 44,000 hectares of new forests, the construction of up to 700 kilometres of new forest roads, the protection and enhancement of Irish native woodlands, and an increase in premium payments. The Forestry sector currently contributes €2.3bn to the economy and employs 12,000 people.

The Forestry Act 2014, signed in to law in October, supports the development of a modern forest sector which operates in accordance with good forest practice and with a view to protection of the environment.

Coastal Communities, Fisheries & Marine Environment

The Common Fisheries Policy

The new Seafood Development Programme will fund €108m in new investments to support our capacity to enforce the Common Fisheries Policy, improve the science that supports our fisheries management, and the implementation of the new EU Integrated Maritime Policy. A further €11.5m was made available in Budget 2015 to commence investment measures under the new Programme and this will rise significantly in following years as the Programme is fully rolled out.

Minor Fisheries Offences

A public consultation process has been held on the introduction of on the spot fines for minor offences; the introduction of a points system for serious offences (required by EU Regulation) and setting out policy for fish quotas as a national resource. The outcome of the consultation will feed into the development of the General Scheme of a Sea Fisheries and Maritime Jurisdiction (Amendment) Bill.

Safety at Sea

A new Maritime Safety Strategy to be published this year will focus on reducing the number of deaths and injuries in the recreational craft, fishing, passenger and cargo vessel sectors. Following a review study on the necessity for an Emergency Tow Vessel and having regard to the long time frame for developing

consensus on a suitable offshore patrol vessel for the future, it was decided that the focus for the next few years will be on improving accident prevention and pollution response.

Planning

Co-ordination of National, Regional and Local Planning Laws

The General Scheme of the Planning and Development (No. 2) Bill, published in January, provides for the establishment of the Office of the Planning Regulator and placing on a legislative footing the development of a National Planning Framework to replace the existing National Spatial Strategy 2002-2020. Work will now commence on the new national planning framework and it is expected to be finalised by early 2016.

A new policy statement on planning was also published in January 2015. This guiding document sets out what we want the planning process to do, as well as the core values and general principles that should underpin it.

Improving Local Transport Plans

New guidelines on the preparation of Local Area Plans reinforce the requirement for Local Authority statutory plans to more explicitly address local transport requirements including setting out national policy in relation to achieving smarter travel, achieving quality in urban design and people friendly urban design, which impact on local transport planning.

Public Participation in the Planning Process

The guidelines on the preparation of Local Area Plans including land use zoning objectives highlight the requirement for planning authorities, under law, to consult with local residents and community groups, non-governmental agencies and commercial and business interests within the area. The forthcoming Planning and Development (No.2) Bill, in line with the recommendations of the Mahon Tribunal, will make available to the public all submissions on the preparation of a Development Plan/Local Area Plan, making this process more open and transparent.

COMMITMENTS UNDER REVIEW

International Hub for Emergency Humanitarian Supplies

A full-scale feasibility study has been carried out, with the specific aim of providing an independent, evidence-based assessment of the viability and value-for-money of a possible humanitarian hub at Shannon airport. Independent experts considered a number of options including, the prepositioning of relief items and medical supplies, the possible development of a training facility at the airport and the establishment of a depot for civil protection assets. The study, based on a cost-benefit analysis and a consultation with a large number of international humanitarian organisations and agencies, concluded that the various roles explored did not demonstrate sufficient economic viability. On the basis of the findings that there was no justifiable, economically viable rationale for advancing the plans to develop Shannon Airport in this manner, the decision has been taken not to proceed.

Election of Sports Council

The provision of directly electable positions was considered in the context of new legislation for the establishment of Sport Ireland, which merges the Irish Sports Council and the National Sports Campus Development Authority. However, it was considered that it would not be appropriate to establish the Board in a manner that has potential for conflicts of interest by having individuals elected to the board by the National Governing Bodies of Sport, when Sport Ireland has responsibility for allocating funding to those Bodies.

APPENDIX

Legislation Enacted since March 2014

Road Traffic Act 2014

County Enterprise Boards (Dissolution) Act 2014

ESB (Electronic Communications Networks) Act 2014

Oireachtas (Ministerial and Parliamentary Offices) (Amendment) Act 2014

Fines (Payment and Recovery) Act 2014

Electoral (Amendment) Act 2014

Central Bank Act 2014

Johnstown Castle Agricultural College (Amendment) Act 2014

Criminal Justice (Forensic Evidence and DNA Database System) Act 2014

Public Health (Sunbeds) Act 2014

Industrial Development (Forfas Dissolution) Act 2014

Protected Disclosures Act 2014

Health Identifiers Act 2014

Social Welfare and Pensions Act 2014

Health Service Executive (Financial Matters) Act 2014

Court of Appeal Act 2014

Friendly Societies and Industrial and Provident Societies (Miscellaneous Provisions) Act 2014

Radiological Protection (Miscellaneous Provisions) Act 2014

Housing (Miscellaneous Provisions) Act 2014

Strategic Banking Corporation of Ireland Act 2014

National Treasury Management Agency (Amendment) Act 2014

Electoral (Amendment) (No. 2) Act 2014

Irish Human Rights and Equality Commission Act 2014

Employment Permits (Amendment) Act 2014

State Airports (Shannon Group) Act 2014

Health (General Practitioner Service) Act 2014

Competition and Consumer Protection Act 2014

Freedom of Information Act 2014

Forestry Act 2014

European Stability Mechanism (Amendment) Act 2014

Health (Miscellaneous Provisions) Act 2014

Civil Registration (Amendment) Act 2014

Appropriation Act 2014

APPENDIX

Intellectual Property (Miscellaneous Provisions) Act 2014

Finance Act 2014

Companies Act 2014

Road Traffic (No. 2) Act 2014

Protection of Children's Health (Tobacco Smoke in Mechanically Propelled Vehicles) Act 2014

Social Welfare and Pensions (No. 2) Act 2014

Health Insurance (Amendment) Act 2014

Merchant Shipping (Registration of Ships) Act 2014

Water Services Act 2014

Central Bank (Amendment) Act 2015

