

Expenditure Report 2013

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PART I EXPENDITURE ALLOCATIONS 2013-2014

Introduction and Overview

1 The Scale of the Fiscal Challenge

Ireland's public finances have now moved decisively onto a sustainable and credible path, following a number of difficult years. The 2013 Expenditure Report includes further well-specified expenditure savings measures across every area of Government spending, and it is likely that the current severe economic downturn will require continued fiscal discipline into 2014. The firm resolve shown by the Government and by the Irish people to overcome our difficulties has been recognised internationally. To date, all quantitative fiscal targets set as part of the EU/IMF Programme of Financial Support and under the EU Excessive Deficit Procedure have been met in full. Ireland's sovereign bond yields have been falling progressively to more normal levels over the course of 2012. The structural economic and budgetary reforms that the Government is delivering will bring a return to prosperity and growth over the medium term. Indeed, the economy grew in real terms in 2011 for the first time since 2007, and this initial recovery is projected to gather momentum from 2012 into 2013 and later years.

It is important that the scale of what Ireland has accomplished to date should be put into its proper context. Since peak levels in 2009, Departmental expenditure has been lowered by just over 10 percent. Table 1 below details how the main elements of Government expenditure have evolved each year since 2008. The core outcome is that overall public expenditure has been reduced by approximately €6 billion, from €62.4 billion to €56.2 billion, despite the fact that spending on Social Protection has risen by more than €3 billion over the period arising in large part from the cyclically-driven increase in unemployment costs.

	2008	2009	2010	2011	2012 ^(f)	2013 ^(e)
	<i>€ billion</i>					
Social Protection	17.7	20.4	20.8	20.9	20.8	20.2
Other Expenditure	35.7	35.3	33.4	32.0	31.5	30.9
<i>(of which) Health</i>	<i>15.4</i>	<i>15.5</i>	<i>14.7</i>	<i>14.0</i>	<i>13.9</i>	<i>13.6</i>
<i>Education</i>	<i>8.5</i>	<i>8.6</i>	<i>8.9</i>	<i>8.6</i>	<i>8.6</i>	<i>8.5</i>
<i>Justice</i>	<i>2.6</i>	<i>2.5</i>	<i>2.4</i>	<i>2.4</i>	<i>2.3</i>	<i>2.2</i>
<i>Other</i>	<i>9.2</i>	<i>8.7</i>	<i>7.4</i>	<i>7.0</i>	<i>6.7</i>	<i>6.6</i>
Gross Current Expenditure	53.4	55.7	54.2	52.9	52.3	51.1
Gross Capital Expenditure	9.0	7.3	6.4	4.5	3.9	3.4
Gross Total Expenditure	62.4	63.0	60.6	57.4	56.2	54.5

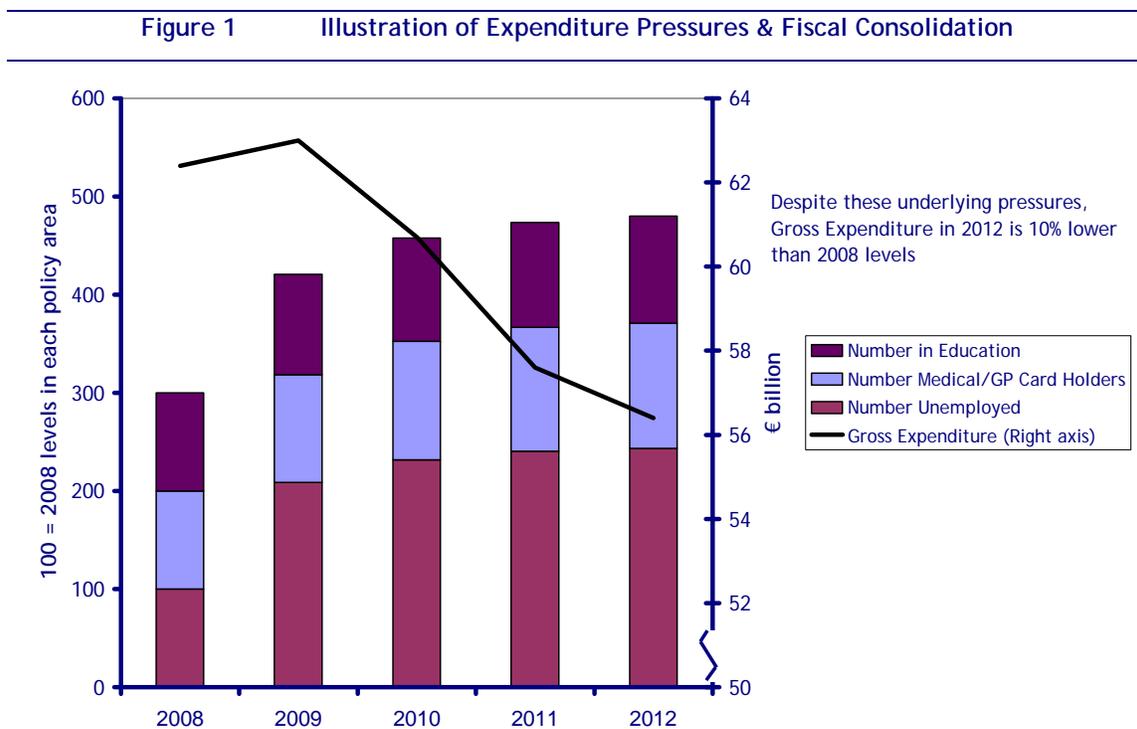
(f) Forecast outturn (e) estimate

Even these headline figures do not show the full extent of the fiscal consolidation effort. The expenditure figures in Table 1 are expressed in nominal terms, i.e. not adjusted to take account of

price trends. In real terms, therefore, the expenditure reductions are more significant. Moreover, most Government Departments have delivered their expenditure reductions against the headwinds of various service pressures and increased demands arising from the economic downturn. In particular:

- There have been increasing pressures on health expenditures and entitlements, linked to the deterioration in the labour market;
- Demographic trends have presented underlying upward pressures for programme expenditure, in particular in the areas of education and healthcare.

Figure 1 below illustrates the point graphically, showing how overall public expenditure has been managed downwards onto its sustainable path despite the very significant underlying, countervailing pressure from the Social Protection, Education and Health budgets.



Taken in the round, therefore, Ireland has delivered – and continues to deliver – an expenditure consolidation that is at the forefront of what has been achieved anywhere across the OECD.

Notwithstanding Ireland's progress to date, continued discipline and careful prioritisation of our resources are essential in order to meet Ireland's firm commitment to reduce the deficit to below 3 percent of GDP by 2015. The large gap between the State's revenues and expenditures must be narrowed progressively over the period. While the gathering economic recovery will contribute to this process, a significant part of the gap is structural in nature and accordingly, must be addressed in structural terms.

Expenditure Consolidation in 2013

The overall expenditure consolidation target for 2013, as set out in the *Comprehensive Expenditure Report 2012-2014* (CER) of December 2011, was €2.25 billion: €1.7 billion in current spending and €0.55 billion in capital spending. These targets were framed against the over-arching requirement to reach a General Government Deficit target of 7.5 percent in 2013 in line with the Government's medium-term fiscal strategy and in keeping with Ireland's international commitments.

Since the publication of the CER, in the context of the social and economic developments over the past year, the Government has considered carefully the overall balance of the fiscal consolidation path and it is now apparent that the 7.5 percent Deficit target for 2013 can be achieved on the basis of the updated expenditure consolidation path outlined in Table 2 below.

Table 2 2013 Expenditure Consolidation Path	
	2013
	<i>€ billion</i>
Increase in Savings from Prior Year Measures	0.4
Savings from New Measures	1.0
Current consolidation*	1.4
Additional Health Pressures	0.7
Current Consolidation Effort[^]	2.1
Capital Consolidation	0.5
Total Expenditure Consolidation (Current + Capital)	1.9
Total Expenditure Consolidation Effort (Current+Capital+Health Pressures)	2.6

* This represents the consolidation amount achieved from current expenditure which will contribute to deficit reduction in net terms, consistent with the presentation in the *Medium Term Fiscal Statements* of November 2011 and November 2012.

[^] This represents the savings effort needed to achieve the current expenditure consolidation and also meet the additional pressures that arose in 2012 on Health expenditure

The individual Departmental Expenditure Ceilings for 2013 have been determined largely on the basis of the allocations set out in last December's CER, as adjusted in some cases in light of the updated consolidation path set out above and in light of other specific developments. Part II of this Expenditure Report provides a reconciliation of the new 2013 Expenditure Ceilings with the pre-existing CER ceilings, making clear the rationale for adjustments in each case. In overall terms, the re-balanced expenditure consolidation path takes account of additional dividend income expected from State Bodies in 2013 and of some higher revenue yields. It should also be noted that costs associated with Ireland's EU Presidency in 2013, which were previously shown in an unallocated contingency line, are now allocated across Departments and Offices and this accounts for some once-off apparent increases in allocations, particularly in the case of smaller Offices.

Public Service Staff Costs

Reductions in public service staffing numbers and payroll costs have played a vital role in the expenditure consolidation effort to date. The Government recognises the contribution that has been made up to now by public servants, who continue to deliver public services to high standards despite increasing pressures. Public service pay and pensions account for approximately 36 percent of overall Government expenditure, and accordingly it is necessary that further savings and efficiencies from this area will be required both in 2013 and over the medium term. The Government has recently initiated discussions with the public service staff representative associations on extending the scope of the Public Service Agreement, and the Government hopes that by engaging in this process openly and in good faith, agreement can be reached on ways of achieving savings on the scale that is required and in a manner that is fair and proportionate.

The discussions will reach their conclusion early in 2013, as it is essential that the benefit of the savings and efficiencies can begin to be felt from next year. Upon the conclusion of the discussions, the paybill savings from this, and staff numbers reductions, will be allocated across Votes in the Revised Estimates Volume, and so the individual Vote allocations shown in Part IV of this Expenditure Report will be adjusted accordingly.

Capital Expenditure

The Government's medium-term priorities for capital expenditure are set out in *Infrastructure and Capital Investment, 2012-2016*, published in November 2011. A number of sectoral spending pressures have emerged which have resulted in a net overall increase to the 2013 envelope of €62 million, or just under 2 percent of total investment.

2 Current Expenditure Allocations

Arising from last year's *Comprehensive Expenditure Report 2012-2014* (CER), a number of expenditure reforms have been introduced in order to change the processes involved in allocating and assessing public expenditure to improve transparency and decision making. The intention of these

reforms is to improve the focus on medium-term, structural and strategic planning of expenditure within each area, and is in line with a commitment made under the *EU/IMF Programme* to introduce multi-annual fixed expenditure ceilings. Under this reformed approach, multi-annual current expenditure ceilings are fixed for each Department in order to make clear, in advance, the resources available for each area and the level of savings required. Part III of this Expenditure Report gives fuller details on these budgetary reforms.

The CER set out Departmental expenditure ceilings for 2013 and 2014, and – as indicated above – these ceilings have now been adjusted to take account of the updated expenditure consolidation path and to reflect specific factors. Table 3 presents the revised current expenditure ceilings for each Department for 2013 and 2014. Part II of this Report provides a reconciliation of these ceilings with the underlying CER expenditure ceilings.

Table 3	Departmental Current Expenditure Ceilings 2013-2014	
	2013	2014
	<i>€ million</i>	
Agriculture, Food & the Marine	1,057	1,029
Arts, Heritage & the Gaeltacht	222	207
Children & Youth Affairs	417	409
Communications, Energy and Natural Resources Group	332	325
Defence Group	892	890
Education & Skills Group*	8,514	8,453
Environment, Community & Local Government	467	428
Finance	442	429
Foreign Affairs & Trade	716	692
Health	13,627	13,420
Jobs, Enterprise & Innovation	355	339
Justice & Equality	2,200	2,065
Public Expenditure & Reform	837	826
Social Protection**	20,246	19,633
Taoiseach	154	142
Transport, Tourism & Sport	758	702
Contingency Expenditure	50	70
<i>Unallocated Savings (incl. Paybill measures)</i>	<i>-220</i>	<i>-830</i>
Gross Current Expenditure	51,068	49,232

* includes expenditure from the National Training Fund

** includes expenditure from the Social Insurance Fund

3 Capital Investment Allocations

A Government-wide review of the Public Capital Programme was undertaken in 2011 which culminated in the publication of *Infrastructure and Capital Investment 2012-2016: Medium Term Exchequer Framework* and set a re-focused capital envelope for that period. In the context of tight fiscal constraints the review sought to reprioritise public capital expenditure and as a result, expenditure was focused on Health, Education and Jobs.

While there have been some adjustments to the capital envelope since Budget 2012, the revised envelope remains firmly in line with Government priorities as identified in the capital review. Table 4 sets out the revised capital envelope out to 2016.

Ministerial Vote Group	2013	2014	2015	2016	Total 2013-2016
	<i>€ million</i>				
Agriculture, Food & the Marine	187	168	168	168	691
Arts, Heritage & the Gaeltacht	38	36	36	36	146
Children & Youth Affairs*	26	30	8	8	73
Communications, Energy & Natural Resources	85	80	79	77	321
Defence	9	8	8	8	33
Education and Skills	414	475	475	415	1,779
Environment, Community & Local Government	740	528	571	574	2,413
Finance Group	5	5	5	5	20
Foreign Affairs and Trade Group	4	2	2	2	10
Health Group	397	390	390	390	1,567
Jobs, Enterprise, & Innovation	458	457	454	451	1,820
Justice Group*	61	62	62	62	246
Public Expenditure & Reform [Less OPW]*	1	1	1	1	2
OPW	101	100	100	100	401
Social Protection*	11	10	9	7	36
Transport, Tourism, & Sport	900	879	818	818	3,415
Unallocated Reserve*			67	134	200
Total *	3,435	3,230	3,252	3,255	13,172

*Rounding affects totals

The details of the expenditure allocations for each Department are set out in the following sections.

Department of Social Protection

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure under the Department of Social Protection will be €20,257 million in 2013. This will consist of €20,246 million in current expenditure and €10.5 million in capital expenditure.

Key Public Service Activities

This level of funding will provide for social transfers and income supports in 2013. The Department of Social Protection will continue to carry out its key public service activities in 2013. These are to:

- Promote active participation in society through the provision of income supports, employment services and other services
- Ensure speedy access to decisions, payments and reviews for all schemes and services
- Focus on maximising employability by providing targeted income support, training referral, development and employment services, based on individual needs and circumstances
- Develop and implement a programme of reform to underpin the sustainability of the welfare system into the future and co-ordinating implementation of Government strategies for social inclusion
- Improve cost-effectiveness in all areas of expenditure, including the minimisation of fraud and error in the welfare system. Exchange information with other agencies to minimise duplication and delay and to enhance control measures.
- Develop the appropriate capacity to deliver on the Department's mandate from Government. Engage staff in the transformation programme, developing a shared corporate culture.
- Implement the Action Plan under the Public Service Agreement to maximum effect to secure service improvements and efficiencies. Enhance corporate governance and maintain robust financial management and reporting systems.

New Policy Measures

The weekly primary rates of payment are being maintained in Budget 2013 along with the rate and seasonal duration of fuel allowance payments. There are a range of policy measures due to be implemented in 2013, which are listed in section C below. In addition to these measures, a number of initiatives are being implemented which will alleviate the reductions in cash supports and facilitate transition from welfare supports into employment. These measures include additional placements on labour market activation schemes and funding for additional childcare placements.

Changes to Expenditure Ceiling

The expenditure ceiling as set out in the *Comprehensive Expenditure Report 2012-2014* was €19.9 billion. The ceiling has been increased to €20.2 billion, owing to anticipated increased Live Register expenditure and additional funding to help reduce the burden of the expenditure adjustment on the Department of Social Protection.

B. Expenditure Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment 2012-16*

Department of Social Protection	2013	2014
	€ million	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	19,906	19,296
<u>Adjustments to the Ceilings</u>		
Technical Adjustments		
Transfers to D/EC&LG in respect of the Rental Accommodation Scheme	-15	-15
Matched funding: - <i>increased A-in-As</i>	3.2	3.2
From unallocated provision: - <i>Admin. Carryover</i>	0.8	
- <i>EU Presidency</i>	0.5	
Cyclical and Forecasting Adjustments		
Live Register Fluctuations	200	200
Sectoral Policy Developments		
Adjustment to reduce the burden of the expenditure reductions on the Department of Social Protection.	166.7	166.7
Adjustment to other votes in respect of supportive measures targeted at low-income households.	-16.5	-18
<i>Reconciled Expenditure Ceilings post Adjustments</i>		
Savings measures introduced in 2013 to adhere to the ceiling	390	445
Unallocated savings necessary to adhere to the ceiling in 2014		440
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	10.5	9.5
<u>Adjustments</u> n/a		
Capital Ceiling	10.5	9.5

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the 2013 Expenditure Ceiling.

Measure	Savings in 2013	Full Year Savings
	€ million	
<i>Child Benefit</i> - Reduce the monthly rate of Child Benefit by €10 per child in respect of the first, second and third child. From January 2013, the monthly rate for each of the first three children will be €130. Reduce the monthly rate by €10 per child, to €130, in respect of the fourth and each subsequent child from January 2014.	136	142
<i>Back to School Clothing and Footwear Allowance</i> - Reduce the rates of BSCFA by €50, from €150 to €100 (children aged 4 to 11), and €250 to €200 (children aged 12 to 17 or aged 18 to 22 in full time education).	17	17
<i>Farm Assist</i> - The rate of assessment of means from self-employment, including farming, is being raised from 85% to 100%. The deductions from income in respect of children are being discontinued (currently €127 per year for each of the first two dependent children and €190.50 per year for each subsequent child).	4	5
<i>Jobseeker's Benefit</i> – Reduce the duration of Jobseeker's Benefit from (a) 12 months to 9 months for recipients with 260 or more contributions paid and (b) 9 months to 6 months for recipients with less than 260 contributions paid.	33	82
<i>Redundancy Payments Scheme</i> - Discontinue the employer rebate element of the statutory redundancy scheme. (Rebate is currently 15%).	25	30
<i>Supplementary Welfare Allowance</i> - Reductions in expenditure on Exceptional Needs Payments.	6	6
<i>Back to Education Allowance</i> - Discontinue, for new and existing participants, the €300 Cost of Education Allowance payable to Back to Education Allowance participants. The weekly rate payable on the scheme is being equalised with that payable on the qualifying social protection payment. A standard maximum rate of €160 per week will apply to qualifying jobseeker's allowance participants in receipt of age-related reduced rate payments.	11	24
<i>Respite Care Grant</i> – Reduce the value of the grant by €325, from €1,700 to €1,375 per annum	26	26
<i>Household Benefits Package</i> – introduce changes to the electricity/gas element of the package	20	23
<i>Household Benefits Package</i> – Reduction in the value of the Telephone Allowance element of the Household Benefits package for new and existing recipients.	61	61
<i>Fraud, Control & Overpayments</i> – Additional fraud and control measures as well as the introduction of legislation to enable greater recovery of social welfare overpayments.	60	60
<i>Administrative savings</i> – arising from reduced costs for medical certificates	5	5
<i>Increased funding for activation programmes and school meal provision</i>	(13)	(28)
Total	390	452

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further reductions of approximately €440 million will be required across the Department in 2014 to remain within the Expenditure Ceiling for that year.

Reducing overall expenditure in 2014, as required by the expenditure ceilings, will require critical analysis of social welfare policy. The focus of the Department of Social Protection in 2014 and future years will be as follows:

- To ensure that labour activation measures will help prepare unemployed people for re-entry to the workforce as the economy improves. The refocusing of the corporate structure and activities of the Department towards reducing long-term dependence on welfare payments through substantially more intensive interaction with individual clients will support this;
- To ensure an adequate and sustainable welfare system in the years ahead, particularly having regard to the challenges faced by demographic pressures;
- To reduce the complexity of the system in order to simplify it for both clients and staff, particularly in the context of scarce and reducing administrative resources;
- To ensure that the resources available to DSP in 2014 and later years are directed towards providing targeted support to those who are most at risk of poverty;
- To ensure that payments are delivered only to those with an underlying entitlement, in the most efficient and effective manner;
- To maintain, as far as possible, a sustainable social insurance system, based on paid PRSI contributions with an appropriate level of entitlements in due course based on these contributions; and
- To ensure that any measures adopted should be consistent with the medium to longer term development of the social welfare system or, at a minimum, should not make such progress more difficult.

The Comprehensive Review of Expenditure 2011 identified a large number of options which remain available for consideration for implementation in 2014. The Minister for Social Protection will engage constructively with sectoral stakeholders, and with the Oireachtas Committees, to discuss areas of relative priority within the fixed overall allocation for 2014.

ANNEX - Social Protection Rates of Payment 2013

Table 1

Maximum Weekly Rates of Social Insurance from January 2013

	Present Rate	New Rate
Personal and Qualified Adult Rates	€	€
<u>State Pension (Contributory)</u>		
(i) Under 80:		
Personal rate	230.30	230.30
Person with qualified adult under 66	383.80	383.80
Person with qualified adult 66 or over	436.60	436.60
(ii) 80 or over:		
Personal rate	240.30	240.30
Person with qualified adult under 66	393.80	393.80
Person with qualified adult 66 or over	446.60	446.60
<u>State Pension (Transition)</u>		
Personal rate	230.30	230.30
Person with qualified adult under 66	383.80	383.80
Person with qualified adult 66 or over	436.60	436.60
<u>Widow's/Widower's Contributory Pension</u>		
(i) Under 66:	193.50	193.50
(ii) 66 and under 80:	230.30	230.30
(iii) 80 or over:	240.30	240.30
<i>Note (ii) and (iii) are the same as State Pension (Contributory) Rates.</i>		
<u>Invalidity Pension:</u>		
(i) Under 65:		
Personal rate	193.50	193.50
Person with qualified adult under 66	331.60	331.60
Person with qualified adult 66 or over	399.80	399.80
(i) Age 65:		
Personal rate	230.30	230.30
Person with qualified adult under 66	368.40	368.40
Person with qualified adult 66 or over	436.60	436.60
<u>Carer's Benefit</u>		
Personal rate	205.00	205.00
<u>Occupational Injuries Benefit - Death Benefit Pension</u>		
(i) Personal rate under 66	218.50	218.50
(ii) Personal rate 66 and under 80	234.70	234.70
(iii) Personal rate 80 or over	244.70	244.70
<i>Note Death Benefit Pension is not reduced for those aged 66 and over.</i>		
<u>Occupational Injuries Benefit - Disablement Pension</u>		
Personal rate	219.00	219.00
<u>Illness/Jobseeker's Benefit</u>		
Personal rate	188.00	188.00
Person with qualified adult	312.80	312.80
<u>Injury Benefit/Health and Safety Benefit</u>		
Personal rate	188.00	188.00
Person with qualified adult	312.80	312.80
<u>Guardian's Payment (Contributory)</u>		
Personal rate	161.00	161.00
<u>Increases for a qualified child</u>		
All schemes in respect of all children	29.80	29.80

Table 2**Maximum Weekly Rates of Social Assistance from January 2013**

	Present Rate	New Rate
	€	€
Personal and Qualified Adult Rates		
<u>State Pension (Non-Contributory)</u>		
(i) Under 80:		
Personal rate	219.00	219.00
Person with qualified adult under 66	363.70	363.70
(ii) 80 or over:		
Personal rate	229.00	229.00
Person with qualified adult under 66	373.70	373.70
<u>Blind Person's Pension</u>		
Personal rate	188.00	188.00
Person with qualified adult under 66	312.80	312.80
<u>Widow's/Widower's Non-Contributory Pension</u>		
Personal rate	188.00	188.00
<u>One-Parent Family Payment</u>		
Personal rate with one qualified child (child not aged 18)	217.80	217.80
<u>Carer's Allowance</u>		
(i) Under 66	204.00	204.00
(ii) 66 or over	239.00	239.00
<u>Disability Allowance</u>		
Personal rate	188.00	188.00
Person with qualified adult	312.80	312.80
<u>Pre-Retirement Allowance/Farm Assist</u>		
Personal rate	188.00	188.00
Person with qualified adult	312.80	312.80
<u>Guardian's Payment (Non-Contributory)</u>		
Personal rate	161.00	161.00
<u>Increases for a qualified child</u>		
All schemes in respect of all children	29.80	29.80

Table 3**Maximum Weekly Rates of Jobseeker's Allowance January 2013**

	Present Rate	New Rate
	€	€
<u>18 to 21 years of age</u>		
Personal rate	100.00	100.00
Person with qualified adult	200.00	200.00
<u>22 to 24 years of age</u>		
Personal rate	144.00	144.00
Person with qualified adult	268.80	268.80
<u>Over 25 years of age</u>		
Basic Personal rate	188.00	188.00
Person with qualified adult	312.80	312.80
Where a person has a dependent child and in certain other circumstances the basic rate (€188.00) applies to 18-24 year olds.		

Table 4**Maximum Weekly Rates of Supplementary Welfare Allowance January 2013**

	Present Rate	New Rate
	€	€
<u>18 to 21 years of age</u>		
Personal rate	100.00	100.00
Person with qualified adult	200.00	200.00
<u>22 to 24 years of age</u>		
Personal rate	144.00	144.00
Person with qualified adult	268.80	268.80
<u>Over 25 years of age</u>		
Basic Personal rate	186.00	186.00
Person with qualified adult	310.80	310.80
Where a person has a dependent child and in certain other circumstances the basic rate (€188.00) applies to 18-24 year olds.		

Table 5

Changes in Monthly Rates of Child Benefit from January 2013

	Present Rate	New Rate
	€	€
<u>Child Benefit</u>		
(i) First and Second Children	140.00	130.00
(ii) Third Child	148.00	130.00
(iii) Fourth and Subsequent Children	160.00	140.00

Table 6

Maximum Weekly Rates of Health Allowances from January 2013

	Present Rate	New Rate
	€	€
<u>Supplementary Allowance payable to Blind Persons in receipt of a Blind Pension</u>		
(i) Blind Pensioner	58.50	58.50
(ii) Blind Married Couple	117.00	117.00
Note: This Supplementary Allowance payment is under the control of the HSE and not the Department of Social Protection		

Department of Health

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Gross Expenditure under the Health Group of Votes will be €14,024 million in 2013. This will consist of €13,627 million in current expenditure and €397 million in capital expenditure.

Public Services to be Delivered

The level of health services to be delivered within the available funding will be set out in the Health Service's Service Plan. The Plan will also set out the measures required to fund unavoidable pressures and commitments made under the Programme for Government.

New Policy Measures

In line with the Programme for Government commitments funding will be allocated to further develop mental health services and provide free GP care for persons with certain conditions.

Changes to Expenditure Ceiling

€150 million has been added to Exchequer expenditure in the health area to meet service pressures.

Further detail is provided in Section B.

B. Expenditure Ceilings

The Table below details expenditure and numbers ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment 2012-16*

Department of Health	2013	2014
	€ million	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	13,565	13,359
<u>Adjustments to the Ceilings</u>		
Technical Adjustments		
EU Presidency funding	0.7	
Cyclical and Forecasting Adjustments		
Service and demographic pressures on gross expenditure	713 ¹	
Sectoral Policy Developments		
<i>Programme for Government</i>	50	
Gross savings to meet service and demographic pressures	-701	
<i>Reconciled Expenditure Ceilings post Adjustments</i>		
	13,627	13,420
Savings measures introduced in 2013 to adhere to the ceiling	781²	
Unallocated savings necessary to adhere to the ceiling in 2014		
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	390	390
Adjustments		
Income from asset disposal	8	
Transfer to D/ECLG for community housing and mental health clients	-1	
Capital Ceiling	397	390

¹ This represents only gross expenditure pressures and does not include an anticipated shortfall of €89 million in receipts.

² Comprised of €80 million to adhere to original ceiling and €701 savings to accommodate service and demographic pressures.

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the 2013 Expenditure Ceiling. The table shows the amount of savings to be generated in 2013 following the implementation of each measure and the amount that is expected to be generated in a full year.

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
<i>Primary Care Schemes</i>		
Reduction in cost of Drugs and other prescribed items	160	330
Increase DPS threshold to €144 per month	10	10
Increase prescription charges for medical card holders	51	51
Reduced professional fees	70	80
Other changes to Primary Care schemes	32	44
<i>Other areas</i>		
Pay-related savings	308	458
Increased generation of private income	65	115
Savings on Department Vote	60	60
Procurement Measures	20	20
Other measures	5	5
Total Net Savings	781	1,173

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further reductions will be required across the Vote Group in 2014 to remain within the Expenditure Ceiling for that year. All potential options will be brought forward and evaluated

Department of Education & Skills

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure under the Department of Education & Skills will be €8,928 million in 2013. This will consist of €8,514 million in current expenditure (including €362 million from the National Training Fund) and €414 million in capital expenditure, the latter forming part of a five-year building programme with planned investment of €2.2 billion.

Public Services to be Delivered

The Department of Education & Skills has sought to balance the requirement to remain within tight budgetary ceilings, at a time of significant and continuing increases in student numbers, while progressing a reform agenda to provide and develop education at all levels. The Department will also ensure that the optimum focus is placed on further education and training investment, a task that will be assisted by the consolidation of the 33 existing Vocational Education Committees to 16 new Further Education and Training Boards

While resources are being directed as effectively and efficiently as possible, it has nevertheless been necessary to implement a range of further savings measures to take effect over the years 2013 and 2014. These decisions, which will present challenges across the education sector, are summarised in Section C below. The approach taken endeavours to spread the adjustment burden equitably across different parts of the education system and in such a way as to ensure that education and training priorities continue to be the focus of policy and allocations. Key features include:

- There will be a continuing provision of teachers to accommodate increases in student numbers.
- DEIS schools in disadvantaged areas will continue to be provided with targeted supports over and above other schools;
- Liaising closely with Intreo, a comprehensive programme of training and further education will continue to be provided through the new further education and training authority, SOLAS, the new Further Education and Training Boards and other educational bodies; the long-term unemployed will be a particular priority.
- The National Training Fund will be maintained at the level provided for in 2012 of €362 million;
- There will be continuing provision for children with special needs;
- There will be continuing provision of a comprehensive school transport service; and
- A capital allocation of €414 million which will be principally deployed in the provision of schools to meet demographic demands.

Overall, the Government has sought as far as possible to ensure that the education allocation for 2013 will support continued provision of a quality primary and second level education system, continued provision of comprehensive further education and training and a high quality higher education sector that continues to make a full contribution to Ireland's development and recovery.

Regarding ongoing reforms, there will be significant investment in 2013 in curricular development and continuing professional development for teachers to support both the junior cycle reform initiative, A Framework for Junior Cycle, and Literacy and Numeracy for Learning and Life: The National Strategy to Improve Literacy and Numeracy among Children and Young People, 2011–2020 will be progressed. Work will progress on implementation of the new strategy for the higher education sector.

In addition, the Department of Education & Skills will allocate €500,000 to tackle the problem of bullying in our schools. The funding will be spent in line with the Action Plan on Bullying to be published shortly.

B. Expenditure and Numbers Ceilings

The Table below details expenditure and numbers ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment 2012-16*

Department Education & Skills	2013	2014
	€ million	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i> which included after Budget 2012 €77m of unallocated savings in 2013	8,525	8,453
<u>Adjustments to the Ceilings</u>		0
Reductions in A-in-As	-12	
<i>Extra allocation for - EU Presidency</i>	1	
<i>Reconciled Expenditure Ceilings post Adjustments</i>	8,514	8,453
Savings measures introduced in 2013 to adhere to the ceiling (Includes €77m in unallocated savings, €12m for reduced A-in-A and €1m in net Upward pressures)	90	
Unallocated savings necessary to adhere to the ceiling in 2014	-	44
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	415	475
<u>Adjustments</u>		
Reduction in A-in-As	-1	-
Capital Ceiling	414	475

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the revised 2013 Expenditure Ceiling. The table shows the amount of savings to be generated in 2013 following the implementation of each measure and the amount that is expected to be generated in a full year.

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
2 point increase in PTR in 2013 for fee charging schools	2	6
2 point increase in PTR for PLC schools	4	12
Increase student contribution by €250 in each of 2013, 2014 and 2015	19	55
3% decrease in student grant income threshold in 2013	2	5
Reduced substitution costs – change in sick leave referral arrangements for teachers and SNAs.	4	4
Reduced substitution costs – end maternity and adoptive leave in lieu arrangements for teachers and SNAs.	11	20
Reduce training allowances for Further Education and Training Scheme participants.	10	21
Reduce allocation to Higher Education Institutions (management of existing cash reserves)	25	0
Reduce allocation to VECs ³ (management of existing cash reserves)	13	0
Total	90	123

D. Savings Areas for 2014 to remain within Expenditure Ceilings

When account is taken of the carryover impact of measures commenced in 2013 or measures that will be extended in 2014, it is expected that €44 million in savings will have to be made in 2014 to meet the budgetary parameters for the education sector set out in the CER for 2014. This level of saving would have to be increased if necessary to address any emerging expenditure pressures, further weaknesses in A-in-A receipts and any desired expenditure initiatives.

³ Due to be rationalised into Further Education and Training Boards in 2013

Department of Justice Vote Group

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure under the Justice Vote Group will be €2,260 million in 2013. This will consist of €2,200 million in current expenditure and €61 million in capital expenditure.

Public Services to be Delivered

This level of funding will enable a significant level of public services to be delivered in 2013.

- €1,412 million under the Garda Síochána Vote will assist in the maintenance of national security, confronting crime, ensuring a peaceful community and continuing to maintain an effective roads policing programme
- €334 million will be spent to ensure the effective administration of the Prison Service and the provision of safe, secure, humane and rehabilitative custody for people who are sent to Prison.
- €105 million will be used to manage the Courts and support the Judiciary.
- €33 million through the Property Registration Authority will be used to manage the Land Registry and the Registry of Deeds.
- €376 million will be utilised across six programmes with objectives ranging from the support of organisations such as the Criminal Assets Bureau to funding other organisations whose objectives relate to programmes to promote equality and integration and contribute to economic recovery.

New Policy Measures

The establishment of *Insolvency Service Ireland* will complement related legislative changes to rules around insolvency and satisfy commitments under the EU/IMF Agreement. This is a key structural reform which can aid competitiveness and economic recovery.

Changes to Expenditure Ceiling

The total expenditure ceiling under the Justice Group of Votes has been revised to take account of a number of factors. The key changes are additional security costs associated with the Organisation for Security and Cooperation in Europe conference in Dublin, security and other costs arising from Ireland's EU Presidency, and the establishment of *Insolvency Service Ireland*. A number of technical adjustments have also taken place. These include the transfer of certain functions out of the Department, reclassification of expenditure between the current and capital budgets in relation to the provision of funding for the purchase of new vehicles for the Garda Transport Fleet and other technical adjustments. Further detail is provided in Section B.

B. Expenditure Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment 2012-16*

Department of Justice and Equality	2013	2014
	€ million	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	2,198	2,083
<u>Adjustments to the Ceilings</u>		
Technical Adjustments		
Transfer to Vote 40 (Children & Youth Affairs) in respect of the Youth Justice Service	-18	-18
Transfer from Vote 33 (Arts, Heritage & Gaeltacht) in respect of staff transfer	0.2	0.2
Transfer from Vote 6 (CSSO) former Attorney General ad-hoc Legal Aid Scheme (now renamed- Legal Aid – Custody Issues)	4.0	4.0
Transfers to Vote 32 (Jobs, Enterprise & Innovation) in respect of the Equality Tribunal	-2.2	-2.2
Transfer from current to capital for replacement of Garda fleet	-2.0	-2.0
- EU Presidency & OSCE Conference – Security Costs (Garda)	10.0	-
- EU Presidency – Other Costs (Justice)	2.0	
- Admin Budget carryover	0.3	
Sectoral Policy Developments		
Establishment of Insolvency Service of Ireland*	7.5	-
Reconciled Expenditure Ceilings post Adjustments		
Savings measures introduced in 2013 to adhere to the ceiling	62.3	
Unallocated savings necessary to adhere to the ceiling in 2014		135
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	56	60
<u>Adjustments</u>		
Transfer from current to capital to reflect a change in the treatment of purchase of Garda Vehicles	2	2
Additional provision for purchase of replacement Garda vehicles	3	
Transfer to D/C&YA for Irish Youth Justice Service	-0.4	.4
Capital Ceiling	60.6	61.6

* Provision for Insolvency Service of Ireland in 2014 will be determined in the context of the Estimates for 2014

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the 2013 Expenditure Ceiling. The table shows the amount of savings to be generated in 2013 following the implementation of each measure and the amount that is expected to be generated in a full year.

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
<i>Garda Síochána</i>		
Reduction in Garda Overtime Budget relative to 2012 Budget	10	10
Pay-related savings	36	36
<i>Prisons</i>		
Various reductions to non-payroll subheads	2.4	2.4
<i>Courts Service</i>		
Various reductions to non-payroll subheads	0.8	0.8
<i>Property Registration Authority</i>		
Reduction in payroll costs to reflect a decrease in serving numbers €1m and €0.1m in respect of non-payroll expenditure.	1.1	1.1
<i>Justice and Equality</i>		
Reductions across a range of administrative and programme subheads in the Justice and Equality Vote (Pay €0.5m and non-pay €11.5m) including Direct Provision Costs for Asylum Seekers, Payments to Promoters of Certain Charitable Lotteries etc.	12	12
Total	62.3	62.3

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further reductions of approximately €135 million will be required across the Justice Sector in 2014 to remain within the Expenditure Ceiling for that year. The measures to achieve these reductions will require further evaluation within the Sector and with the Department of Public Expenditure and Reform during 2013.

Department of Agriculture, Food & the Marine

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure under the Department of Agriculture, Food & the Marine will be €1,244 million in 2013. This will consist of €1,057 million in current expenditure and €187 million in capital expenditure.

Public Services to be Delivered

This level of funding will enable a significant level of public services to be delivered in 2013. The funding provided reflects a major Exchequer commitment of support for the agri-food sector and is a recognition of the contribution which the sector can make to economic recovery and future growth in the Irish economy.

In addition to the 2013 Exchequer allocation for Irish agriculture, the Department will be administering over €1.2 billion of EU funding, the bulk of which will be for the Single Farm Payments to farmers.

New Policy Measures

Improving profitability at farm level is a key challenge for agricultural policy. Providing a financial stimulus to encourage farmers to participate in professionally facilitated, task focussed discussion groups has been a success in the dairy sector and a similar programme was extended to the beef sector in 2012. A further evolution of the strategic focus on maximising technology and knowledge transfer in farming is proposed in 2013 through the retention of the Beef Technology Adoption Programme and the development of a new Sheep Technology Adoption Programme. In the dairy sector, a programme will be focussed on new entrants.

B. Expenditure Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment Plan 2012 – 2016*

Department of Agriculture, Food & Marine	2013	2014
	€ million	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	1,057	1,029
<u>Adjustments to the Ceilings</u>		
n/a	-	-
<i>Reconciled Expenditure Ceilings post Adjustments</i>	1,057	1,029
Savings measures introduced in 2013 to adhere to the ceiling	89	-
Unallocated savings necessary to adhere to the ceiling in 2014	-	28
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	168	168
<u>Adjustments</u>		
Additional funding to meet Forestry commitments	19	-
Capital Ceiling	187	168

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the 2013 Expenditure Ceiling. The table shows the amount of savings to be generated in 2013 following the implementation of each measure and the amount that is expected to be generated in a full year.

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
<i>General savings</i>		
Schemes closed to new entrants	66	66
<i>Administration</i>		
Savings achieved	8.5	8.5
<i>State Bodies</i>		
Saving achieved	3.1	3.1
<i>Miscellaneous</i>		
General savings across all other headings	11.5	11.5
Total	89.1	89.1

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further reductions of approximately €28 million will be required across the Department in 2014 to remain within the Expenditure Ceiling for that year. The types of measures under consideration include:

	Savings in 2014	Full Year Savings
	<i>€ million</i>	
Administrative pay	3	3
Administrative non-pay	2	2
Unallocated savings required	23	23
Total	28	28

Department of Arts, Heritage & the Gaeltacht

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure under the Department of Arts, Heritage and the Gaeltacht will be €260 million in 2013. This will consist of €222 million in current expenditure and €38 million in capital expenditure.

Public Services to be Delivered

This level of funding will enable a significant level of public services to be delivered in 2013. The Department oversees and has policy responsibility for the conservation, preservation, protection, development and presentation of Ireland's heritage and culture. The Department also seeks to promote the Irish language, to support the Gaeltacht and to assist the sustainable development of island communities.

High Level Programme Activities include:

- EU Presidency Culture Programme delivered at home and abroad
- Support in spending programme for The Gathering initiative
- Ongoing management and operation of National Cultural Institutions
- Fostering cultural tourism, including the provision of support to the Abbey Theatre, events such as the Wexford Opera Festival, the Dublin Theatre Festival and a wide range of local festivals
- Ongoing management and operation of 6 National Parks and 78 Nature Reserves
- Funding of conservation-related scientific surveys and reporting to meet obligations under EU Directives
- Meeting the legal requirements of the EU Habitats and Birds Directives
- Compensatory measures for landowners' costs and losses resulting from restrictions in managing their land in areas designated under the EU Habitats and Birds Directives, including the Cessation of Turf Cutting Compensation Scheme
- Supporting jobs in the film & TV sector and in the Gaeltacht through the Irish Film Board and Údarás na Gaeltachta
- Promotion of the Irish language, and provision of support to the Gaeltacht
- Assisting the sustainable development of island communities
- Development of inland waterways within the context of the implementation of the Good Friday and St. Andrews Agreements

Changes to Expenditure Ceiling

Approximately €2.2 million in additional funding was provided in respect of the Department's involvement in the EU Presidency during 2013.

New Policy Initiatives

Ireland's upcoming Presidency of the EU in 2013 offers a new platform for cultural links with our key European partners. The Department is actively involved in the ongoing preparations in relation to events both on the European and wider international stage in the lead up to, and during, the Presidency. The Department is overseeing development of a Cultural Programme to accompany the Presidency. This programme represents an important opportunity to showcase Ireland's cultural heritage and artistic talent and to win positive publicity for Irish creativity both on the European stage and further afield.

B. Expenditure Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment 2012-2016*.

Department of Arts, Heritage & Gaeltacht	2013	2014
	<i>€ million</i>	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	218.3	205
<u>Adjustments to the Ceilings</u>		
- EU Presidency	2.2	
- Transfer to Vote 24 (Department of Justice)	-0.21	-0.19
Sectoral Policy Developments		
Policy reforms / decisions post CER in respect of the Arts Council	2	2
<i>Reconciled Expenditure Ceilings post Adjustments</i>	222.3	206.8
Savings measures introduced in 2013 to adhere to the ceiling	10.5	
Unallocated savings necessary to adhere to the ceiling in 2014		15.5
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	38	36
<u>Adjustments</u> n/a		
Capital Ceiling	38	36

C. Estimates 2013: Summary of Measures

In reviewing expenditure, the Department had regard to the Programme for Government and, in particular, to the commitments to:

- Support cultural tourism as one of the most important elements of Ireland's tourism product;
- Accelerate the implementation of EU directives;
- Support the 20-Year Strategy for the Irish Language 2010-2030 and deliver on the achievable goals and targets proposed;
- Deliver new job creation prospects to Gaeltacht regions; and
- Support the full implementation of the Good Friday Agreement and the St. Andrews Agreement

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
<i>Arts Culture and Film</i>		
More efficient working, shared services, prioritisation of public and front of house services, deferral of projects, curtailment of some schemes, staffing economies and administrative costs reductions	5.4	5.4
<i>Heritage</i>		
Prioritise meeting the legal requirements of the EU Habitats and Birds Directives, maintenance of key archaeological and built heritage services and maintaining the visitor service attractions provided by National Parks and Reserves.	0.7	0.7
<i>Gaeltacht</i>		
Review of Irish language and Gaeltacht structures, schemes and organisations by the Department will result in savings.	1.5	1.5
<i>North-South Co-operation</i>		
Savings, in excess of the agreed 3% per annum efficiency savings, for the North/South Implementation Bodies will require the approval of the North South Ministerial Council.	2	2
<i>Administration</i>		
The Department will examine the scope for achieving further efficiencies and savings in administration costs over the period to 2014.	0.9	0.9
Total	10.5	10.5

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further reductions of approximately €15.5 million will be required across the Department in 2014 to remain within the Expenditure Ceiling for that year. All areas of spending will be subject to continued evaluation to ensure that scarce resources are directed towards areas of greatest impact and value-for-money.

Department of Children & Youth Affairs

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure under the Department of Children & Youth Affairs will be €443 million in 2013. This will consist of €417 million in current expenditure and €26 million in capital expenditure.

Public Services to be delivered

This level of funding will enable a significant level of public services to be delivered in 2013.

- Some 25,000 childcare places will be subvented along with the provision of a free pre-school year for 67,000 children
- A range of youth programmes and services will be provided

New Policy Measures

Construction work on new facilities at the Oberstown Children's Detention Centre will commence in 2013. This development will provide for the transfer of all 17-year-olds from St. Patrick's institution to Oberstown in 2014.

Changes to Expenditure Ceiling

The original 2013 current expenditure ceiling in the Comprehensive Expenditure Report was €382 million. This was increased to €400 million to reflect the transfer into the Department of the Irish Youth Justice Service from the Department of Justice. The ceiling is again being revised to €417 million to account for a re-allocation from the Social Protection Vote to support extra area-based schemes for disadvantaged children and additional after-school childcare places for social welfare clients returning to work. Also there is provision for €200,000 to support EU Presidency costs.

An extra €17.4 million in capital is being allocated in 2013 to build new facilities at the Oberstown children's detention centre.

Further detail is provided in Section B.

B. Expenditure and Numbers Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment 2012-2016*.

Department of Children & Youth Affairs	2013	2014
	€ million	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	382	373
Adjustments to the Ceilings		
Technical Adjustments		
- Transfer of IYJS from D/Justice	18	18
- re-allocation for early intervention programme from Social Protection	2.5	4
-From unallocated provision: <i>EU Presidency</i>	0.2	
Cyclical and Forecasting Adjustments		
Labour Activation scheme costs (<i>from Social Protection Vote</i>)*	14	14
Reconciled Expenditure Ceilings post Adjustments		
Savings measures introduced in 2013 to adhere to the ceiling	16	
Savings measures to be introduced in 2014 to adhere to the ceiling		9
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	8	8
Adjustments		
REV 2012 – Transfer from Justice Group for Irish Youth Justice Service	0.4	0.4
Additional for Oberstown Youth Detention Facility development	17.4	22
Capital Ceiling	25.8	30.4

* Re-allocation from Social Protection Vote to provide approx. 8,000 after-school childcare places for supporting social welfare clients returning to work.

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the 2013 Expenditure Ceiling. The table shows the amount of savings to be generated in 2013 following the implementation of each measure and the amount that is expected to be generated in a full year.

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
<i>Youth Programmes</i>		
5 – 10% reductions in funding of the various youth programmes	5.4	5.4
<i>Childcare</i>		
Full year savings from reduction in subvention rates towards childcare costs/places	3.7	3.7
<i>School Completion Programme</i>		
6.5% savings per annum on previous year's level of funding	1.8	1.8
<i>National Longitudinal Study</i>		
Reduction in commitments under existing contracts	0.5	0.5
<i>National Children's Strategy</i>		
Reduction in commitments under existing contracts	0.3	0.3
<i>Early Intervention Programme</i>		
Reduction in commitments under existing contracts	0.8	0.8
<i>Agencies</i>		
Savings in administration and programme costs	3.5	3.5
Total	16	16

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further reductions of approximately €9 million will be required across the Department in 2014 to remain within the Expenditure Ceiling for that year. The types of measures under consideration include:

Measure	Savings in 2014	Full Year Savings
	<i>€ million</i>	
<i>Youth Programmes</i>		
5 – 10% reductions in funding of the various youth programmes	3.0	3.0
<i>School Completion Programme</i>		
6.5% savings per annum on previous year's level of funding	1.7	1.7
<i>National Longitudinal Study</i>		
Reduction in commitments under existing contracts	1.0	1.0
<i>National Children's Strategy</i>		
Reduction in commitments under existing contracts	0.2	0.2
<i>Early Intervention Programme</i>		
Reduction in commitments under existing contracts	0.8	0.8
<i>Agencies</i>		
Savings in administration costs	2.3	2.3
Total	9	9

Department of Communications, Energy & Natural Resources

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure by the Department of Communications, Energy & Natural Resources will be €417 million in 2013. This will consist of €332 million in current expenditure and €85 million in capital expenditure.

Public Services to be Delivered

This level of funding will enable a significant level of important public services to be delivered in 2013.

- In the communications programme, this will ensure the roll out of 100 Mbps Broadband in 200 schools and support over 60 digital enterprises and in excess of 800 jobs through the ongoing operations of the Digital Hub.
- Under the Broadcasting programme, expenditure will fund RTE with €185 million forecast licence fee receipts, allow TG4 to deliver 4.69 hours of Irish language programming per day and enable the Broadcasting Authority to provide grants for eligible Irish culture and heritage programmes - €10.5 million supporting 260 projects.
- In Energy, savings in fuel bills with an estimated monetary impact of over €30 million should be achieved, including measures targeted at low-income homes.
- In Natural Resources, important regulation of licensing and leasing activities will be progressed along with rehabilitation works at the Avoca site and the INFOMAR mapping programme.
- Regarding inland fisheries, 3,500 environmental inspections will be completed and 139,265 man hours of patrol time funded.

New Policy Measures

In 2013, a number of important new policy initiatives will be initiated. The Department will progress towards the rollout of next generation networks as part of the National Broadband Plan. The National Digital Strategy (NDS) will be published at the start of 2013. The development of the proposed Public Service Broadcasting (PSB) Charge will be continued in line with the Programme for Government commitment. The Department will also advance the National Postcode project with a view to signing an agreement in 2013 and commencing the initial phases of roll-out. The Department will also proceed with the implementation of the National Energy Efficiency Action Plan (NEEAP) and the Affordable Energy Strategy (AES) including progressing the delivery of a Pay-As-You-Save (PAYS) energy efficiency model. In addition, the Department will deliver a new national Energy Performance Contracting (EPC) policy framework underpinned by an Energy Efficiency Fund.

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the 2013 Expenditure Ceiling. The table shows the amount of savings to be generated in 2013 following the implementation of each measure and the amount that is expected to be generated in a full year.

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
Broadcasting - DTT	2.4	2.4
Pay/non-pay admin	0.4	0.4
Total	2.8	2.8

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further reductions of approximately €6 million will be required across the Department in 2014 to remain within the Expenditure Ceiling for that year. This will require further detailed evaluation of all expenditure areas within the remit of the Department, including both administrative and programme expenditure.

Department of Defence

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure by the Department of Defence will be €901 million in 2013. This is made up of €892 million in current expenditure and €9 million in capital expenditure.

Public Services to be Delivered

This level of funding will enable a significant level of public services to be delivered in 2013.

- Defence policy will continue to be responsive to emerging changes in the domestic and international peace and security environment.
- In 2013 a new White Paper on Defence will be prepared and the Department and Defence Forces will fully contribute to EU presidency commitments.
- The implementation of the reorganisation of the Defence Forces, both Permanent and Reserve, will continue throughout 2013. This will assist in maintaining operational outputs within a strength ceiling of 9,500 Permanent Defence Force personnel.
- Two new Naval Service vessels will be procured from within the Vote 36 Allocation, without recourse to additional funding.
- The Defence Forces will continue to meet Government requirement for overseas peace support operations.
- The Defence Forces will continue to deliver required operational outputs for all approved Aid to the Civil Power and approved Aid to the Civil Authority requests.

B. Expenditure Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment Priorities 2012 – 2016*

Department of Defence	2013	2014
	€ million	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	892	890
<u>Adjustments to the Ceilings</u>		
Technical Adjustments		
From unallocated provision:		
- Administrative Carryover	0.15	
- EU Presidency	0.27	
Reconciled Expenditure Ceilings post Adjustments	892	890
Savings measures introduced in 2013 to adhere to the ceiling	1	
Savings necessary to adhere to the ceiling in 2014		2
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	9	8
<u>Adjustments</u> n/a		
Capital Ceiling	9	8

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the 2013 Expenditure Ceiling. The table shows the amount of savings to be generated in 2013 following the implementation of each measure.

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
<i>Vote 36 Defence</i>		
Reduced Funding	2	2
<i>Vote 35 Army Pensions</i>		
Additional funding	(1)	(1)
Total saving	1	1

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further reductions of approximately €2 million will be required across the Department in 2014 to remain within the Expenditure Ceiling for that year. This will require further detailed evaluation of all expenditure areas within the remit of the Department.

Measure	Savings in 2014
	<i>€ million</i>
<i>Vote 36 Defence</i>	
Increased Funding	(2.6)
<i>Vote 35 Army Pensions</i>	
Reduced funding	4.6
Overall Saving	2

Department of Environment, Community & Local Government

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure by the Department of Environment, Community and Local Government will be €1,207 million in 2013. This is made up of €467 million in current expenditure and €740 million in capital expenditure. There will also be capital carryover of €43 million applied in a number of areas.

Public Services to be Delivered

This level of funding will enable a significant level of public services to be delivered in 2013, aimed at protecting the environment, supporting high quality and regionally balanced infrastructural development, and working in partnership with local government and other local development bodies in serving communities.

Key outputs will include:

- In the housing sector, momentum will continue on the major regeneration programmes. Approximately 3,100 applicants will transfer to the Rental Accommodation Scheme and 400 additional units will be constructed or acquired under the social housing investment programme.

There will be a continuing focus on meeting the needs of the most vulnerable in society with the development of 350 new special needs units and up to 150 new units to cater specifically for people with disabilities leaving institutional care.

- In relation to water services, the 2013 capital allocation under the Water Services Investment Programme and the Rural Water Programme will continue to fund progress on water services projects in advance of the establishment of a new Water Services Utility. In particular, the allocation will meet financial commitments on over 80 projects currently in progress as well as on completed projects.
- Some 9,000 people who are distanced from the labour market will receive direct one-to-one labour market training and supports through the Local and Community Development Programme.

New Policy Measures

Over 1,200 applicants will benefit from the Mortgage to Rent and the Mortgage to Lease schemes as part of the Government's response to the mortgage arrears position, and additional housing units will also be secured through NAMA.

As part of the restructuring of the social housing investment programme towards more flexible, revenue-funded delivery mechanisms, a further €15 million has been targeted towards the Rental Accommodation Scheme. This will ensure that levels of output on this scheme continue to assist in meeting the increasing need for social housing.

Changes to Expenditure Ceiling

The current expenditure ceiling for 2013 is €51 million higher than that set out for 2013 in the *Comprehensive Expenditure Report 2012 – 2016*. This includes a transfer from capital expenditure to current. Further detail is provided in Section B.

B. Expenditure Ceilings

The table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment Priorities 2012 - 2016*

Department of Environment, Community & Local Government	2013	2014
	€ million	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	416	383
Technical Adjustments		
Transfers to Rental Accommodation Scheme (from V 37)	15	15
Deinstitutionalisation - People with Disabilities (from V 38)	1	
Matched funding: - <i>increased A-in-As (Peace Programme)</i>	2	
From unallocated provision: - <i>EU Presidency</i>	2	
Other		
<i>Transfer from Capital</i>	30	30
Reconciled Expenditure Ceilings post Adjustments		
Savings measures introduced in 2013 to adhere to ceiling	18.6	
Savings necessary to adhere to ceilings in 2014		39.0
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	726	575
<u>Adjustments</u>		
REV 2012 – Adjustments for LEADER programme	34	-17
Additional funding for PEACE Programme	9.9	
Transfer from Capital to Current	-30	-30
Capital Ceiling	739.9	528

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the 2013 current expenditure ceiling. The table shows the amount of savings to be generated in 2013 following the implementation of each measure and the amount that is expected to be generated in a full year.

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
<i>Administration</i>		
Non-pay savings	1.6	1.6
<i>Housing</i>		
Efficiency measures and enhanced value for money	5	5
Other programme savings	1.5	1.5
<i>Community</i>		
Rapid Programme	2	2
Local/Community Development Programme	6	6
<i>Agencies</i>		
Agency own resources	2.5	2.5
Total	18.6	18.6

D Savings Areas for 2014 to remain within Expenditure Ceiling

Further reductions of approximately €39 million will be required across the Department in 2014 to remain within the current expenditure ceiling for that year. This will require further detailed evaluation of all expenditure areas within the remit of the Department.

Department of Finance Group of Votes

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

The Finance Group comprises several distinct areas. *The Department of Finance*; the *Office of the Revenue Commissioners*; the *Office of the Comptroller and Auditor General* and the *Office of the Appeal Commissioners*. Expenditure for this Group will be €447 million in 2013. This will consist of €442 million in current expenditure and €5 million in capital expenditure.

Public Services to be Delivered

This level of funding will enable a significant level of public services to be delivered in 2013.

The *Department of Finance* is maintaining its staffing levels to address skills gaps and resourcing issues; to realign resources in line with their revised, ambitious, and outward looking strategic plan and to deliver on other once-off projects such as leading on the SEPA and Standard Bank Account roll-outs.

The *Office of the Revenue Commissioners* will implement the property tax in 2013. This will require an increased allocation to include increased staffing, IT developments, communications, postage and other start up costs.

The *Office of the Comptroller & Auditor General* continues to identify new efficiencies to maintain international-standard audit quality, and undertake new high-priority audits.

New Policy Measures

Funding for the Fiscal Advisory Council moves from the Finance Vote in 2013. The Revenue Commissioners will be responsible for implementing the property tax.

B. Expenditure Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment Priorities 2012 - 2016*

Department of Finance Group	2013	2014
	<i>€ million</i>	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	411	405
<u>Adjustments to the Ceilings</u>		
Technical Adjustments	-7	-2
EU Presidency	3.2	
Sectoral Policy Developments		
Implementation of Property Tax.	25.9	25.9
IT requirements	9	
<i>Reconciled Expenditure Ceilings post Adjustments</i>	442	429
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	5	5
<u>Adjustments</u> n/a		
Capital Ceiling	5	5

This Vote Group requires a temporary increase in baseline funding for the 2013-2015 period, to enable the Department to be adequately resourced to meet the commitments under the 2012-2015 Strategy Statement and to deliver on other once-off projects such as leading on the SEPA and Standard Bank Account roll-outs. Additional resources are also required to implement the property tax which is due in mid 2013.

Cost base reductions will be achieved where possible and the Group will work towards a reduction in headcount.

Department of Foreign Affairs & Trade

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Gross Expenditure by the Department of Foreign Affairs and Trade will be €720 million in 2013, comprising €716 million in current expenditure and €4 million in capital expenditure.

Public Services to be Delivered

As part of its Strategy for 2011-14, the Department of Foreign Affairs and Trade has the following High-level Goals:

- Promote Ireland's economic interests in Europe and internationally;
- Deliver on Ireland's global development commitments, focusing on poverty and hunger;
- Advance reconciliation and co-operation on this island;
- Contribute to international peace, security and human rights; and
- Provide consular and passport services for Irish citizens and engage with Irish communities abroad.

This funding will support the pursuit of these goals.

In 2013 the Department will play a central role in Ireland's Presidency of the Council of the European Union. This is a major whole-of-Government priority and will impact on all areas of the Department. The Presidency runs from 1 January to 30 June.

In addition, Ireland will take up its position in the Human Rights Council of the UN. Ireland's election to this Body in the face of strong competition was a major achievement in 2012.

The Department will implement the Irish Aid Programme, which aims to reduce global poverty and hunger and to build opportunity. It has a particular focus on sub-Saharan Africa. In 2013, the recommendations of the White Paper on Irish Aid will provide a renewed direction for the Programme. In 2013, the number of passport applications processed is expected to equal or surpass the 2012 total of almost 600,000. In addition to meeting the service level targets, it is intended to advance significant enhancements in the service, including online renewal of adult passports, subject to the availability of the necessary funding. The Department will maintain Ireland's diplomatic service to promote and protect abroad the values, interests and economic well-being of Ireland.

C. Estimates 2013: Summary of Measures

Savings in 2013 will be achieved through reductions in funding for Official Development Assistance. Expenditure in this area will be €498 million in 2013, compared to a forecast outturn of €511 million for 2012.

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further savings will be required across the Department in 2014 to remain within the Expenditure Ceiling for that year. The types of measures under consideration include:

- Further restraint on the Irish Aid programme;
- Administrative savings including in the diplomatic service; and
- Accelerated staff savings as a result of business process improvements in the Passport Service.

Department of Jobs, Enterprise & Innovation

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure under the Department of Jobs, Enterprise and Innovation will be €813 million in 2013. This will consist of €355 million in current expenditure and €458 million in capital expenditure.

Public Services to be Delivered

This level of funding will enable a significant level of public services to be delivered in 2013. The Department of Jobs, Enterprise and Innovation plays a key role in ensuring delivery on the Government's continued commitment to enterprise development and innovation and to the objective of stimulating export growth and supporting domestic demand.

The Capital Allocation will ensure that the State provides a full range of supports to all enterprise sectors through the enterprise agencies (IDA, EI, Local Enterprise Offices, and SFI)

New Policy Measures

Provision has also been made for the development of a new Seed and Venture Capital Fund within Enterprise Ireland. Venture Capital is regarded as an intrinsic component of any innovation system and is recognised as a driver of entrepreneurship and significantly contributes to the scaling of innovative companies. This funding provision will ensure the availability of venture capital funding for innovative SMEs and will assist in the development of high potential start-up (HPSU) and scaling of enterprises.

Changes to Expenditure Ceiling

The *Comprehensive Expenditure Report 2012-2014* and *Infrastructure and Capital Investment, 2012-2016* set Current and Capital ceilings of €350 million and €458 million respectively for the Department of Jobs, Enterprise and Innovation for 2013. The Current ceiling for 2013 is now set at €355 million to take account of the transfer of the Equality Tribunal into the Department's Vote from the Department of Justice and Equality and an additional allocation of €2.2 million in respect of the EU Presidency.

B. Expenditure Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment, 2012-2016*

Department: Jobs, Enterprise & Innovation	2013	2014
	€ million	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	350	337
<u>Adjustments to the Ceilings</u>		
Technical Adjustments		
Transfers from Vote 24 (Department of Justice) in respect of Equality Tribunal	2.2	2.2
- EU Presidency	2.2	-
- Administrative Carryover	0.2	-
Reconciled Expenditure Ceilings post Adjustments	355	339
Savings measures introduced in 2013 to adhere to the ceiling	15	
Unallocated savings necessary to adhere to the ceiling in 2014		13
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	458	457
<u>Adjustments</u> n/a		
Capital Ceiling	458	457

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the 2013 Expenditure Ceiling. The table shows the amount of savings to be generated in 2013 following the implementation of each measure and the amount that is expected to be generated in a full year.

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
<i>All Programmes Efficiencies /Rationalisation:</i> Efficiencies and changes to business processes. Streamlining the State's employment rights bodies. Delivering the commitments towards staff reductions and associated costs	10.5	10.5
<i>Science, Technology and Innovation:</i> Sharper prioritisation of projects and initiatives.	4.5	4.5
Total	15	15

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further reductions of approximately €13 million will be required across the Department in 2014 to remain within the Expenditure Ceiling for that year. The types of measures under consideration include continuation of the rationalisation of agencies.

	Savings in 2014	Full Year Savings
	<i>€ million</i>	
<i>All Programmes Administrative Efficiencies /Rationalisation</i> Efficiencies and changes to business processes. Streamlining the State's employment rights bodies. Delivering the commitments towards staff reductions and associated costs.	10.4	10.4
<i>Science, Technology and Innovation</i> Sharper prioritisation of projects and initiatives.	2.9	2.9
Total	13.3	13.3

Department of Public Expenditure & Reform Group of Votes

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

The Public Expenditure & Reform Group includes the *Department of Public Expenditure & Reform*, the *Office of Public Works*, the *Superannuation Vote* for civil service pensions, and a range of smaller Votes. Expenditure for this Group will be €938 million in 2013. This will consist of €837 million in current expenditure and €101 in capital expenditure.

Public Services to be Delivered

This level of funding will enable a significant level of public services to be delivered in 2013.

- The Department of Public Expenditure and reform will promote a stronger focus on value-for-money and performance information and will develop and implement policies to reduce public service numbers consistent with the delivery of Government objectives, including the objectives covered by the Croke Park Agreement.
- Considerable progress is being made with the delivery of Shared Services initiatives. These functions will transfer to the new Vote 18 with effect from 1 January 2013.
- The Government has agreed to the establishment of a National Procurement Office, which will assume responsibility for the central procurement process. Provision has been made for the appointment of a Central Procurement Officer and the National Procurement Office will be established as a new Vote in 2013. A recent report of the Central Procurement Function estimated that implementation of its recommendations over a three-year period could yield potential annual savings in the range of €249 million to €637 million, depending on the approach taken.
- The *Office of Public Works* will continue to manage the development, upkeep and maintenance of State accommodation including the protection of cultural and heritage properties and will reduce rental outturn through a programme of lease surrenders and rent reviews.
- Flood risk management will continue its programme of works for capital and minor flood relief schemes with the advancement of eighteen and the planned completion of five schemes.
- Significant progress is expected in the National Revaluation Programme and the Valuation Office will be pursuing innovative ways to accelerate the process.

New Policy Measures

A new Vote has been created to support the Civil Service Shared Service programmes committed to in the Public Service Reform Plan. This will help in the standardisation of processes

allowing for greater transparency and accessibility; reduced duplication; the elimination of waste and significant cost reductions in the medium term. It is estimated that with the establishment of the HRSSC (the Civil Service HR Shared Service Centre), by 2014 the annual cost of HR services for the Civil Service will be reduced by 26 percent while the number of staff involved in delivering these services will reduce by a minimum of 17 percent. It is recognised that successful Shared Service initiatives are dependent on significant initial investments.

B. Expenditure Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment, 2012-2016*

Department of Public Expenditure & Reform Group	2013 €m	2014 €m
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	796	802
<u>Adjustments to the Ceilings</u>		
Technical Adjustments, including transfer of President's Establishment	-6	-6
EU Presidency	6.6	
Sectoral Policy Developments		
Policy decisions post CER in respect of HR Shared Service under new separate vote.	10.2	10.2
Valuation Office projects	1	
<i>Valuation tribunal</i>	0.6	
Other		
<i>Superannuation Vote</i>	28.6	20
Reconciled Expenditure Ceilings post Adjustments	837	826
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	100.5	100.5
<u>Adjustments</u>		
OPW - Costs associated with Ireland's Presidency of the EU	0.9	-
Capital Ceiling	101.4	100.5

The Group has absorbed, within current expenditure ceilings, the funding of the re-tendering for the National Lottery contract and the early stage funding associated with the Central Procurement Office.

It is envisaged that the Spend-to-save projects within the Reform area, including Shared Services and Central Procurement, will generate significant savings for the Exchequer as these initiatives come to fruition.

Rental reduction has been achieved through a programme of lease surrenders and rent reviews and savings achieved due to ongoing efficiencies in Engineering Services.

Efficiency savings achieved are therefore accounting for these spending pressures, with no net savings remaining for 2013.

Department of the Taoiseach (including Law Offices)

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

In addition to the Department of the Taoiseach, this Group includes the Legal Offices, the Central Statistics Office (CSO) and the President's Establishment. Expenditure for this Group will be €154 million in 2013, all of which is current spending.

Public Services to be Delivered

The *Department of the Taoiseach* continues to consolidate a range of major efficiencies and structural changes that will allow for a more focused leadership role in implementing the Government Programme. The main challenge being addressed by the State's legal offices - the *Office of the Attorney General* (which incorporates the *Chief State Solicitor's Office*) and the *Office of the Director of Public Prosecutions* – is to secure a reduction in legal fees payable by the State, against a background of significant demands in terms of legal advice, legislative drafting and prosecution activity. On the question of legal costs, legal services legislation will help to bring about structural savings.

The *CSO* maintains its commitment to the production of the core annual programme of statistical outputs required by national and EU policy and the demands of the EU/IMF support programme. The 2013 allocation provides for the Farm Structure Survey and commencement of preparations for the Household Budget Survey 2015/2016 and the 2016 Census of Population. The Office continues to examine alternatives to the traditional five-yearly approach to the census.

New Policy Measures

Administration of the Attorney General's Scheme has been transferred to the Department of Justice Vote.

Changes to Expenditure Ceiling

President's Establishment Vote has been moved to this Group from the Department of Public Expenditure and Reform Group of Votes

B. Expenditure Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014*

Department of Taoiseach Group	2013	2014
	<i>€ million</i>	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	153	139
<u>Adjustments to the Ceilings</u>		
Technical Adjustments, including transfer in of Vote 1	3	5
<i>Transfer of administration of Attorney General's scheme</i>	-2	-2
<i>Reconciled Expenditure Ceilings post Adjustments</i>	154	142

Department of Transport, Tourism & Sport

A. Overview of Departmental Expenditure in 2013

Total Voted Expenditure 2013

Expenditure under the Department of Transport, Tourism and Sport will be €1,658 million in 2013. This will consist of €758 million in current expenditure and €900 million in capital expenditure.

Public Services to be Delivered

This level of funding will enable a significant level of public services to be delivered in 2013. Key areas of activity include

- Maintenance and – where possible – expansion of capacity of transport networks
- Delivery of efficient public transport services
- Promotion of sustainable transport patterns
- Continued promotion of road and rail safety
- Provision of an effective Coastguard service
- Facilitation of the development of high quality sports infrastructure
- Support tourism development, innovation and sustainability

Changes to Expenditure Ceiling

The Department's expenditure ceilings have increased to reflect an increase in Appropriations in Aid. Further detail is provided in Section B

B. Expenditure Ceilings

The Table below details expenditure ceilings and reconciles these with information set out in the *Comprehensive Expenditure Report 2012 – 2014* and *Infrastructure and Capital Investment 2012-16*

Department of Transport, Tourism & Sport	2013	2014
	€ million	
Current Expenditure		
Ministerial Expenditure Ceilings as per <i>Comprehensive Expenditure Report 2012-2014</i>	747	691
<u>Adjustments to the Ceilings</u>		
Technical Adjustments		
Matched funding: - <i>increased A-in-As</i>	11	11
From unallocated provision: - <i>Admin. Carryover</i>	.4	
- <i>EU Presidency</i>	.2	
<i>Reconciled Expenditure Ceilings post Adjustments</i>	758	702
Savings measures introduced in 2013 to adhere to the ceiling	38	
Savings necessary to adhere to the ceiling in 2014		56
Capital Expenditure		
Envelope set out in <i>Infrastructure and Capital Investment 2012-16</i>	900	879
<u>Adjustments</u>		
n/a	-	-
Capital Ceiling	900	879

C. Estimates 2013: Summary of Measures

The table below outlines the summary of measures to be taken by the Department in order to adhere to the 2013 Expenditure Ceiling. The table shows the amount of savings to be generated in 2013 following the implementation of each measure and the amount that is expected to be generated in a full year.

The savings shown in the following table do not include a payment of €36 million made to CIE on a once off basis in 2012.

Measure	Savings in 2013	Full Year Savings
	<i>€ million</i>	
<i>Roads</i>		
Savings achieved	26.9	26.9
<i>Road Safety Agencies</i>		
Savings achieved	6.1	6.1
<i>Public Transport</i>		
Savings achieved	16.6	16.6
<i>Sport</i>		
Reduction of funding for various sports organisations and programmes	1.3	1.3
<i>Tourism</i>		
Introduction of efficiencies and reduction in allocation for tourism marketing programmes	2.5	2.5
<i>Admin Budget</i>		
Savings achieved	1.7	1.7
<i>Miscellaneous</i>		
Net Savings (individual measures less than €1m)	3.0	3.0
LESS		
<i>Maritime</i>		
SAR Helicopter Contract – increased cost Search & Rescue	(20)	(20)
Total	38	38

D Savings Areas for 2014 to remain within Expenditure Ceilings

Further reductions of approximately €56 million will be required across the Department in 2014 to remain within the Expenditure Ceiling for that year. The types of measures under consideration are outlined in the Table below.

Measure	Savings in 2014	Full Year Savings
	<i>€ million</i>	
<i>Roads</i>		
Savings achieved	26	26
<i>Public Transport</i>		
Savings achieved	17	17
<i>Aviation</i>		
Reduction to the subsidy for operational expenditure at regional airports	1	1
<i>Sport</i>		
Reduction of funding for various sports organisations and programmes	2.3	2.3
<i>Tourism</i>		
Savings as no expenditure required for 'The Gathering'	12.7	12.7
<i>Admin Budget</i>		
Savings achieved	1	1
<i>Miscellaneous</i>		
Net savings (individual measures less than €1m)	1.5	1.5
<i>Additional Expenditure Requirements</i>		
<i>Maritime</i>		
SAR Helicopter Contract – increased cost Search & Rescue	(5.5)	(5.5)
Total	56	56

