

**APPENDIX 1**

**Capital Review**

**Transport Programmes and Sub Programmes**

<b>Programme</b>	<b>Sub Programme</b>	<b>2012-2016 NRP Allocation €millions</b>
Roads	1 - National Roads	1,580.0
	2 - Local and Regional Roads	1,255.0
Public Transport	3 - NTA – Heavy Rail, Light Rail & Bus	1,840.0
	4 - NTA – STMS	
	5 - PT Safety (non-GDA Rail)	469.0
	6 - PT Development (non-GDA Rail)	
	7 - Accessibility	89.0
	8 - Regional TMG	
Other	9 - Smarter Travel	90.8
Maritime -	10 - IRCG	38.0
	11 - Regional Harbours	8.5
	12 - Maritime Safety (CIL and Weather Buoy Project)	6.5
	13 - Regional Airports	10.0
Technology-Support	14 - Vehicle Licensing	7.5
	15 - Road Safety	3.5
	16 - Office Machinery	3.2

## NRP Allocations €M

	2012	2013	2014	2015	2016	Total
<b>National Roads</b>	600	260	240	240	240	1,580
<b>Regional &amp; Local Roads</b>	285	250	240	240	240	1,255
	885	510	480	480	480	2,835

**Sub Programme 1 – National Roads****1. Description of High-Level Objective**

The high level objective of capital expenditure on the national road network is to provide a safe and efficient national road network that is fit-for-purpose for freight, business and social travel.

**2. Outline of Rationale for Government Intervention**

Roads are a public utility, and by their nature their provision is a State function.

Currently approximately 5450km of public road are designated as national roads, and they include a range of road types from multi-lane motorways to modestly-trafficked single carriageway rural roads.

**3. Consistency with Programme for Government**

The Government has been very clear that the State must focus on economic recovery and on employment generation. Maintenance and improvement of the national road network will support economic recovery, create jobs, improve competitiveness and regional development.

**4. Contribution to:**

- Economic Recovery

The National Competitiveness Council has identified eight key export sectors that could provide the engine of future growth (i.e. Food and Drink; Medical Technologies; Chemicals and Pharmaceuticals; ICT Manufacturing and Services; International Financial Services; Tourism; Environmental Goods and Services; and, Other Internationally Traded Services). Internal transport is important or even critical for all of these sectors.

While the major inter-urban routes have been subject to major improvement, there is a need to follow through and complete the remainder of the core road network. In this context, it is worth noting that Ireland is in competition with other countries that have superior road infrastructures.

All major road schemes are subject to appraisal during their planning, and are reviewed after the event to check the reality as against expectations. All major schemes that are taken to construction have direct economic benefits greater than their costs, and the average return for schemes in the last five years has been that benefits have been three times greater than costs. A significant component of the cost of the projects returns to the Exchequer in the form of VAT and other taxes.

- Sustainable Employment and direct employment during Delivery Phase

The employment benefit of road infrastructure consists of jobs created during construction, and in the long-term employment that it brings to and helps sustain in the regions.

With a well-developed transport network, the opportunities for development of new indigenous enterprises and new FDI are enhanced. Exchequer funding of €13 billion (2010 prices) has been invested mostly in the national primary roads over the period 2001-2010, which will deliver monetised benefits of about €39 billion (2010 prices) over the life of the infrastructure. Time savings directly reduce the cost of transport and are therefore very important in supporting and sustaining businesses – thereby increasing their national and international competitiveness.

While the main employment benefit of roads is long term and arises from the consequential economic development and greater efficiencies to existing activities that follows transport provision, the construction activity itself generates considerable employment. Available evidence indicates that about ten to fourteen people gain direct employment as a result of €1 million of construction activity. Because most of the bulk products used in road construction are locally sourced, supporting activities and induced employment provide almost an equivalent amount of people employed again.

#### **Jobs Supported for Different Road Investment Scenarios\***

Road Investment	€1 billion	€250 million	€150 million
Construction Oriented Employment	14,000	3,500	2,100
Supporting Industries' Employment	6,000	1,500	900
Induced Employment	20,000	5,000	3,000
<b>Total Employment</b>	<b>40,000</b>	<b>10,000</b>	<b>6,000</b>

\* Based on U.S. Federal Highways Administration (FHWA), Employment Impacts of Highway Infrastructure Investment, 2007. (Note: The U.S. figures in the report have been converted into Euro using a currency conversion of \$1.00 = €0.75 for 2007.)

- Economic and Social Infrastructure Deficit

#### *National Primary Roads*

The progress in improving the national primary routes (approximately 5450 km of roadway, which represents some 6% of the entire public road network but carries 46% of the country's traffic) in recent years has been excellent and the major inter-urban routes, the M3, Dublin Port Tunnel and many other smaller schemes have been completed. Nonetheless, there are over fifty schemes on national primary roads at various stages of planning. These schemes have all been through feasibility studies, and consequently are known to provide strong economic return on investment, and to be strategically desirable. The upgrades required include single carriageway, type 2 dual carriageway, and a limited number of motorways. The investment programme, if at an appropriate level, will allow the NRA to steadily tackle this backlog of much-needed improvements.

## *National Secondary Roads*

The bulk of the expenditure on national roads over the last decade has gone to National Primary Roads, and the Major Inter-Urbans in particular. In contrast to this, little capital expenditure has been devoted to upgrading or renewing the National Secondary Road network. The situation was commented upon in the ESRI Ex-ante Evaluation of the National Development Plan (2007-2013) which stated “[t]he National Secondary [Road] network is a critical component in the overall road infrastructure, and is particularly important in serving and connecting the smaller market towns to one another and to the bigger centres served by the National Primary [Road] network. It will play an important part in developing the National Spatial Strategy. We recommend that a specific and comprehensive programme of National Secondary [Road] improvements should be included in the next National Development Plan, together with the analysis underlying project selection and prioritisation”.

Cognisant of the limited resources that have been available over past years for secondary roads, the NRA completed a National Secondary Roads Needs Study (NSRNS) in 2010 which seeks to identify an optimal future National Secondary Roads network and develop and prepare a delivery programme.

All national secondary road improvement schemes are subject to appraisal during their development in accordance with Department of Finance and Department of Transport guidelines. In all cases full scheme appraisals are conducted before going to An Bord Pleanála for statutory approvals or otherwise prior to implementation.

## **5. Commitments**

- Legally binding

The following are the contractual commitments of the NRA for the years 2012-2016 inclusive:

<b><i>Year</i></b>	<b><i>Amount</i></b>
2012	€470 million
2013	€249 million
2014	€101 million
2015	€46 million
2016	€35 million

Please note that these amounts represent the NRA’s best estimate of how much will fall due, and when, but as many of the contractual commitments are uncertain as to the exact amount payable, and date of payment, there may be some variations. Land acquisition would be typical of this.

Contractually committed costs such as Dublin Port Tunnel and West-Link buyout, which are substantially paid for out of toll income, are not included, nor are PPP unitary payments.

## **6. Programme Delivery (Planning, Procurement and Project Management)**

The NRA is a national centre of excellence for road planning and design, infrastructure procurement, cost benefit analysis, project appraisal and evaluation. All cost benefit analysis for projects is published as part of the scheme statutory approval process. The national roads programme has delivered and continues to deliver excellent value-for-money.

The NRA provides programme management, such as technical guidelines and directions, prioritisation, cash flow and budget management, approval of individual scheme scope of work, procurement services, framework contracts, and inspection. The individual works are managed by individual local authorities, or increasingly by regional national road design offices. Detail design, supply and construction are usually provided by the private sector, although some local authorities self-perform some of this work. However, in the case of PPP schemes, including service areas, the NRA manages the work directly.

## 7. Current Expenditure Implications

The cost of maintenance and renewal works on the national road network, so as to preserve the full functionality of the modernised roads, is in the order of 0.5-1% of the initial capital cost annually.

The NRA current budget has been reduced from €59M for a predominantly single carriage network to its current €43M, when there is now approximately 1200kms of high speed dual carriage way/motorway recently opened to traffic. The necessary budget to carry out the functions mentioned above to normal western European standards would cost close to €100M per year.

## 8. Proposed Capital Investment for Programme

The Departments position on a 30% cut is set out in the overview. A cut of 30% in this programme could not be supported. The budgets in 2012 and 2013 are largely committed for projects already built with some funding for basic maintenance /asset renewal. The budgets for 2013 onwards are already reduced to levels which do no more than cover essential maintenance, asset management and network operations with a small amount of funding available for safety projects, bottleneck improvements and some works on national secondary roads.

The following table shows a 30% cut in the proposed allocations for the National Roads programme from 2012 to 2016:

€ million			
Year	Contractual Commitment	70% of December 2010 Capital Funding	Uncommitted
2012	470	420	(50)
2013	249	182	(67)
2014	101	168	67
2015	46	168	122
2016	35	168	133

The proposed funding levels in this scenario would be below commitment levels for 2012 and 2013, and the NRA would have to seek to defer payments, and reduce scheme scopes of work, in years 2012 and 2013 in order to live within the budgets. Furthermore each year the NRA needs to spend in the region of €200M on asset management etc and this would be impossible in a 30% cut scenario. ***No major schemes would be advanced further through planning or construction, and all available funds would be dedicated to Priority 1 activity as set out below.***

### Projects to be Prioritised

*See above- contractual commitments and network maintenance /asset management*

## **Outputs and Outcomes**

Capital available will, in the first instance, go towards discharging existing contractual liabilities and then as available to the following priorities -.

### ***Priority 1 – Asset Management, Network Rehabilitation and Network Operations***

The first priority beyond existing liabilities is to maintain the asset value and functionality of the network, and ensure its reliability and functionality.

This is critical to ensuring that the network performs efficiently and safely and continues to support national economic competitiveness. Additionally, asset management and rehabilitation of the network are essential to ensure that environmental protection measures installed as part of the construction of the network, especially those sections that have been improved over the last fifteen years, continue to perform as designed and as committed.

The “Infrastructure Investment Priorities 2010-2016” plan acknowledged that the road network should be maintained to a sufficient standard to ensure the value of the original capital investment does not depreciate prematurely over the coming years. The replacement cost of the network is in the order of €30 billion and, on the basis of a 20-30 year average life-cycle, it would deteriorate to the extent of €1-€1.5 billion per year in the absence of this investment. Accordingly, any prudent long-term planning requires an investment in asset management and network rehabilitation at a level sufficient to ensure the protection and preservation of the infrastructure that has been provided by the very significant investment that has been made to date. Accordingly, the Authority will give first priority to the funding of network rehabilitation and minor works.

### ***Priority 2 – National Secondary Roads Improvements, Bottleneck Improvement Projects, Safety Projects and Traffic Management Projects***

Most of the national secondary network routes are deficient in terms of capacity, safety and alignment. The National Secondary Roads Needs Study has identified the condition of, and improvement needed, for each route together with a preliminary prioritisation. The NRA will seek to implement the schemes as the funding situation permits.

Bottleneck projects are targeted at local improvements to the existing network aimed at reducing congestion. Such projects are typically achieved by construction carried out within the existing road boundary and may include widening, junction upgrades, consolidating accesses, small bypasses or installation of traffic management measures. Generally, bottleneck projects provide excellent economic returns because benefits are high relative to costs.

Safety projects will continue to receive a high priority (after asset management and network rehabilitation, which are also safety-critical) in order to deliver on the targets set for the NRA in the Government’s Road Safety Strategy 2007-2012. However, the ability to deliver on any successor road safety strategy post-2012 will depend on the availability of funding and the current working assumption of the Authority is that road safety projects post-2012 will be considered as equal priority with the national secondary roads improvement programme and the bottleneck improvements programme.

Traffic management projects will present opportunities to make the most out of existing national roads infrastructure, particularly on those sections where congestion occurs and where improved management of flows can provide benefits. Integrating existing and proposed ITS into the NRA's evolving traffic management structures (such as the embryonic national traffic control centre established at the Dublin Port Tunnel control centre), will allow improved coordination and management of the network. Government policy rules out continuous provision of additional capacity for unrestricted traffic growth and in that context improving traffic management is one essential element to keeping traffic flowing.

Together, national secondary road improvements, bottleneck projects, safety projects and traffic management projects will receive second priority in the allocation of capital funding after asset management, network rehabilitation and network operations requirements have been met.

### **Priority 3 – Network Improvement Projects**

The investment in the national road network in recent years has vastly improved many of the busiest and most strategic national roads, and it is worth noting that, as the final accounts are being settled, the major inter-urbans route upgrades have been delivered for €400 million less than budgeted for when the Transport 21 plan was being developed in 2005. These improvements have transformed the routes in question, as with the M50, and are delivering economic benefits three or four times their costs.

There remain, however, many strategically important and economically beneficial schemes in planning. It would be very advantageous to carry out many of these schemes now, for a number of reasons, viz:

- (a) To take advantage of currently low construction costs, and thus maximise the benefit to cost ratios.
- (b) To provide the increased economic competitiveness that will result from scheme completion as early as possible, and thus stimulate economic growth.
- (c) To provide employment, and reduce unemployment, in the worst hit industry in the country.

## **9. Projects/Programmes Prioritised if allocation retained**

The following table sets out existing NRA allocations:

<b>€ million</b>			
<b>Year</b>	<b>Contractual Commitment</b>	<b>100% of December 2010 Capital Funding</b>	<b>Uncommitted</b>
<b>2012</b>	470	600	130
<b>2013</b>	249	260	11
<b>2014</b>	101	240	155
<b>2015</b>	46	240	194
<b>2016</b>	35	240	204

Some adjustment of payment schedules will be required to deal with 2013. The level of uncommitted funding after 2014 would be broadly in line with that necessary for network renewal and minor improvement works, and consequently that is where the funding would be directed.

**There would be no funding for network improvement projects consequently no major directly funded schemes would be taken to construction from 2012 onwards. It would be possible to support the development of the two Public Private Partnership schemes currently at tender stage, particularly where the land acquisition has already been accounted for.**

These are:

- Newlands Cross +Arklow-Rathnew
- Gort to Tuam (including bypass)

Private sector funding to support these schemes is proving difficult to secure at present, so there is no certainty that these schemes can be delivered. If the PPP schemes do not go ahead, the monies that would have been spent on supporting the PPPs will be spent on small schemes and minor works.

**Additional funding:**

If additional funding was available from 2013 onwards of €100m plus then modest bypass type projects and additional rehabilitation of national secondary roads especially in tourist areas would be prioritised. *The Department is also examining the options for additional tolling the proceeds from which would be ring-fenced for new roads projects.*

*In the Departments proposal for a 10% cut the allocation for roads is increased with all the cut being taken on the public transport side.*

## **Sub Programme 2 – Regional and Local Roads**

### **1. Description of High-Level Objective**

To maintain and upgrade the regional and local road networks in support of economic and social needs and safer use of the network.

### **2. Outline of Rationale for Government Intervention**

The regional and local roads serve an important economic role and also have valuable social and community functions. There are almost 91,000kms of regional and local roads in Ireland, which accounts for 94% of the country's roads network and they carry around 54% of all road traffic. These roads are often the sole means of access for local economic activity.

These roads play a very important role in Ireland because of:

- the dispersed nature of the population and industrial development;
- the importance of tourism and agriculture as generators of wealth and employment; and
- the increasing attention being given to rural development and urban regeneration.

The Pavement Condition Study 2005 identified a substantial backlog of work on the regional and local road network in county council areas throughout the country. The cost of addressing this backlog is estimated at €2.7billion. In addition it is estimated that ongoing expenditure of €430M is required each year to avoid further deterioration in the network.

Failure to commit sufficient expenditure to preserve the network will result in a rapid deterioration of the network and an increased longer term cost to the Exchequer.

### **3. Consistency with Programme for Government**

The Programme for Government refers specifically to regional and local roads, when identifying priority areas for investment in the Government's initial years when resources will be most constrained. The Programme for Government also refers to accelerating capital works that are "shovel ready" and labour intensive, including secondary roads.

### **4. Contribution to:**

- **Economic Recovery / Sustainable Employment and direct employment during Delivery Phase**  
It is estimated that road investment has significant employment benefits with pavement improvement, minor works and planning works on roads sustaining about 12-14 direct jobs per €1million of expenditure. Major works are somewhat less employment intensive.
- **Economic and Social Infrastructure Deficit**  
As outlined above there continues to be a substantial infrastructure deficit on regional and local roads. If the fabric of the network is not maintained then this will result in an increase in that deficit and this in turn will result in a need for more extensive work in the future at a greater cost to the Exchequer.

This importance of maintaining the fabric of the network is underlined by the following extract from the World Bank Transport Note TRN-4:

*“Postponing road maintenance results in high direct and indirect costs. If road defects are repaired promptly, the cost is usually modest. If defects are neglected, an entire road section may fail completely, requiring full reconstruction at three times or more the cost, on average, of maintenance costs. The South African National Road Agency Ltd. (SANRAL) estimates that repair costs rise to six times maintenance costs after three years of neglect and to 18 times after five years of neglect. To avoid such escalating costs, SANRAL first “allocates its available funding resources to ideal maintenance actions (e.g. reseals and overlays) and thereafter to more extensive maintenance actions (e.g. rehabilitation) and finally to new construction” (SANRAL 2004).”*

## 5. Commitments

- Legally binding  
Contractual commitments are as follows:

2012	2013	2014	2015	2016
€m	€m	€m	€m	€m
28.2	21	10	0.7	0.5

## 6. Programme Delivery (Planning, Procurement and Project Management)

The improvement and maintenance of regional and local roads is a statutory function of each road authority in accordance with the provisions of Section 13 of the Roads Act 1993. The Department allocates regional and local road grants to road authorities at the start of each year along with guidelines for their application. These allocations are provided under a number of grant categories based on applications received from local authorities, length of road and population and are provided as a supplement to local authority own resources. The grants are then administered by the National Roads Authority on behalf of the Department.

## 7. Current Expenditure Implications

Capital and current expenditure on regional and local roads are interlinked. Current expenditure covers routine maintenance, including winter maintenance, necessary to operate the network. Where more extensive work is required to maintain/repair a particular road the work can fall into the capital expenditure category. The key to managing the road network cost effectively is to ensure that maintenance/repair works, whether current or capital, are undertaken on a timely basis with a view to minimising future problems.

Current expenditure monies go to the following:

- To purchase and to spread salt
- To open watercuts, maintain drainage, repair potholes before they become too extensive, carry out preventative surface dressing, replace damaged and worn signs and maintain traffic lights in working order.

The consequences of neglecting such works are severe both in terms of safety and in terms of deterioration of the road pavement. Ultimately during periods of severe weather conditions the failure to undertake winter maintenance can result in commerce being severely disrupted.

The failure to maintain drainage or to repair or seal cracked pavements or potholes in road pavements allows water into the pavement structure. Even in normal weather conditions this will cause pavements to deteriorate over time; where successive freeze / thaw conditions occur the deterioration will be very rapid and will quickly reduce a road to a very poor and in some cases an unusable condition. Many examples of this process were seen on the road network after the two recent severe winters.

When a road is reduced to a very poor condition the choice is then whether to leave the road in it's very poor state or to rehabilitate it at significant cost using monies under capital expenditure since the repairs now required are now outside what would be deemed as "maintenance" (current expenditure).

## 8. Proposed Capital Investment for Programme

### 30% Cut

The Departments opposition to any cut in the roads budget is set out in the Overview. In the 10% cut scenario proposed the roads budgets are maintained and increased by €100million.

If the capital budget for regional and local roads were reduced to 70% of the existing allocation, significant additional cuts, on top of the cutbacks in recent years, would be required in key grant categories resulting in deterioration in the network. The scale of the cuts required in a 30% scenario is outlined below:

	2012	2013	2014	2015	2016
	€m	€m	€m	€m	€m
<b>Capital Allocation</b>	285	250	240	240	240
<b>Reduction of 30%</b>	85.5	75	72	72	72
<b>Revised Allocation</b>	199.5	175	168	168	168

### Projects to be Prioritised

If the capital budget for regional and local roads were reduced to 70% of the existing allocation significant additional cuts, on top of the cutbacks in recent years, would be required **in key grant categories** resulting in a deterioration in the network.

To put this into context with 2012 as an example, the revised capital figure following a 30% reduction would be €199.5m. Once the contractual commitment of €28.2m for 2012 is taken from this revised amount, it leaves a capital allocation for regional and local roads in 2012 of €171.3m. As stated the options are limited as to where these cuts could be made due to contractual commitments. Reductions would have to be made against the Restoration Improvement Programme (€150m in 2011), Specific Improvement Grant (€31.9 in 2011) and Discretionary Grant

(€55.2m in 2011). This would have a significant impact on the road network and result in the loss of approximately 790 man-year jobs and a reduction of 775kms of regional and local road being strengthened.

Apart from the major monies needed under pavement maintenance works and strengthening / rehabilitation works there are other categories of work which are important to the upkeep and safe operation of the road network:

- Low cost safety works
- Bridge maintenance and rehabilitation works
- Completion of the regional road signage scheme
- Specific Grant projects
- Strategic projects

Specific Grant projects have been focused away from larger realignment and widening schemes to concentrate on the following more urgent type of works:

- Overlay / strengthening + drainage works where minor land take is required
- Critical bridge strengthening / repair works
- Higher cost safety schemes which are needed to deal with high risk locations and which are outside the scope of the cost safety programme.

The monies available for Strategic projects have been reduced from €87 million in 2008 to just over €20 million in 2011. Unless this programme is terminated (which is not recommended) it is important to keep a budget of approximately €20 to €25 million for this programme for the period up to 2016. Firstly existing commitments on projects have to be met from this budget line, next it is important to complete projects where land has been purchased and finally it is highly desirable to follow through on a number of projects which are approaching construction stage. Examples of the latter are:

- the Coonagh / Knockalisheen (Moyross) Road scheme which is considered one of the cornerstones of the Limerick Regeneration project
- a new Shannon Crossing Bridge at Ballina / Killaloe (important both for Tourism and for Industry)
- a possible new access road / bus corridor which would be required for a proposed new Science and Innovation Park adjacent in Cork City. Such an investment could be crucial in helping to deliver a considerable number of high quality jobs in that sector.

## **Outputs and Outcomes**

On average a road needs to be surface dressed every 10 years and strengthened/overlaid every 20 years i.e. approx. 4,375 kilometres per year need restoration maintenance and a further 4,375 kilometres need restoration improvement each year. While we came close to achieving this target in the 1996-2007 period the position has deteriorated markedly since then as a result of the cutbacks in expenditure. The re-allocation of €60 million to the restoration improvement grant scheme in 2011 under the Jobs Initiative should allow, for the first time in a number of years, the deterioration in road pavement condition to be halted (assuming local authorities can provide additional funding of €80m from their own resources).

The Department is very conscious of the importance of maximising outputs. Each year the kilometres of road maintained and improved by the local authorities are monitored against the targets set at the start of the year.

An exercise was undertaken by the Department to compare grants provided to local authorities against the output per kilometre and the cost per kilometre between 2004 and 2008. The Department found that unit rates for surface dressing could vary significantly between different local authorities. While there are valid reasons for variation in costs such as the condition of the road pavement, additional works associated with urban areas and the impact of traffic levels on the pavement surface, this exercise has been used to establish a cost range for different types of works in differing circumstances in order to achieve better value for money in the future.

In 2010 all local authorities were issued with a new Memorandum on Grants for Regional and Local Roads which specifies the maximum permitted rates that will apply for regional and local roads. The intention is that outputs will be examined at the end of each year to ensure that target figures are being met. The new arrangements were applicable from the start of the 2011 grant year.

#### **10. Projects/Programmes Prioritised if allocation retained**

See above.

## **PUBLIC TRANSPORT PROGRAMME-(Sub Programmes 3-8)**

<b>NRP Allocation</b>	<b>2012 €m</b>	<b>2013 €m</b>	<b>2014 €m</b>	<b>2015 €m</b>	<b>2016 €m</b>	<b>Total €m</b>
<b>Public Transport</b>						
GDA-NTA	253	387	400	400	400	1,840
Safety/Development	118	123	76	76	76	469
PT Projects	21	17	17	17	17	89
<b>Total</b>	<b>392</b>	<b>527</b>	<b>493</b>	<b>493</b>	<b>493</b>	<b>2,398</b>

### **Sub Programme 3 – NTA Heavy Rail, Light Rail and Bus (GDA)**

#### **1. Description of High-Level Objective**

The main objective of this programme is to redress deficiencies in the public transport network in order to provide more frequent reliable services, increase passenger uptake and encourage modal transfer.

Heavy rail represents the high capacity end of the public transport spectrum. It is targeted to be provided on corridors that are predicted to have in excess of about 7,500 passenger movements per direction in the peak hour. It provides the core high capacity network that is central to the GDA mass transit system.

Light rail (Luas) infrastructure provides high capacity, frequent public transport services in the GDA where demand on prospective routes is in excess of what can effectively be provided by buses.

Bus-based public transport capacity is lower cost and more flexible than rail modes and can be delivered in a shorter time frame. The bus network is the backbone of the public transport system in the GDA, currently carrying 60% of all city-bound transport trips. As such it supports employment and meets essential social needs.

The Quality Bus Corridor network has proven to be extremely successful in increasing public transport mode share, reducing private car trips and providing a more efficient operating environment for bus operators. Bus Rapid Transit allows for greatly increased capacity on key strategic routes. Bus Rapid Transit systems are a higher quality specification than conventional bus, and are likely to attract many more additional passengers over and above those of a conventional bus service.

#### **2. Outline of Rationale for Government Intervention**

Government intervention is required as the market will not provide public transport infrastructure. Integrated high quality rapid transit systems are a public good due to economies of scale and typically require public investment.

The rationale for public investment in public transport systems relates to the 'external' or social benefits which public transport delivers, primarily decongestion of roads, reduction in carbon

emissions compared to the private car and economic productivity benefits such as agglomeration benefits and labour market impacts.

### **3. Consistency with Programme for Government**

The Programme for Government recognises the need for a modern high speed transport system to ensure Ireland's economic competitiveness. It acknowledges the need to rebalance transport policy in favour of public transport. It specifically supports the expansion in range and frequency of high capacity commuter services.

### **4. Contribution to:**

#### **Economic Recovery:**

Overall, investment in public transport in the Greater Dublin Area will -

- support the protection and creation of jobs,
- enhance the Dublin and Irish tourism product,
- support industry and commerce, allowing Dublin to compete as an international city region, with knock on effects for other regions
- reduce congestion and contribute to carbon emissions reduction
- enhance the built environment and contribute to the improvement of socially and economically deprived areas

#### **Sustainable Employment and direct employment during Delivery Phase:**

The Programme for Government recognises that every person who leaves the dole and goes back to work reduces the deficit by an estimated €20,000 and spends an additional €15,000 on goods and services. It is estimated that between 10 and 12 jobs are supported for every €1 million spent on transport infrastructure. Up to 14 jobs per million can be supported on smaller, more labour intensive schemes.

#### **Economic and Social Infrastructure Deficit**

Increasingly economic growth is being driven by city regions which compete with each other to attract and retain the best human capital, in terms of education levels, creativity and entrepreneurship. By positively impacting on the quality of life, sustainability, attractiveness and connectivity of Dublin, **a high quality transport system in the city will support new inward investment as well as protecting existing investment.** Fast, reliable public transport systems, and in particular high quality connections between transport nodes, business, retail, residential, educational and cultural districts will increasingly become a pre-requisite for attracting global investment.

Transport improvements also facilitate **greater access to employment centres** across the Dublin region. This is especially important for areas of relatively high socio-economic deprivation, which currently have poor access to areas of the city with high jobs density (south inner city, IFSC and docklands). Improved transport linkages is also one of the major pre-requisites for attracting more jobs and residents within these areas.

Continued investment will **promote and retain tourism** in Dublin as a destination with attractive and efficient city transport systems. This has knock on effects for the wider Irish economy. Ireland's tourism performance has been dis-improving since its peak in 2006. While the global recession has been an element in this, domestic factors are at play also. The World Economic Forum Travel and Tourism Competitiveness Report 2011 highlighted the dis-improvement in Ireland's ability to attract foreign tourists, where Ireland's ranking fell from 18th in 2009 to 21st in 2011. Transport was highlighted as one of the weak areas for Ireland, with the quality of the state's ground transport network ranking 104 out of 139 countries surveyed.

Easily navigable transport modes are particularly beneficial for tourists and visitors as demonstrated in other major European and international cities. By making the city more accessible and easily negotiated for visitors, connecting tourist attractions and enhancing the city centre environment and urban realm, good public transport will add to the character of the city and enhance Dublin's ability to attract visitors and compete with other city destinations.

## 5. Commitments:

<b>Estimated Existing Capital Commitments* at May 2011 (€ million)</b>					
	2012	2013	2014	2015	2016
Irish Rail Projects (GDA)	50.90	6.72	4.64		
RPA Projects **	9.50	1.00	0.60		
Integrated Ticketing	5.10				
Sustainable Transport Projects	7.90	2.00			
<b>Total Existing Commitments</b>	<b>73.40</b>	<b>9.72</b>	<b>5.04</b>	<b>0</b>	<b>0</b>
<i>*The figures above also include the projected costs of phases of programmes already committed to.</i>					
<i>** A number of the contracts have termination clauses such that it, for any reason, it proved necessary to activate such clauses, commitments would reduce accordingly.</i>					

## 6. Planning, Procurement and Project Management

The heavy and light rail elements of the programme are implemented by Irish Rail and the Railway Procurement Agency respectively under supervision by the National Transport Authority and in accordance with the Authority's guidelines on planning, procurement and project management. Each year, the agencies submit a programme of works and budget to the NTA which is agreed and reviewed on an on-going basis. The NTA interacts with the Department on the same basis in the negotiation of its annual capital budget. In terms of project delivery, interaction with planning authorities including An Bord Pleanála is required for some projects.

The Quality Bus Network Office is part of the National Transport Authority and is responsible for the delivery of the Quality Bus Network in the Greater Dublin Area. Works are carried out in conjunction with Local Authorities.

Bus fleet procurement is managed by Dublin Bus and Bus Éireann with supervision from the National Transport Authority.

It is proposed that BRT investment be managed by the RPA under supervision of the National Transport Authority.

## 7. Current Expenditure Implications

Irish Rail services in the Greater Dublin Area and nationally are subvented. However, the bulk of the capital investment proposed for heavy rail in this programme is either safety related, non discretionary or contractually committed and is unlikely to increase the PSO requirement. Regard will be had to changes in the PSO for all Irish Rail capital projects where relevant.

Historically, Luas has operated on a breakeven basis, requiring no operational subsidy. In recent years, given falling passenger numbers, a nominal subsidy has been required. It is not expected that there will be any additional current expenditure requirements arising from these investment proposals. The addition of Luas BXD would be expected to generate additional luas trips that would improve the overall revenue take for luas.

The appropriate approach to bus fleet management revolves around a continuous programme of bus replacement. An ad hoc approach with some funding in some years and none in others is simply not conducive to the efficient and effective management of the fleet. Maintenance costs are lower on a more modern bus fleet. As no additional buses (only replacement) are proposed to be purchased, there should be no additional current expenditure requirement.

## 8. Proposed Capital Investment for Programme

### % Cut

See overview. In order to deliver an overall reduction of 10% in the Transport capital budget as proposed by the Department the NTA run sub-programmes ( sub-programme 3 and sub-programme 4) would take a 43% cut in their NRP allocation.

### Projects to be Prioritised

This programme seeks to make tangible improvements to the public transport network through targeted, less expenditure intensive measures. These will be critical in encouraging modal shift in the absence of other large public transport projects being delivered which can significantly enhance capacity on the network.

**Heavy Rail** - City Centre Resignalling, Central Traffic Control Centre, Intercity Rolling Stock (contractually committed), elimination of level crossings, station improvement

**Light Rail** - Luas asset refurbishment and power upgrade, completion payments on Luas Citywest, park and ride facilities on Luas to Cherrywood, construction of Luas BXD (cross city)

**Buses** - Bus replacement, bus priority improvement, bus stop facility improvement, Bus Rapid Transit

### Outputs and Outcomes

Overall the programme will deliver a fast, reliable public transport system with improved capacity which supports –

- Job creation
- Economic activity (industry and commerce)
- Tourism
- Carbon reduction
- Social and economic regeneration

Specific outputs and outcomes for individual projects are as follows -

- City Centre Resignalling – an increase in capacity in the critical City Centre area. to accommodate an additional 5 train paths per direction per hour (up from 12 at present to 17 by 2014)
- Central Traffic Control – modern, safe train traffic control centre which facilitates operational efficiency
- 51 Intercity Railcars – more flexible rail service on Dublin Outer Commuter Routes
- Luas asset refurbishment and power upgrade – maintain passenger numbers on luas
- Completion payments on Luas Citywest – potential to add 2 million passenger trips per annum to luas network
- Park and ride facilities on Luas to Cherrywood – additional trips on Luas Green line
- Construction of Luas line BXD – integration of the city’s two existing luas lines, potential to add 10 million additional trips to the luas network per annum
- Bus investment - A modern cost effective bus fleet, which can be used in a flexible way to provide faster and more reliable journey times and which offers better fuel performance
- Network of improved bus shelters - improved public transport experience to support modal shift
- Network of bus corridors - reduced bus journey times to support modal shift
- Bus Rapid Transit – significantly enhanced carrying capacity on key strategic bus routes to support modal shift

#### **9. Projects/Programmes Prioritised if allocation retained**

Not relevant given other transport investment priorities – any additional funding likely to be used for roads before consideration would be given to the implementation of other major public transport infrastructure projects.

## 1. Description of High-Level Objective

The Integration and Sustainable Transport Measures sub-programme is a significant sub-programme spanning the grant aiding of individual local projects, in the seven local authority areas in the GDA. Through all its elements it supports the use of the overall public transport system and enhances the accessibility, convenience, and attractiveness of the public transport offering. These measures will be critical in delivering an improvement to the public transport network in the absence of larger public transport infrastructure projects which add significant capacity to the network.

## 2. Outline of Rationale for Government Intervention

To drive change in support of modal shift in transport

## 3. Consistency with Programme for Government

Complies with the commitment to rebalance transport policy in favour of public transport and to invest in national cycle policy and to extend Dublin Bikes scheme.

## 4. Contribution to: Economic Recovery/ Sustainable Employment and direct employment during Delivery Phase /Economic and Social Infrastructure Deficit

In various forms, this grant programme has existed since 1995, as a sub-head in the OPP (Operational Programme for Peripherality) and the ESIOIP. The programme has been a key driver of change within transport, and included the delivery of the primary Quality Bus Network (*covered separately under the NTA sub-programme*), the principal cycle network, much of the traffic management system infrastructure (signals, CCTV, variable message signs etc.), pedestrianisation schemes, Park and Ride schemes, as well as numerous other projects.

The effect of the grant programme has been to reduce the cost and time to travel to work for many commuters who otherwise would be consigned to worsening traffic congestion. An extra 77,000 daily commuters made walking, cycling and public transport trips – an increase of 44% in 10 years. The principal interventions that supported this change were delivered under the Sustainable Transport Grant, (with some additional public transport rolling stock (including LUAS in 2004)).

Overall the type of benefits derived from the programme include:

- More reliable journey times for all traffic;
- Better journey speeds for public transport;
- Better Quality of Service for pedestrians and cyclists within town and city centres;
- Safer roads and streets; and
- More trip capacity on the existing network.

The programme includes-

- cycling/walking projects
- traffic management programme
- safety programme
- integration projects and support programme

## Employment

These are in the main small labour intensive projects spread across the 7 GDA local authorities and as such give rise to job creation at the higher end of the 10-14 per €1million estimated for transport project investment.

### 5. Commitments:

Estimated Existing Capital Commitments* at May 2011 (€ million)					
	2012	2013	2014	2015	2016
Irish Rail Projects (GDA)	50.90	6.72	4.64		
RPA Projects **	9.50	1.00	0.60		
Integrated Ticketing	5.10				
Sustainable Transport Projects	7.90	2.00			
<b>Total Existing Commitments</b>	<b>73.40</b>	<b>9.72</b>	<b>5.04</b>	<b>0</b>	<b>0</b>
<i>*The figures above also include the projected costs of phases of programmes already committed to.</i>					
<i>** A number of the contracts have termination clauses such that it, for any reason, it proved necessary to activate such clauses, commitments would reduce accordingly.</i>					

### 6. Planning, Procurement and Project Management

This scheme is overseen by the NTA in conjunction with the seven GDA local authorities and the RPA.

### 7. Current Expenditure Implications

None

### 8. Proposed Capital Investment for Programme

See overview re Departments proposal for a 10% cut.

An allocation of €214 million is proposed under this programme which is part of the overall €1,049 proposed for the NTA. This represents a 43% cut on the original NTA NRP allocation to deliver an overall cut of 10% in transport capital funding.

#### Projects to be Prioritised

The main target under this programme is to support the attractiveness of the public transport offering and to encourage the continuation of a modal shift to cycling and walking. Given the breadth of the programme, it is difficult to succinctly identify individual priority elements in each sub-area. However, the following represent key priorities :

1. Implementation of the Marlborough Street Transport Bridge, which will facilitate bus and Luas Line BXD operations;
2. Continued deployment of the Real Time Passenger Information system in the GDA and regional cities;
3. Deployment and further development of the Integrated Ticketing System;
4. Provision of the National Integrated Journey Planner;
5. Expansion of Dublin Bikes scheme and its introduction into other urban areas;
6. Delivery in a planned manner, of appropriate projects under the Cycling/Walking Programme;

7. Delivery in a planned manner, of appropriate projects under the Traffic Management Programme;
8. Delivery in a planned manner, of appropriate projects under the Safety Programme.

Outputs and Outcomes

Increased numbers using public transport /cycling/walking for travel to work and school which improves modal share for sustainable transport and contributes to reduced congestion and environmental emissions .

**9. Projects/Programmes Prioritised if allocation retained**

Not relevant given other transport investment priorities – any additional funding likely to be used for roads before consideration would be given to the implementation of other major public transport infrastructure projects.

## **Sub Programme 5 - PT Safety (non-GDA Rail)**

### **1. Description of High-Level Objective**

Maintain railway assets to a standard fit for use in terms of safety, reliability and life cycle cost effectiveness.

### **2. Outline of Rationale for Government Intervention**

- Maintain linkages between Dublin and the sub-regions in line with the National Spatial Strategy.
- Increase modal share for the railway in line with Smarter Travel.
- Reduce emissions in line with negotiated EU 2020 targets.

### **3. Consistency with Programme for Government**

- Recognise the need to rebalance transport policy to favour public transport.
- A modern high speed transport system is essential to ensure our economic competitiveness.

### **4. Contribution to: Economic Recovery:**

- Modern transport system for a modern economy
- Effective transport linkages between Dublin and the sub-regions.

### **Sustainable Employment and direct employment during Delivery Phase:**

- Improved national and regional access with a wide range of benefits for tourism and industry.

### **Economic and Social Infrastructure Deficit**

- Maintain existing rail network in a fit for purpose state

### **5. Commitments:**

Year	2011	2012	2013	2014	2015	2016	Total
Project/Programme	€000	€000	€000	€000	€000	€000	€000
Safety Maintenance & Renewal	9,700	1,684	0	0	0	0	11,384
More Competitive Journey Times	0	0	0	0	0	0	0
Road Crossing Automation	1,500	0	0	0	0	0	1,500
Sales & Information Channels	4,317	1,140	0	0	0	0	5,457
Station Upgrades	1,000	150	90	0	0	0	1,240
Rolling Stock	5,258	3,184	303	0	0	0	8,745
Western Rail Corridor Phase 1	7,393	1,061	0	0	0	0	8,454
Capital Renewals	1,312	129	0	0	0	0	1,441
<b>Total Commitments</b>	<b>30,480</b>	<b>7,348</b>	<b>393</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,221</b>

### **6. Planning, Procurement and Project Management**

This programme is managed directly by Irish Rail under supervision from the Department of Transport. The Railway Safety Programme 2009-2013 is based on the recommendations made by the Railway Safety Task Force (which comprised officials from the Department of Transport, the Department of Finance, Iarnród Eireann and the Railway Safety Commission, as well as an

independent technical expert on Railway Safety for a prioritised programme) for works to complete the renewal of the railway network and to enhance safety management.

## **7. Current Expenditure Implications**

Irish Rail services nationally are subvented. However, the investment proposed in this programme does not involve any additional current expenditure requirement. During the lifetime of the programme, operating expenditure savings will be obtained through the efficient use of internal resources for both maintenance and funded renewals, as well as through the funding of the training and other safety needs which should reduce the overall current expenditure requirement.

## **8. Proposed Capital Investment for Programme**

### % Cut

No cut. An increase in funding is required to meet basic safety needs – approximately €100 million per annum is a baseline figure for the programme. However, it is intended to carry out an independent review of the programme to ensure that the funding proposed is in accordance with industry and international standards.

### Projects to be Prioritised

- Asset renewal – track and track equipment, level crossings and bridges, signalling, electrical systems and telecoms
- Safety Management Systems and human performance

### Outputs and Outcomes

Fit for purpose railway in terms of:-

- High safety standards,
- High levels of reliability,
- Reduced life cycle costs, and
- Enabling base line passenger growth

The following are a number of specific outcomes.

- Reduction in risk levels measured in terms of annual equivalent fatalities from 13.9 a decade ago to 7.0 in 2010 and maintaining it at that level.
- Downward trend in key safety performance indicators (collisions, derailments, broken rails, structural failures, SPADs, animal strikes, level crossing incidents) and maintaining these at European norms
- Infrastructure upgrades to track, structures, level crossings, and signalling systems which will ensure that infrastructure is fit for purpose with no intolerable risks.
- IE will have a robust safety management system in place with supporting training, inspection, audit and compliance processes which ensure that safety is managed to best industry standards in compliance with all national and EU legislation.

## **9. Projects/Programmes Prioritised if allocation retained**

N/A. See response to No. 8 above.

## **Sub Programme 6 - PT Development (non-GDA Rail)**

This sub programme consists of 4 separate elements:

- Road Crossing Automation
- More Competitive Journey Times
- Sales and Information Channels
- Station Upgrades

### **1. Description of High-Level Objective**

The high level objectives of the combined elements are a reduction in annual rail operating costs through the automation of manual level crossings, an improvement in journey times and more efficient use of trains, stations and ticketing facilities

### **2. Outline of Rationale for Government Intervention**

- Drive efficiencies and rationalisation in the public transport companies in the context of falling subsidies.
- Improve the e-capability of our tourism product
- Encourage more people out of their cars by improving their experience of public transport through initiatives like integrated ticketing and better stations

### **3. Consistency with Programme for Government**

- Re-prioritise capital funding for smaller projects that deal with specific immediate problems.
- Drive efficiencies and rationalisation in the public transport companies in the context of falling subsidies.
- Recognise the need to rebalance transport policy to favour public transport.

### **4. Contribution to:**

#### **Economic Recovery:**

- The requirement to de-man level crossings country wide is based on the financial burden that manning these crossings place on the company on an ongoing basis.
- Drive efficiencies and rationalisation in the public transport companies in the context of falling subsidies.
- Reduce generalised cost of rail travel over the InterCity and regional rail networks.
- Improved access for all.

#### **Sustainable Employment and direct employment during Delivery Phase:**

- Smaller projects are more labour intensive and more likely to be carried out by local contractors increasing short-run domestic economic impact.

#### **Economic and Social Infrastructure Deficit**

- Improved rail safety standards by the removal of manual interventions.
- Encourage more people out of their cars by improving their experience of rail travel and thus increase the attractiveness of rail as a viable alternative to road transport.
- Improved access for all and greater ease of use for would be car users.

## 5. Commitments:

Year	2011	2012	2013	2014	2015	2016	Total
Project/Programme	€000	€000	€000	€000	€000	€000	€000
Safety Maintenance & Renewal	9,700	1,684	0	0	0	0	11,384
More Competitive Journey Times	0	0	0	0	0	0	0
Road Crossing Automation	1,500	0	0	0	0	0	1,500
Sales & Information Channels	4,317	1,140	0	0	0	0	5,457
Station Upgrades	1,000	150	90	0	0	0	1,240
Rolling Stock	5,258	3,184	303	0	0	0	8,745
Western Rail Corridor Phase 1	7,393	1,061	0	0	0	0	8,454
Capital Renewals	1,312	129	0	0	0	0	1,441
<b>Total Commitments</b>	<b>30,480</b>	<b>7,348</b>	<b>393</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,221</b>

## 6. Planning, Procurement and Project Management

This programme is managed by Irish Rail under supervision from the Department of Transport. Each year Irish Rail submits a programme of works and proposed budget to the Department which is agreed and reviewed on an ongoing basis.

## 7. Current Expenditure Implications

- Reduction in current expenditure by eliminating the cost of staff attending level crossings.
- The elimination of Permanent Speed Restrictions (PSRs) and the upgrading of the Intercity Rail Network would yield some current expenditure savings during construction due to efficient use of internal resources
- Potential for a net reduction in current expenditure due to increasingly competitive journey times leading to greater passenger uptake.
- This programme covers the installation of the exit validating machines and the ticket vending machines as well as the back room processes to manage the new revenue collection suite. These systems would require maintenance in the future but this should be offset by the enhanced revenue protection aspect of the machine installation programme.
- More efficient back room practices leads to better information gathering and the introduction of yield pricing coupled with a more customer friendly website for sales would enhance the customer experience with a possible increase in patronage.
- Construction phase of the Car Park and Platform upgrade projects would yield some savings through efficient usage of own resources.
- Potential for increased uptake of services due to the general station access improvements. The car parks are currently revenue generating, even allowing for collection by an outside agency, which should offset the upkeep of these assets.

## 8. Proposed Capital Investment for Programme

### % Cut

No cut. An increase in funding is required to meet limited development needs. Only €50 million is proposed to be provided for the road crossings automation and line speed improvement projects over the NDP period. It should be noted that this will deliver only marginal improvements in these areas.

### Projects to be Prioritised

Sales and Information Channels – Ticketing systems and equipment  
Station Upgrades and car park improvements  
Road Crossing Automation  
Line speed improvements

### Outputs and Outcomes

- Reduced annual operating costs of €4.7 million per annum pending full delivery of the InterCity / Regional rail programme - 51 crossings (This is unlikely to be delivered in full over the period to 2016 given limited funding availability)
- Improved journey times between Dublin and Cork,
- Significant increase in passenger numbers arising from more competitive journey times.
- Modernised and efficient ticketing system.
- Yield management capability to increase revenue.
- Easier access to a range of tickets through different sales channels including website.  
Key targets include:-
  - Move 50% of InterCity customers to advance purchase within five years.
  - Increase advance purchase yield by 10% in 2011.
  - Move 70% of greater Dublin area customers to Season or ePurse within five years.
- Improved integration between the car and rail modes.

### **9. Projects/Programmes Prioritised if allocation retained**

Not relevant given other transport investment priorities – any additional funding likely to be used for roads before consideration would be given to the implementation of other major public transport infrastructure projects.

## Public Transport Projects – Sub-programmes 7&8

### Sub Programme 7 – Accessibility

#### **1. Description of High-Level Objective**

The Department's Sectoral Plan under the Disability Act 2005 entitled "*Transport Access for All*", has as its objective the development of accessible public transport services to the highest possible standards for the greatest number of people with mobility, sensory and cognitive impairments in the shortest possible time, having regard to resource, technical and other constraints. This Plan sets out a series of policy objectives and targets.

To assist in achieving this objective, funding under the Public Transport Accessibility Programme is provided to fund accessibility improvements to existing public transport infrastructure and facilities.

#### **2. Outline of Rationale for Government Intervention**

While new public transport infrastructure projects have accessibility built into them from the design stage, existing infrastructure and facilities have to be upgraded/retrofitted to make them accessible. Most public transport infrastructure and facilities are in public ownership and the State as owner has a responsibility to lead by making its infrastructure and facilities accessible for people with reduced mobility. In addition the provision of funding towards an accessible taxi grant scheme is proposed under this programme from 2011.

#### **3. Consistency with Programme for Government**

The Programme for Government states "*we will also facilitate people with disabilities in achieving a greater level of participation in employment, training and education.*" Funding improved access to public transport infrastructure, facilitates people with disabilities to participate in employment, training and education opportunities.

#### **4. Contribution to:**

- **Economic Recovery**  
Improving the accessibility of public transport infrastructure and facilities for people with disabilities benefits all users of public transport.
- **Sustainable Employment and direct employment during Delivery Phase**  
Funding under the accessibility programme is allocated for the upgrading/retrofitting of existing public transport infrastructure and facilities and provides construction employment in small projects around the country. For example in the case of Irish Rail refurbishment works on existing railway stations are designed and supervised by Irish Rail staff while construction works are tendered out to private contractors. Therefore, the programme supports sustainable employment within Irish Rail as well as delivering employment opportunities in the private sector in the construction phase.
- **Economic and Social Infrastructure Deficit**  
Enabling people with reduced mobility to access public transport facilitates their participation in employment and improves social integration.

## 5. Commitments

- Legally binding  
The only significant commitment is €0.5m in 2011 in retention costs in relation to the refurbishment of Irish Rail stations.
- Other- The Sectoral Plan commitments by 2015 -all bus stops up to accessibility standards (59% of **Dublin Bus** stops in the GDA upgraded & work to continue in 2011, bus stops on a number of **Bus Éireann (BÉ)** routes outside GDA also ongoing), all rail and bus stations accessible to people with mobility, sensory & cognitive impairments. (**Irish Rail** - At end-2010 47% of stations on the rail network were compliant. In 2011 ongoing works will continue at another 10 stations, and commence at 2 others - Newbridge and Charleville.– Most **BÉ** bus stations have been brought up to accessibility standards. In 2011 accessible bus bays will be installed at Busaras, and at Limerick, Killarney and Ennis Bus Stations).

### Planning, Procurement and Project Management

The programme is delivered through agencies of the Department viz. Irish Rail, Dublin Bus, Bus Éireann and the Port Companies. The local authorities are involved in bus stop provision The NTA has been given an oversight role re these grants from 2011 and liaises with the agencies and makes recommendations to the Department

## 6. Current Expenditure Implications

There are no current expenditure implications.

## 7. Proposed Capital Investment for Programme/priorities

The main priorities post 2011 for accessibility grants will be the wheelchair accessible taxi subsidy scheme, a rolling programme of upgrading bus/coach stops and the on-going refurbishment programme for existing railway stations.

It is proposed to allocate €8M per annum- a reduction on the current level of €10.5 M as set out below.

### PROPOSED ACCESSIBILITY PROGRAMME

	2012 €m	2013 €m	2014 €m	2015 €m	2016 €m	Total
<b>Taxi Accessibility Programme</b>	4	4	3	3	1	15
<b>Bus Accessibility Programme</b>	2	2	2.5	2.5	3.5	12.5
<b>Rail Accessibility Programme</b>	2	2	2.5	2.5	3.5	12.5
<b>TOTAL</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>40</b>

## 8. Outputs and Outcomes:

- Increased number of accessible rail stations
- Increased number of upgraded bus stops
- Increased number of accessible taxis

## Sub Programme 8 – Regional TMGs

### 1. Description of High-Level Objective

To increase use of public transport in the regional cities of Cork, Galway, Limerick and Waterford.

### 2. Outline of Rationale for Government Intervention

There has been under-investment in public transport provision in the Regional Cities. This has resulted in low levels of public transport patronage in percentage terms in each of the cities, with Galway city performing particularly poorly, having just a 4% mode share for public transport.

The issues in some of the cities have been exacerbated by a lack of integration between transport and land use planning, which has resulted in dispersed development patterns and an over-reliance on car-based commuting.

All of these cities need to grow and develop. They are all Gateways under the National Spatial Strategy and each represents the focus point of their individual regions. If they are to grow sustainably and to seek to consolidate development, this will have to be underpinned by good transport provision, which will be predominately **bus-based**. Without a certain level of investment, any aspirations to seek to improve the non-car modes of commuting in these cities cannot be delivered.

### 3. Consistency with Programme for Government

Extract- “ We recognise the need to rebalance transport policy in favour of public transport.”

Under the previous Government’s document “Programme for Government 2007 – 2012”, transport studies were commissioned in the four regional cities of Cork, Waterford, Galway and Limerick. These transport studies were required to focus on the public transport needs of those cities and to assess the feasibility of introducing rapid transit systems in the cities.

Cork, Galway and Waterford have completed their transport plans. The plan for Limerick has been largely subsumed into work done under the Smarter Travel Initiative and the current Mid-West Area Strategic Plan, which is intended to be a 30 year long-term infrastructure development plan for the Mid-West Region, providing a framework for the integration of land use and transport provision for the region into the future. That strategic plan is at an advanced stage of development.

The recommendations of these studies have been reviewed by the NTA with a view to progressing implementation plans in line with realistic budget allocations. The recommendations cover bus transport /QBCs, rapid transit systems, Park & Ride and traffic management measures.

### 4. Contribution to:

- Economic Recovery

–improve competitiveness of regional cities and support smarter travel agenda

- Sustainable Employment and direct employment during Delivery Phase
  - support local authority employment and construction workers and support increased activity in city centres leading to more jobs
- Economic and Social Infrastructure Deficit
  - supporting integration , regional development and improving quality of life in cities

## 5. Commitments

- Legally binding-none
- Other

## 6. Programme Delivery (Planning, Procurement and Project Management)

The local authorities will be the main delivery agents for planning, procurement and management. The NTA will oversee and make recommendations as to priorities.

## 7. Current Expenditure Implications

None

## 8. Proposed Capital Investment for Programme

Investment levels across the four regional cities has fallen to €5.5M in 2011. **It is therefore proposed to increase funding for this programme to €12M annually giving a total allocation to 2016 of €60M.**

### Projects to be Prioritised

The focus will be on the development of *Green Routes/QBCs* , increased traffic management measures including safety improvements, improved bus stops and bus shelters and provision of limited park & ride {e.g. *Ballincollig Green Route (County Section)*, & *design of Carrigrohane park & ride in Cork*, *Seamus Quirke QBC in Galway*, *Southern Green Route in Limerick* and *R680 Green Route in Waterford*}.

## 9. Outputs and Outcomes

Increased use of bus network in regional cities and delivery of QBCs where appropriate.

## 10. Projects/Programmes Prioritised if allocation retained

As above

## Other Programmes –Sub- Programmes 9-16

### Sub Programme 9 – Smarter Travel

#### NRP Allocation (€m)

	2012 €m	2013 €m	2014 €m	2015 €m	2016 €m	Total €m
Smarter Travel	24.2	21.2	15.2	15.2	15.2	91
<i>Total</i>	<b>24.2</b>	<b>21.2</b>	15.2	15.2	15.2	91

#### 1. Description of High-Level Objective

This programme supports achievement of –

- Progress towards a reduction in carbon emissions from transport in line with international obligations (and avoidance of potential future financial penalties)
- Job creation and maintenance through investment in labour intensive capital projects
- Improved economic efficiency and competitiveness through reduced congestion in urban areas (on foot of modal shift away from undue reliance on the private car towards public transport, cycling and walking)
- Improvement of tourism potential (and local urban quality of life) through development and improvement of access to cycling and walking facilities with consequent benefits to local economies
- Improved public health through championing and providing support for a switch to active travel modes (walking and cycling) as well as potential for increased participation in sport.

#### 2. Outline of Rationale for Government Intervention

Government intervention is based on the whole of Government *Smarter Travel – A Sustainable Transport Future* policy which acknowledges that transport is vital for economic wellbeing but that current trends in transport are unsustainable. It affirms *inter alia* that, even in a period of reduced economic activity, increased traffic congestion will lead to a decline in competitiveness; greenhouse gas emissions from transport will continue to escalate far beyond the levels to which Ireland is internationally committed; increased dependence on car travel will contribute to obesity; and security of energy supply will remain fragile due to continued dependence on imported fossil fuels.

#### 3. Consistency with Programme for Government

The Programme for Government contains commitments to –

- Continue to invest in the National Cycle Policy (which is part of the Smarter Travel agenda) and expand the reach of public bike hire schemes both within and outside the Dublin area.
- Rebalance transport policy to favour public transport.
- Maintain and extend the Rural Transport Programme with other local transport services as much as is practicable, recognising that the rural transport network is vital for rural communities as a reliable and sustainable transport service.
- Publish a Climate Change Bill which will provide certainty surrounding government policy and provide a clear pathway for emissions reductions, in line with negotiated EU 2020 targets.
- Focus on the application of technological innovation in established sectors of the economy including transport by identifying challenges, establishing priorities and developing strategies which specify necessary actions to transition to more innovative approach.

Delivery of the Smarter Travel policy is fully consistent with the foregoing commitments.

#### **4. Contribution to:**

##### **Economic Recovery:**

This programme will support employment creation, improve competitiveness and, in the longer term, will help reduce expenditure on public health. In particular –

- Infrastructural investment under the Smarter Travel policy (e.g. provision of cycling related infrastructure) is generally in the form of small scale projects which on a euro for euro basis tend to be more labour intensive than major projects such as motorway building (which can be highly mechanised).
- Specific projects with tourism potential will create jobs in that sector. Cycle counters on the Newport to Mulranny cycleway indicate over 2,000 users for the May bank holiday weekend. This has generated employment through cycle renting companies in both Westport and Newport. Local hotels are also reporting very positive impacts in terms of increased customer numbers as a direct result of the cycle way.
- Delivery of the programme will abate urban traffic congestion and facilitate ease of goods movements – and support competitiveness.
- Increased levels of regular exercise will help tackle public health issues and subsequent treatment costs of obesity, diabetes, coronary and respiratory diseases and will also contribute to mental wellbeing.

##### **Sustainable Employment and direct employment during Delivery Phase**

The delivery phase of this programme needs to be on a multi-annual basis up to 2020 and employment will be generated each year through relatively labour-intensive construction projects and support services. As noted above, investment in projects that support tourism have both direct and indirect local employment potential. There will also be a need to ensure that infrastructure delivered by these projects will be well-maintained into the future, underlining the sustainable element of the employment generated.

Improving efficiencies in the movement of goods, particularly through reductions in congestion in urban areas, will help ensure that transport costs for goods are reduced. This will improve competitiveness in the overall economy contributing to preserving and creating sustainable employment.

##### **Economic and Social Infrastructure Deficit**

Investment under the Smarter Travel programme is designed to make movements of people and goods more effective and efficient in terms of carbon emissions and deliver improved competitiveness and reduced energy usage

Investment in cycling facilities can be regarded as spanning both critical economic and social infrastructure. There is ample evidence from Holland, Germany and other countries that the provision of high quality off-road cycle paths has real potential to encourage non-cyclists to embrace cycling – while the lanes themselves and the active lifestyle they encourage should be regarded as social infrastructure. The consequent reductions in traffic volumes due to increased reliance on cycling is an example of how the Smarter Travel delivers best use of existing economic infrastructure.

## 5. Commitments:

Funding arrangements for the projects that are currently underway have been agreed with the grantees on the basis that funding may be withdrawn should insufficient resources be available to continue the programme. While it is doubtful that any existing agreements would be enforceable by the Courts, this would of course be a matter for the Courts to decide.

There are no committed planned capital projects of over €4 million in value in the period up to 2016. However, commitments given to fund projects are expected to require an allocation of almost €4 million over 2012 and 2013 and commitments made to fund ongoing programmes such as workplace travel planning, Bike Week, surveys etc. amount to almost €2 million per annum.

## 6. Planning, Procurement and Project Management

The programme is primarily delivered through local authorities and subject to monitoring by the Department.

## 7. Current Expenditure Implications

As noted previously, capital expenditure on infrastructural projects carries with it the need to appropriately maintain the facilities into the future. This preserves employment.

The maintenance of the facilities provided generally falls to the local authorities concerned and requires to be funded from their roads maintenance and other current budgets.

## 8. Proposed Capital Investment for Programme

- 30% Cut
- Projects to be Prioritised

### Prioritisation within limited funding

The following table sets out the NSTO's prioritisation for funds in the event of a 30% cut in funding alongside the projected programme with no funding reduction –

	2012 existing plans	2012 (30% cut plans)	2013 existing plans	2013 (30% cut plans)	2014 existing plans	2014 (30% cut plans)	2015 (30% cut plans)	2016 (30% cut plans)
Total funding	24.2	16.9	21.2	14.8	15.2	10.6	10.6	10.6
Smarter Travel Areas	9	9	9	9	8	8	0	0
Cycling	9.1	6.8	6.7	5.3	2	2.6	6	6
Demonstration Projects	6.1	1.1	5.5	0.5	5.2	0	4.6	4.6

The foregoing is proposed on the basis of the STA Programme being priority No. 1 for continued investment; cycling funding trimmed for efficiency gain being priority No. 2 for investment in line with the Programme for Government commitment; and a discontinuance of the Demonstration Project funding following the completion of the current round of projects.

- Outputs and Outcomes

### The outputs and outcomes for Smarter Travel are as follows:

*Under the STA sub-programme –*

The key objectives of the STA Programme are to reduce travel by private car and increase the use of more sustainable modes of travel. International experience, particularly in the UK where a similar initiative ran from 2004-2009, suggests that the Smarter Travel Areas Programme has the potential to achieve positive modal shift impacts in the areas concerned. The UK experience across three areas has shown a reduction in car trips of 9%, an increase in bus trips of 10-22%, an increase in cycle trips by 26-30% and an increase in walking trips by 10-13%. Tangible health benefits are another important output of the STA Programme arising from an increase in active travel. In cost benefit analysis work undertaken in assessing similar UK initiatives, the health benefit represents the majority of the benefit value.

*Under the cycling sub-programme –*

Actual volume of infrastructural delivery will depend on share of rural and urban investment. In terms of rural based cycleways, projects to date result in costs of around 7km of “Greenway” type cycle route per €1 million investment. Custom built, off-road, urban cycle routes in heavily developed areas can be up to ten times more expensive given the possible need to provide new crossings at rivers, canals and railways; deal with multiple road intersections through provision of traffic signals, junction realignment; and the potential need to revise drainage arrangements and underground services etc. Outcomes will be measured in terms of the number of users along new Greenway types routes, and the increase in cycling modal share both within targeted area, and at a national level.

*Under the Demonstration sub-programme –*

The Demonstration sub-programme will deliver a wide range of smaller individual initiatives which will contribute to increased cycling and walking levels as well as testing and demonstrating new approaches to sustainable travel. The outputs will be varied and will likely include shorter stretches of walking and cycling routes, interventions to support cycle parking, exploration of alternative approaches to movement of goods and people in urban areas and piloting of new initiatives. The outcomes will be measured in terms of modal shift arising from the particular intervention.

**9. Projects/Programmes Prioritised if allocation retained**

See No. 8 above.

## **MARITIME**

### **NRP Allocations**

	2012 €m	2013 €m	2014 €m	2015 €m	2016 €m	Total €m
<b>Maritime</b>						
IRCG	8.8	10.3	6.3	6.3	6.3	38
Regional Harbours	6.5	0	0	0	0	6.5
Maritime Safety (CIL & Weather Buoys)	1.7	1.7	1.7	1.7	1.7	8.5
<b>Total</b>	17	12	8	8	8	53

### **Sub Programme 10 - IRCG**

#### **1. Description of High-Level Objective**

The overarching objective of the Irish Coast Guard (IRCG) is to provide an effective maritime emergency management service, the main core service being to provide an offshore, coastal, inland, and mountain marine search and rescue service.

#### **2. Outline of Rationale for Government Intervention**

Ireland is bound by international treaties, principally SOLAS (Safety of Life At Sea) that prescribe an obligation on signatories to provide assistance to persons in distress, regardless of nationality or status. The Irish Coast Guard (IRCG) provides Ireland's 24/7/365 maritime and coastal search and rescue (SAR) service.

#### **3. Consistency with Programme for Government**

At page 63 of the PfG - Coastal communities, fisheries & marine environment it states:

- *Marine responsibilities will be merged under one Department, for better co-ordination in policy delivery. We will develop an integrated marine and coastal planning process in order to maximise the potential of Ireland's coastline in fishing, aquaculture, ocean energy and tourism.*
- *Safety at sea and decent working conditions must underpin the development of the fisheries sector.*
- *We will explore the provision of an emergency towing vessel for the Coastguard.*

The Coast Guard programme supports the capacity of the fishing and marine industry to sustain and develop employment by having in place communications, alert and notification, navigation warnings, weather forecasts, fishing safety advice and emergency response capacity.

**Improving our Tourism product** - on PfG page 12 States:

- *We will target available resources at developing and co-ordinating niche tourism products and activity packages that are attractive to international visitors focusing on food, sports, culture, ecotourism, activity breaks, water-based recreation and festivals.*
- *Event tourism will be prioritised to continue to bring major fairs and events to Ireland such as the Volvo Ocean Race or Solheim Cup.*

In like manner to the fishing and commercial sector the Coast Guard programme supports the leisure, tourism and recreational industry by effectively providing an ambulance and rescue service on our seas, coasts, offshore islands, inland waterways, mountains and caves.

#### **Energy** page 59

- *We will provide efficient foreshore licensing and leasing process for marine energy.*
- *We will ensure that future wind farms are built in locations where wind regime is best and that they are built in large numbers or in clusters to reduce cost of connection to grid under new 'planled' Gate 4 process, as opposed to existing 'developer led' system.*
- *We will incentivise and promote off-shore drilling and streamline planning and regulatory process for bringing ashore these reserves and seek to maximize the return to the Irish people.*

#### **Enhancing the quality of the environment**

*We will clamp down on environmental crime, such as illegal dumping and graffiti and noise pollution by allowing for on the spot fines, and providing for mediation between neighbours.*

The Coast Guard plays a significant role in the licencing of offshore installations with a view to safety of navigation and emergency planning and in the detection and prosecution of illegal discharges of pollutants at sea.

#### **4. Contribution to:**

##### **Economic Recovery:**

As an island nation, the sea is very important to Ireland, comprising an exclusive marine territory of 132,000 square miles, which has strategic economic, social and environmental value. The Coast Guards NMOC and supporting MRSC's provide a service for the safety of shipping that is essential to the economic welfare of Ireland.

##### **Sustainable Employment and direct employment during Delivery Phase:**

CHC Helicopter, , the world's largest helicopter services company, of which CHC Ireland Ltd, the current and future search and rescue helicopter service provider, is a subsidiary, is to establish a new helicopter leasing business in Dublin with the creation of 16 high quality jobs.

The new 2012 helicopter contract will also create 10 new jobs, as the new technology platform for the S92 helicopters requires an increase of manpower in some technical support functions, and the employment of about 12% more pilots, engineers and crewmen.

##### **Economic and Social Infrastructure Deficit**

The Coast Guard building programme (both for its Coordination Centres at Malin and Valentia and its Volunteer Stationhouses) will provide employment in the construction industry in rural and disadvantages areas. In like manner the staff employed at these Centres and at the Waterford, Shannon and Sligo bases bring employment and revenue in rural economies that are facing particular economic challenges.

#### **5. Commitments:**

The new helicopter search and rescue helicopter contract for 2012 to 2022 was signed by the Minister in July 2010. As part of the contract negotiations, capital milestone payments were agreed as follows:

1. €7,000,000 on commencement of the production of a new build S92 Helicopter or on the 1<sup>st</sup> January 2011, whichever is later (€8.47m including VAT paid in December 2010).
2. €5,600,000 on delivery to Ireland of a new build S92 Helicopter in accordance with the Transition Plan (€6.78m including VAT due 2011).
3. €2,200,000 on the Services Start Date (€2.66m including VAT due 2012).
4. €4,500,000 when the second Base is approved as Operational with S92 Helicopters (€5.45m including VAT due 2012).
5. €4,500,000 when the third Base is approved as Operational with S92 Helicopters by the IRCG or on the 1<sup>st</sup> January 2013, whichever is the later (€5.45m including VAT due 2013).
6. €2,900,000 when the fourth Base is approved as Operational with S92 Helicopters by the IRCG (€3.51m including VAT due 2013).
7. €1,600,000 is also due for modifications to the four in-service helicopters (€1.94m including VAT due 2013).

## **6. Planning, Procurement and Project Management**

The helicopter programme is delivered through contract by the Irish Coast Guard, a division of the Department, supported by an aviation auditor.

The emergency response for lifeboat, cliff rescue, coastal rescue, mountain rescue and cave rescue are primarily delivered by volunteers of whom the Coast Guard Volunteer Units are directly managed by the Coast Guard. Lifeboat coverage is primarily delivered by the RNLI and Community Rescue Boats of Ireland who are declared resources to the Coast Guard coming under its operational coordination.

## **7. Current Expenditure Implications**

Boats & vehicles – The Coast Guard maintains circa 120 vehicles and 22 boats and estimate, given a vehicle life of 12 years and a boat life of 15 years, that we need to replace 10 vehicles and 1 to 2 boats per year. No provision has been allocated for the upkeep of the IRCG fleet of vehicles and boats until 2014.

Pollution equipment – the programme allows for a like for like refreshment of the current national stockpile. No allowance has been made for any improvements that may be necessary on foot of Government decisions, the provision of an Emergency Towing Vessel and to respond to any significant pollution or salvage event.

Communications - the programme allows for a like for like refreshment of the current national system of high sites and infrastructure. No allowance has been made for any upgrades.

No funding for capital grants for Volunteer lifeboats, rescue boats, mountain and cave rescue.

## 8. Proposed Capital Investment for Programme

### Effect of a 30% Cut

The figures against the Irish Coast Guard SAR Contract are those contractually committed in Capital to service the SAR 2012 helicopter contract. Advice from both the CSSO and AGO is that these costs cannot be avoided.

Irish Coast Guard Helicopter Contract SAR 2012	6.7	8.1	10.9	4	0	0	29.7
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### **Other Capital**

	Capital Allocation 2011-2014 (30% cut)					
	2012	2013	2014	2015	2016	Total
	€m.	€m.	€m.	€m.	€m.	€m.
<b>E1 Maritime Administration &amp; Irish Coast Guard</b>	<b>17</b>	<b>12</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>53</b>
<b>Irish Coast Guard</b>	<b>1.4</b>	<b>1.5</b>	<b>3.3</b>	<b>3.0</b>	<b>3.0</b>	<b>12.2</b>

This will lead to the running down of the Coast Guards infrastructure over the period - its national maritime communication, AIS (ship tracking), paging, Navtex, manned 24/7/365 coordination centres, pollution response equipment, emergency response assets, rescue boats and the modernisation of the Coast Guards' pre-1900 Volunteer Stationhouses and Coordination Centres at Malin and Valentia.

### Projects to be Prioritised

See above.

### Outputs and Outcomes

#### **Lifesaving Services**

- Provide an offshore, coastal, inland and mountain search and rescue service;
- Provide an air ambulance, emergency and humanitarian response service to the off-shore islands;
- Manage, train, equip and provide for the health and safety of a National Coast Guard volunteer service on the coast and inland waterways of Ireland. The volunteers are trained in a multiple of core competencies including lifeboat skills, cliff and heights rescue, legislative compliance patrolling and shore search.
- Provide search services over land in aid to An Garda Síochána;
- Assist the Health Service Executive in aeromedical services, intra hospital transfer, remote area patient transport and life support;
- Assist other primary emergency agencies and services during major emergencies or as requested such as An Garda Síochána or the HSE;
- Provide helicopter search and rescue services in Northern Ireland and the UK Search and Rescue Region when requested

## **Services to Shipping**

- Provide a coastal vessel traffic management and information system;
- Act as the National independent decision making authority in places of refuge incidents including the authority to overrule other statutory authorities;
- Provide a response to marine casualty incidents and to monitor/intervene in marine pollution or salvage operations including the authority to overrule other statutory authorities;
- Provide the National Maritime Assistance Service (MAS) to provide a single point (SPOC) of contact between vessels and coastal states;
- Provide the National SPOC in maritime shipping and port security incidents;
- Develop and co-ordinate an effective regime in relation to marine pollution including Plan Approval for harbours, oil and gas rigs, wind farms, oil reception facilities and local authorities;

## **Services to Aviation**

- Provide a search and rescue and salvage and recovery service for downed aircraft or flight recorder recovery on behalf of the Irish Aviation Authority and Air Accident Investigation Unit;

## **Communications and Safety Services**

- Provide the National maritime safety telecommunications and responder alerting and notification service;
- Provide the National Automatic Identification System (ship tracking)
- Act as SafeSeaNet 24/7 Coordinator for the European Maritime Safety Authority
- Act as the National co-ordinator for Radio Navigational Warnings;
- Act as the National co-ordinator for Maritime Safety Security and Information Services; and
- Provide a safety awareness and public information service in relation to the discharge of the functions set out above.

### **in any one year the Irish Coast Guard expect to:**

- handle over 2,000 marine emergencies, assist 3,500 people and save about 180 lives;
- task Coast Guard helicopters on missions around 500 times (40 times to assist in mountain rescues),
- task Coast Guard volunteers 900 times and RNLI and community lifeboats 850 times;
- evacuate medical patients off our Islands to hospital on 100 occasions;
- assist other nations Coast Guards about 200 times;
- make circa 6000 maritime safety broadcasts to shipping, fishing and leisure craft users;
- carry out a Safety on the Water (SOTW) campaign that targets primary schools and leisure craft users including at sea and beach patrols;
- investigate approximately 50 maritime pollution reports.

## **9. Projects/Programmes Prioritised if allocation retained**

It is not possible to take any cut in allocation for the reasons outlined above.

## **Sub Programme 11 – Regional Harbours**

### **1. Description of High-Level Objective**

This subhead provides for the administration of capital grant payments to Harbour Authorities operating under the Harbours Act 1946 in respect of remedial works to facilitate their transfer to Local Control.

### **2. Outline of Rationale for Government Intervention**

Policy in relation to the Regional Harbours, published in the Government's Ports Policy Statement in 2005, is that the continued operation of these harbours under the outdated provisions of the Harbours Act 1946 is unsustainable on the grounds of good governance and that most of these harbours would best achieve their potential through their transfer to Local Authority ownership.

### **3. Consistency with Programme for Government**

- Reduction in the number of State agencies
- Moving functions back to local authorities

Maritime Transport Division is actively pursuing this policy in conjunction with the DEHLG. Eight out of a total of thirteen harbours have now transferred including the transfer of Wexford earlier this year. No Local Authority will take over responsibility for a harbour if there are capital works required unless these works are funded prior to take over or there is a plan in place to fund these works over a period of one to two years after the transfer.

### **4. Contribution to:**

#### **Economic Recovery:**

Most of the Regional Harbours have a combination of fishing, marine leisure and some commercial activities and when operational and in repair, contribute greatly to the tourism, fisheries and other industries in their areas. Most of these harbours are also looking towards developing further their marine leisure facilities and upon transfer will have the opportunity to develop in conjunction with Local Authority plans for their areas to build upon the amenity value to the local community..

#### **Sustainable Employment and direct employment during Delivery Phase:**

The funding of these projects by the Department is helping to safeguard the future viability of the Regional Harbours and thus sustaining the existing jobs of the harbour employees as well as the extra engineers, contactors, specialists and other labour that is directly employed during the various phases of the works.

#### **Economic and Social Infrastructure Deficit**

For many years prior to the grants given by Department of Transport, the harbours suffered from a lack of investment and some of the structures are collapsing creating Health and Safety issues, and many are badly in need of repair/redevelopment. The remedial works will alleviate these problems.

### **5. Commitments:**

In order to expedite the transfer process, adequate funding will need to be maintained for 2011 and 2012 at rates allocated (€6.5m) and a provision made for funding in 2013 (see Table 1). The Table gives a projection of funding per harbour for 2011 and 2012 and 2013. **However, it is expected that**

**there will be no funding requirements in relation to Harbours after 31 December 2013 provided the transfers planned take place.** Negotiations are progressing well and nearing the final stages in relation to Kinsale, Baltimore and Arklow who are expected to transfer in late 2011 or early 2012. The funding for these harbours outlined in the table below has been committed to in the process of negotiation. The transfer will include clear funding plans with cut-off points at the end of 2013. Funding in relation to Sligo has now ceased and funding in relation to Wexford will cease at the end of 2012. Without these funding plans in place the Local Authorities will not accept the transfers. Agreement has been obtained to transfer Tralee and Fenit in October 2011 and the funding as outlined in the table below has at this stage been committed to.

**Table 1**

	Allocated for 2011	Requirement for 2012	Requirement for 2013
<b>Arklow</b>	1,017,344	1,765,000	1,765,000
<b>Baltimore</b>	1,280,000	1,600,000	1,600,000
<b>Bantry</b>	400,000	400,000	400,000
<b>Kinsale</b>	1,250,000	1,000,000	1,000,000
<b>Tralee &amp; Fenit</b>	636,000	800,000	800,000
<b>Wexford</b>	900,000	1,000,000*	
<b>Contingency</b>	166,656		
	<b>5,650,000</b>	<b>6,565,000</b>	<b>6,565,000</b>

**\*Funding will cease 31/12/2012**

**All funding should cease by end of 2013 if transfers proceed as planned**

## **6. Planning, Procurement and Project Management**

Planning, Procurement and Project Management on projects is handled completely by the Harbour Authority or Local Authority responsible for the Harbour.

The Department's role is in funding the projects. Proposals for funding for remedial works at the Regional Harbours are submitted to the Department and the responsible Division prepares a submission to the Minister recommending what works should be carried out that year. Once Ministerial consent has been obtained the works can commence.

## **7. Current Expenditure Implications**

See No. 5

## **8. Proposed Capital Investment for Programme**

### % cut

See No. 5. No cuts are possible if the handover of the regional harbours to the local authorities is to be completed by 2013. In fact the current allocation will not be sufficient to complete the planned handover.

### Projects to be Prioritised

See above.

## Outputs and Outcomes

Funding contributes to improving the safety and viability of the Regional Harbours by maintaining and improving the structural fabric of the harbours. This in turn sustains existing jobs, creates jobs during the timeframe of the remedial works and brings the individual harbours up to a level acceptable to facilitate their transfer to the Local Authority.

### **9. Projects/Programmes Prioritised if allocation retained**

It is not possible to take any cut in allocation for the reasons outlined above.

#### **Sub Programme 12 - Commissioner for Irish Lights**

#### **Sub Programme 13 - Maritime Safety ( Weather Buoy Project)**

### **1. Description of High-Level Objective**

The principal objective of the Department's aids to navigation policy is to maintain the Irish aids to navigation network which is provided and maintained by CIL on behalf of the State.

The principal objective of the Department's Weather Buoy Project (WBP) is to support the Marine Institute's weather buoy data gathering. The WBP was originally suggested as a maritime safety related initiative.

### **2. Outline of Rationale for Government Intervention**

**CIL:** Ireland is bound by the SOLAS (Safety of Life at Sea) international convention that sets an obligation on the State to provide aids to navigation.

**WBP:** The case for continued funding of the Marine Institute's Weather Buoy Project by the Department is questionable. Justification for continued funding beyond 2011 should now be sought from the principal beneficiaries of the data collected by the buoys, the Departments of Agriculture, Fisheries and Food and Environment, Heritage and Local Government, given those Departments' responsibility for the fishing sector and Met Eireann's marine meteorological data collection. The MCIB uses Weather Buoy Project data as part of marine accident investigation reporting and could provide funding under the User Pays principle.

### **3. Consistency with Programme for Government**

#### **CIL**

**Coastal communities, fisheries & marine environment** - At page 63 of the PfG it states:

- *Safety at sea and decent working conditions must underpin the development of the fisheries sector.*

Ensuring that the marine environment is safer for all users is the principal goal of aids to navigation provision. This is underpinned by Ireland's obligations under the SOLAS Convention on the provision of aids to navigation for safe passage at sea.

## **WBP**

The Weather Buoy Project is primarily for global meteorological data gathering. However, it does provide long range maritime weather information which contributes to the safety of mariners who use it.

### **4. Contribution to:**

- **Economic Recovery**  
Our marine territory of 220 million acres has strategic, economic and social value. As an island nation Ireland is critically dependent on shipping for its imports and exports. The provision of aids to navigation facilitates the safe operation of all commercial vessels in Irish waters.
- **Sustainable Employment and direct employment during Delivery Phase**  
The funding provided by the State to CIL will maintain over 130 jobs as sustainable employment in that body. However, given the State's dependence on shipping to cater for imports and exports, it could be argued that aids to navigation provision effectively supports considerable employment in the State. Continued investment in aids to navigation will also facilitate safer development and operation of ocean based enterprises such as wind and ocean energy, aquaculture and mineral exploration and extraction initiatives in the future.
- **Economic and Social Infrastructure Deficit**  
Ireland's aids to navigation provision meet the required IALA (International Association of Lighthouse Authorities) international standards. The requirement to maintain and upgrade the State's aids to navigation in line with best international practice requires the provision of continued funding for CIL. To do otherwise, would quickly result in a capital infrastructure deficit in relation to navigational safety and could compromise access to ports.

### **5. Commitments**

- **Legally binding**  
**CIL:** The annual funding of CIL by the Department contributes to the fulfilment of our international convention (Safety of Life at Sea or SOLAS) obligations. An Irish Exchequer contribution towards funding is a requirement under a formal Joint Funding Agreement with the UK authorities who exercise formal governance of CIL. Under that agreement, the UK Department for Transport allows part funding of CIL by means of Light Dues collected by the UK's Lighthouse Authority, with a balancing payment made by the Irish Exchequer. Failure by this Department to continue to honour the agreement, in force since 1985, would result in the Department having to fully fund CIL at a potential annual cost to the Exchequer of €20 million in current and capital funding, an increase in the region of €12 million per year.
- **Other**  
**WBP:** The Department is only committed to fund the Weather Buoy Project to the end of 2011. A new Memorandum of Understanding has yet to be agreed and alternative funding arrangements are currently under consideration.

## 6. Planning, Procurement and Project Management

**CIL:** CIL primarily delivers the Aids to Navigation programme, operating under the aegis of the UK Department for Transport.

**WBP:** The Weather Buoy Programme is delivered by the Marine Institute, Met Eireann and the UK Met Office.

## 7. Current Expenditure Implications

**CIL:** Future capital investment in CIL ensures that the operation of CIL's vessel, the Granuaile, remains in place until 2015, when the current lease expires. It also ensures the continued deployment of modern Aids to Navigation technologies, in line with developing IALA international safety standards.

**WBP:** The Department is committed to providing €405k for the project in 2011. The case for continued funding beyond 2011 is now under review.

## 8. Proposed Capital Investment for Programme

- % Cut

### Effect of a 30% Capital cut on MSPD Capital Expenditure for the next three years

	2012	2013	2014
	€000	€000	€000
<b>CIL</b>	<b>1583</b>	<b>1396</b>	<b>1350</b>
<b>30% Reduction</b>	<b>1108</b>	<b>977</b>	<b>945</b>
<b>Weather Buoy</b>	<b>413</b>	<b>235</b>	<b>230</b>
<b>30% Reduction</b>	<b>289</b>	<b>164</b>	<b>161</b>
<b>Total</b>	<b>1996</b>	<b>1631</b>	<b>1580</b>
	<b>1397</b>	<b>1141</b>	<b>1106</b>

### CIL

The main impact of a 30% capital cut would be a reduction in the funding available to meet our obligation to CIL, under the 1985 Joint Funding Agreement with the UK. A reduction in CIL funding could not be met by increasing revenues from light dues in the timescale under consideration. Consequently, reduced funding would incur a very serious risk of default in meeting our funding obligations under that Agreement.

**WBP**

Reductions in WBP funding will result in changes to the levels of deployment and maintenance of the buoy network.

- Projects to be Prioritised
- Outputs and Outcomes
  - CIL:** - The maintenance of Aids to Navigation coverage, to meet the State's international convention commitments for safe navigation at sea.
  - The prevention or minimisation of the number of marine accidents, loss of life and marine environmental damage and pollution due to oil and hazardous substances involving vessels and offshore installations.

**WBP:** The core aim of the Irish Marine Weather Buoy Network is to make available real time weather observations to the maritime sector.

**9. Projects/Programmes Prioritised if allocation retained**

Continued funding of CIL in order to avoid defaulting on our funding obligations under the 1985 Joint Funding Agreement with the UK.

## Sub Programme 14 – Regional Airports

### NRP Allocations

	2012 €m	2013 €m	2014 €m	2015 €m	2016 €m	Total €m
<b>Regional Airports</b>	2	2	2	2	2	10
<b>Total</b>	2	2	2	2	2	10

#### 1. Description of High-Level Objective

The high level objective of the Regional Airports Programme, which includes a Capital Expenditure (CAPEX) Scheme, is to support the regional airport network in Ireland to play a “complementary” role to Dublin Airport as the major gateway for Ireland and to the other two State Airports and to help promote balanced regional development. The role of the regional airports is to:-

- enable better and quicker access to the regions to support inward tourism and inward investment.
- Allow for increased air service connectivity from the regions particularly for business users.

#### 2. Outline of Rationale for Government Intervention

Exchequer support for capital projects is necessary to fund the provision of infrastructure at the airports, particularly in more recent years in relation to essential safety and security work to ensure compliance with international air safety regulations, etc.

This position was reflected in the Government decision of 7 June last to provide additional support to the regional airports for 2011, including an additional €2m capital support to bring the total capital support to €4m for the year. It was also decided that from 2012 onwards, it would only be in a position to support the four regional airports at Donegal, Knock Ireland West, Kerry and Waterford in terms of capital and current (operational) funding. Sligo and Galway Airports will only be supported to end 2011.

This follows a decision by the previous Government to continue with only two Public Service Obligation (PSO) air services on the Donegal/Dublin and Kerry Dublin routes when the current PSO air service contracts expire on 21 July 2011.

These decisions were necessary to make the best use of scarce Exchequer resources in ensuring that Ireland has a sufficient network of regional airports, while taking into account significant improvements in road networks, shorter journey times by road and rail and the collapse in passengers flying domestically.

These decisions are broadly in line with recommendations of a Value for Money (VFM) Review on Exchequer Expenditure on the Regional Airports Programme which was completed in June 2010. The Review evaluated past Exchequer expenditure against the Regional Airport Programme objectives and examined the scope for achieving those objectives more efficiently and effectively in the future.

### **3. Consistency with Programme for Government**

The Government has been very clear that the State must focus on economic recovery and on employment generation. The maintenance of the regional airport network will ensure easy access to the regions, thereby assisting in regional development in terms of tourism, trade and foreign direct investment.

### **4. Contribution to:**

- **Economic Recovery**  
It is considered that the combination of improved surface transport, together with a more consolidated air service network to the regional airports and the three State airports, provides the necessary transport access to underpin Ireland's economic recovery and sustainable development into the future.
- **Sustainable Employment and direct employment during Delivery Phase**  
The regional airports currently employ in the region of 300 people. They also facilitate indirect employment in terms of aircraft maintenance, coast guard, catering, training, etc.
- **Economic and Social Infrastructure Deficit**  
It is considered that the three State airports, together with the regional airports, provide the necessary airport capacity to facilitate tourism, trade and foreign direct investment in Ireland.

### **5. Commitments**

- Legally binding - €2m for 2011
- Other – without the proposed funding, the airports will not be in a position to comply with safety and security international regulations. This could result in the downgrading of the airports' operations and possible closure.

### **6. Planning, Procurement and Project Management**

The capital projects to be supported relate to essential safety and security work at the regional airports which were identified under the Transport 21 Programme. These projects were assessed by the Department's advisers, Indecon, and were considered in the light of the requirements of the Irish Aviation Authority (IAA), the International Civil Aviation Organisation (ICAO) and the Department's Aviation Security Division.

Grant payments for approved projects are administered by the Department under a Capital Expenditure Grant Scheme. The grants are only paid when the actual expenditure has been incurred and paid by the airport and is backed up by necessary documentation. This documentation is carefully examined in the Department to ensure compliance with the Scheme. The Scheme is regularly audited by the Department's Internal Audit Unit and also the C&AG's Office.

### **7. Current Expenditure Implications**

Capital and current expenditure on regional airports are interlinked. Current expenditure covers operational expenditure subvention for the regional airports as well as subventing Public Service Obligations (PSO) air services operating between Kerry, Galway, Knock Ireland West, Sligo, Donegal and Derry Airports with Dublin Airport which is paid directly to the airlines. Following a decision by the previous Government, only two PSO air services (Donegal and Kerry) are being

continued when the current contracts expire on 21 July 2011. With the downward trend in the availability of Exchequer funding both in terms of capital and current, the regional airports are being asked to prepare realistic business plans which would ensure their sustainability into the future.

## **8. Proposed Capital Investment for Programme**

### % Cut

As mentioned above, the Government decided on 7 June last to provide additional funding to the regional airports for 2011 (increase of €2m in capital giving a total allocation for 2011 of €4m). It also decided to provide capital as well as current funding to four of the six regional airports from 2012 onwards. While this decision provides for savings in relation to current expenditure, there are no savings envisaged in relation to capital expenditure as no provision had previously been made for this expenditure. In fact, it has been proposed to provide funding of €13.1m to the 4 airports from 2012 to 2014 representing an increase of €7.1m to the proposed National Recovery Plan allocation during that period.

In addition, a requirement for an extra €1M for both 2015 and 2016 which was not part of the Government Decision has also been identified.

### Projects to be Prioritised

The capital funding to be provided is for essential safety and security work to ensure compliance with international safety and security regulations.

### Outputs and Outcomes

Over the period 2004 to 2010, there was a throughput of almost 11 million passengers at the six regional airports of Donegal, Sligo, Knock Ireland West, Galway, Kerry and Waterford along with Derry. The total capital grants paid in that period totalled just over €23m.

The provision of this easy air access contributed to the balanced development of the regions, particularly during the boom years of 2006 to 2008. The future support and maintenance of the regional airports network will ensure that the regions will continue to be well placed to attract tourists, trade and foreign direct investment and take advantage of the economic upswing when that happens as inevitably it will at some stage.

## **9. Projects/Programmes Prioritised if allocation retained**

As at 8 above.

## **TECHNOLOGY /MAINTENANCE SUPPORT PROGRAMMES**

### **NRP Allocations**

	2012 €m	2013 €m	2014 €m	2015 €m	2016 €m	Total €m
Road Safety Expenses	0.70	0.70	0.70	0.70	0.07	<b>3.5</b>
Vehicle Licensing Expenses	1.50	1.50	1.50	1.50	1.50	<b>7.5</b>
Office Machinery	0.64	0.64	0.64	0.64	0.64	<b>3.2</b>
<b>Total</b>	2.84	2.84	2.84	2.84	2.84	14.2

The three Sub Programmes above, all with minor expenditure mainly for IT-related equipment and new technology to support work programmes, are included under Support Programmes:

**Sub Programme 15 - Road Safety**  
**Sub Programme 16 – Vehicle Licensing**  
**Sub Programme 17 – Office Machinery**

#### **1. Description of High-Level Objective**

- To support agencies (i.e. RSA, MBRS) in the delivery of road safety objectives through provision of appropriate technology resources.
- The National Vehicle and Driver File (NVDF) provides the computer infrastructure in respect of all 2.5 million registered vehicles and 2.6 million licensed drivers in the country.
- The Office Machinery subhead provides for IT and accommodation needs within the Department

#### **2. Outline of Rationale for Government Intervention**

- Statutory obligations in relation to driver testing and instruction, vehicle testing, drug & alcohol testing and road safety awareness.
- The NVDF fulfils legal obligations in relation to the national driver and vehicle registers – Section 60 of the Finance Act 1993. The system is critical to the collection of motor tax revenue and the functioning of the channels which through which the tax is collected including the online motor tax service.
- Funding for office requirements is necessary for the efficient running of the Department

#### **3. Consistency with Programme for Government**

- P. 46 – “We will introduce roadside drug testing programmes to combat the problem of driving under the influence of drugs.”
- Monies collected in motor tax will, through the Local Government Fund, be critical in implementing the local government reform commitment in the programme for government.
- P.30 Public Sector Reform. “Improving service delivery and organisation efficiency and effectiveness.”

#### **4. Contribution to:**

- Economic Recovery:
  - n/a
  - It is estimated that €1 billion will be collected in 2011 with a further estimated €0.5 million through other charges and tolls collected with the assistance of NVDF data. The total capital estimate for 2011 – 2014 is €6 million.
  - Efficient running of Government Departments is essential to economic recovery and ongoing payments to suppliers etc supports businesses and their employees

- Sustainable Employment and direct employment during Delivery Phase:
  - Not applicable – contracted ICT service providers will be used.
  - Ongoing payments to suppliers etc supports business and their employees
- Economic and Social Infrastructure Deficit
  - The impact of saving lives is an important social contribution
  - Not applicable – this relates to ICT deliverables

**5. Commitments:**

- Road Safety – no contractual commitments
- Vehicle Licensing – no contractual commitments
- Office machinery - commitment of €2.2m

**6. Planning, Procurement and Project Management**

- Delivery by the RSA with funding and corporate governance oversight from the Department
- Delivery by the Department with the assistance of external service providers
- Delivery by the Department

**7. Current Expenditure Implications**

None

**8. Proposed Capital Investment for Programme**

- The Medical Bureau of Road Safety has indicated a reduced funding requirement for 2012 of €0.11m and the RSA has indicated that it has the requisite funds in place to cover capital requirements and as such will not be requesting an Exchequer Allocation for the period 2012 – 2014 in respect of Capital Programmes. This represents a total cut of €1.1 million
- Funding required for IT improvements and any cut for the NVDF would impact on delivery of the card driving licence and other enhancements which are requirements of the Road Traffic Act 2010.
- No cut is possible in this subhead. In fact an increase in funding over the period 2012-2016 of €0.4 million is required to reflect the capital requirements of the newly transferred functions of sport and tourism to the Department.
- Total proposed cut of €0.7 million.

Outputs and Outcomes

- Capital allocation in MRBS required for funding of Evidential Breath Testing programme and purchase of essential equipment for alcohol and drug programmes
- The capital allocation for NVDF is required for the delivery of system changes and enhancements most notably the adjustments required for;
  - (i) Drink driving fixed charge offences
  - (ii) The plastic driving licence card
  - (iii) Further development and expansion of online services
  - (iv) Measures reflecting a revision of the motor tax code to limit evasion/avoidance.
  - (v) Implementation of post codes.
  - (vi) Arrangements covering international exchange of data
- IT systems and accommodation in the Department fit for purpose

**9. Projects/Programmes Prioritised if allocation retained**

See No. 8

**ENDS**