

# Let Them Eat Cake

## What the An Bord Snip Nua Report Means for Rural & Regional Development



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### Executive Summary

The report of the *Special Group on Public Service Numbers and Expenditure Programmes* (An Bord Snip Nua) is an important audit of public administration in Ireland. However a number of the recommendations will undermine the sustainable economic, environmental, cultural and social development of rural communities.

Ireland continues to be a country where a large proportion of the population still live in rural areas (approximately 40 per cent). Trutz Hasse data shows that remote rural areas are consistently amongst the most disadvantaged in the state. The difference between the 'poorest' and 'richest' counties increased over the Celtic Tiger era. The aim of this analysis is to highlight that proposals contained in the Special Group's report will have a negative impact on rural areas and regional development and cohesion in Ireland.

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The lack of consideration for the community and voluntary element of work countering social exclusion is notable. This can be seen, for example, in the proposed reductions of funding currently offered by the Department of Community, Rural and Gaeltacht Affairs, the recommended abolition of the Rural Transport Programme, the ending of exchequer co-financing of Lottery funded community social services and the removal of a number of local and county structures which have a community or voluntary element.

The Report targets regional structures, such as the Western Development Commission, Shannon Development and County Enterprise Boards, with a view to greater centralisation of activities and authority. This runs counter to the objectives of stimulating regional development. IRL are concerned that the cumulative effect of many of the recommendations in the report will further depress economic activity in rural areas.

A significant weakness of Report is that being structured by department hides the fact that cuts across a number of departments may be impacting on the same individual. For example the proposal to cut the Rural Transport Programme and the proposal to reduce costs in HSE funded non-emergency transport services by 20%, may both impact on the ability of elderly rural residents to access health services. The proposals to amalgamate small rural primary schools will lead to more children needing to use school transport while they are also proposing the introduction of fees for primary school transport. In relation to Social Welfare the report states that "Care will need to be taken to avoid the inadvertent accumulation of measures in individual cases". This must be a consideration for recommendations across all Departments. Household case studies where this has not been reflected in the Report are included in Appendix 2.

Reductions in **Agriculture** (discussed on page 6 of this analysis) spending will reduce the amount of money circulating in the rural economy and expose small holders whose income is already well below the average industrial wage, to greater poverty.

Funding cuts and the possible abolition of the **Department of Arts, Sports and Tourism** (p.6) shows a disregard for a major engine of regional development.

The suggestions for the **Department of Communications, Energy and Natural Resources** (p.8) will reduce the ability of smaller towns to participate in the “Smart Economy” and expose rural households to fuel poverty.

The proposed closure of the **Department of Community, Rural and Gaeltacht Affairs** (p.8) ignores the requirements of the 80% of rural people who are not directly involved in farming. Other proposals will remove the community and voluntary provision of a number of services and supports to vulnerable people.

The proposed closure of army barracks in the **Department of Defence** (p.10) paper will remove millions of euro from local economies across the country.

A number of recommendations for the **Department of Education and Science** (p.10), including school closures and increased school transport fees, will affect the education of rural children, including the most vulnerable. It will increase the cost of attending school and 3<sup>rd</sup> level and affect the social and community fabric of rural areas.

The proposals for the **Department of Enterprise, Trade and Employment** (p.12) risk focusing job creation in the major urban areas to the detriment of the wider region and will remove any bottom up approach to job creation and enterprise.

Changes in local authority structures and reductions in the Local Government Fund, proposed under the **Department of the Environment, Heritage and Local Government** (p.13) will reduce the level of service to rural areas.

Closing local Revenue Commissioner offices in the **Department of Finance** (p.14) section, along with more centralised procurement, will reduce local economic activity.

Proposals under the **Department of Health and Children** (p.14) group of votes will increase the cost of medical care and risk the retreat of primary care services from rural areas.

In the **Department of Justice** (p. 15) section rationalising the rural network of Garda stations represents further abandonment of rural villages.

**Social Welfare** (p.16) reductions, changes to Community Employment and the limiting or taxing of benefits will impact on older people in rural areas and force the most vulnerable households to bear the brunt of the required adjustments.

The Report’s **Transport** (p.17) recommendations will increase car dependence and reduce the accessibility and connectivity of rural areas, reducing their attractiveness to investment and increasing isolation.

## Introduction

*As an over-riding general principle, the Government is committed to the “rural proofing” of all national policies so as to ensure that policy makers are aware of the likely impact of policy proposals on the economic, social, cultural and environmental well-being of rural communities.*

-White Paper on Rural Development, 1999

The report of the *Special Group on Public Service Numbers and Expenditure Programmes* (An Bord Snip Nua) was published on 16 July 2009. This Group was established to propose means to reduce current spending and the numbers employed in the public service. Examination of capital expenditure is not within its remit. The government will take the final decisions on which of the Group’s proposals will be implemented. Irish Rural Link (IRL) accepts the Government’s analysis of the severe economic situation we face. The Special Group’s report is an important and necessary audit of public administration in Ireland. However a number of the recommendations run directly counter to regional development policy and will cumulatively undermine the sustainable economic, environmental, cultural and social development of resilient rural communities.

Irish Rural Link regret the “**let them eat cake approach**” attitude the Special Group’s report adopts to the 40% of the population who live in rural areas. Many of the recommendations contained in the report have little or no consideration for rural circumstances and realities. The aim of this analysis is to highlight the proposals contained in the Special Group’s report which will have a negative impact on rural areas and regional development and cohesion in Ireland. The recommendations in the Special Group’s report must be rural proofed in line with the White Paper commitment above.

Some **themes** emerge through the Special Group’s report including the withdrawal of the state from rural areas and the regions and the centralisation of services. The Report’s emphasis on centralised procurement for the public service would have an impact on local suppliers in small towns and rural areas and significantly impact on the locally traded services sector which is a large employer in such local economies.

The **lack of consideration for the community and voluntary element** of work countering social exclusion is one of the most sinister underlying themes. This can be seen, for example, in the proposed reductions in funding offered by the Department of Community, Rural and Gaeltacht Affairs and the Department of Arts, Sports and Tourism, the recommended abolition of the Rural Transport Programme; the ending of exchequer co-financing of Lottery funded, community run social services; and the removal of a number of local and county structures which have a community or voluntary element. The community focus, the local knowledge and the bottom up approach these offer will not be replicated in larger delivery mechanisms.

IRL are concerned that the **cumulative effect** of many of the recommendations in the report will further depress economic activity in rural areas and increase the pressure on small rural businesses, risking a downward spiral of further jobs losses and business closures. Car dependency will be increased further and made more expensive while households are faced with higher medical and prescription costs.

The OECD (2006:101) argues strongly that “regional development must be about wealth creation, and upgrading regional assets, and not just a redistribution policy”. Developing the full potential of each region to contribute to the optimal performance of the State as a whole – economically, socially and environmentally - is more important in the current circumstances than ever before. Commitments to achieving more balanced regional development must be kept and we need for some fresh thinking on developing more dynamic regional employment markets and on protecting the vulnerable in rural areas. These are not reflected in the Special Group’s report.

**A significant weakness of the Special Group’s report is that as it is structured by Department it hides the fact that cuts across a number of departments may be impacting on the same individual.** For example the proposal to cut the Rural Transport Programme and the proposal to reduce the cost of HSE funded non-emergency transport services by 20%, may both impact on the ability of elderly rural residents to access health services. Proposals to amalgamate small rural primary schools will lead to more children needing to use school transport while at the same time they are proposing the introduction of fees for primary school transport. This compartmentalised approach undermines the goals of joined up government.

Page 190 of the report says (in relation to the Department of Social and Family Affairs proposals) that “Care will need to be taken to avoid the inadvertent accumulation of measures in individual cases”. This must be a consideration for recommendations across all departments and in an effort to illustrate this case studies in Appendix 2 gives examples of the ways the Report’s recommendations may affect typical rural households.

Below follows a snapshot of “rural realities” discussing the rural population and economy. Then the rural and regional implications of recommendations contained in each group of ministerial votes, as per the report itself, are analysed.

#### **Rural Realities**

The Special Group’s Report targets a number of elements of rural life such as the loss of a dedicated department and significant reductions (or cost increases) in services in rural areas. That services may be more costly to deliver in rural areas cannot make them an easy target for cuts.

Ireland continues to be a country where, by the standards of advanced OECD countries, a large proportion of the population still live in rural areas. In total the rural parts of Ireland experienced a 7.5% increase in their population between 2002 and 2006 (from 1,549,902 to 1,665,535.) This growth was slightly less than in town areas therefore the share of the total population living in rural parts of Ireland remained relatively unchanged at 39%.

There is significant deprivation in rural Ireland with two thirds of the economically poor living in rural areas. Trutz Hasse data shows remote rural areas are consistently amongst the most disadvantaged in the state. The difference between the ‘poorest’ and ‘richest’ counties increased over the period 1995 to 2002, suggesting that there was income divergence during the ‘Celtic Tiger’ era (Morgenroth, 2009).

The CSO's "County Incomes and Regional GDP for 2006" (2009) show that the disposable income per person in 2006 in the Southern and Eastern region was 3% above the State average while the corresponding figure for the Border Midland and Western region was 8.3% below the State average. The CSO figures show that disposable income per person was highest in the Dublin region, at more than 12% above the State average. The Border region was 8% below the average and the Midland region was 9.4% below average.

Rural areas are characterised by their narrow economic base. The rise in unemployment occurring across all sectors will be most difficult to resolve in rural areas which are over-reliant on primary industries such as agriculture, construction and low-level manufacturing, e.g. in 2006 34% of men in BMW region were employed in agriculture or construction while the Midland & Border regions are currently showing the steepest drop in employment. A social group significantly impacted upon by the decline in construction are part-time farmers who supplemented farming income with off-farm work in construction. In many cases they worked full-time in construction and undertook farming in their off hours. A study by Teagasc (2008) has shown that participation in the off-farm labour market plays an important role in ensuring the sustainability of farm households and in insulating farmers from relative poverty.

The availability of public sector employment for one member of a household can provide a degree of financial certainty for the household, especially if other members are employed in more vulnerable sectors such as construction, traditional manufacturing or agriculture, or are engaged in a new business start-up. The public sector accounts for 42% of all female employment in the Western region, in the face of rising male unemployment, public sector jobs will play a vital role in household coping strategies. A study by Teagasc (2008) found that while farm operators most often find off-farm employment in the traditional manufacturing, construction or agriculture sectors, farmers' spouses working off-farm are typically employed in teaching, nursing or clerical occupations with over 70% employed in the services sector (a significant share likely in the public sector).

Given the above the rural implications of reductions in staff in a number of departments and agencies must be carefully considered as it risks exacerbating regional unemployment and further reducing rural incomes.

### ***Analysis by each Ministerial Vote Group/expenditure area***

*In order to examine the breadth of the report's suggestions and their implications the following section examines proposals in the Special Group's report by department. It does not include all recommendations, instead focusing on those most relevant to rural areas.*

#### **Agriculture, Fisheries & Food**

*Some of the recommendations within the report include: the transfer of agriculture and rural economy research funding to new single funding stream for all research; Lower number of schemes, including REPS and Disadvantaged Areas payments; Reduce Teagasc offices and rationalise the Departmental local office network.*

Cuts in REPS and other agricultural cuts will hurt farm families and constrain the amount of money circulating in the rural economy. The continuing importance of agriculture to the rural economy, the differences in farm incomes, and the importance of agriculture to rural service providers, tradespeople etc. must be taken into account.

A matter of particular concern to IRL is the income of smallholders. According to the latest National Farm Survey (Connolly *et al*, 2009) approximately 41% of all farms had an income from farming of less than €6,500. On an estimated 51% of these farms, the farmer held an off-farm job. For this group, on 98% of farms, the farmer and/or spouse had other income from off-farm employment, pension or social assistance. The reductions in agricultural payments, along with the suggested reductions in social welfare payments and schemes operated by the Department of Community, Rural and Gaeltacht Affairs (discussed below) will increase their risk of social exclusion.

The Teagasc and Departmental office network are a significance presence in rural areas with over 150 locations, therefore widespread closure will have significant local impacts.

#### **Arts, Sport & Tourism**

*Some of the measures proposed in the report include the possible abolition of Department, reducing the allocation to Fáilte Ireland & Tourism Marketing Fund, reductions in allocations to the horse and greyhound industry and the discontinuation of the allocation for Cultural Projects.*

#### **Tourism**

The National Spatial Strategy has identified Tourism as critical to regional development and tourism is one of the best-positioned industries to contribute to regional development and renewal in Ireland. Reducing funding to tourism bodies, especially in an already depressed market, will harm the vitality of rural areas. As noted by the ESRI (2006) tourism is a major internationally traded service and contributes to the export performance of the economy. An important aspect of the nature of the tourism sector is that it can provide an important stimulus to the economy of the more remote rural parts of the country where the range of alternative economic activities is more limited.

It is estimated that the tourism and hospitality industry supports the employment of approximately 280,000 people across Ireland. In many rural areas, it constitutes the mainstay in terms of employment through accommodation providers, eating establishments as well as visitor attractions. A number of strategies are being employed to further tourism, namely the provision of funding for tourism marketing, investment in tourism product development and support for the industry through the provision of training for workers and a range of business supports. These are undermined by the recommendations in the Report.

The Government's Tourism Product Development Strategy has delivered significant investment in infrastructure provision in areas such as walking, cycling routes, beach management works and access to angling waters. By their nature these activities are enjoyed in rural areas and the investment is having a significant impact in delivering new reasons for tourists to visit these areas. Fáilte Ireland is also working with B&B owners and Farm Holiday operators. Significant progress has been made in this area with the development of a number of regional activity hubs. This effort to allow rurally based operators to make their tourism offering more attractive to visitors but is prejudiced by the Report's recommendations.

### **Arts, Sports and Recreation**

Arts and sports facilities in rural areas are in danger of being undermined if the Report's recommendations are implemented, leaving the regions with inadequate sports and cultural facilities, reducing the quality of life for rural dwellers and the attractiveness of a region for future investment. The Western Development Commission (2009) has highlighted the importance of the creative sector, including the arts, to attracting skilled workers and stimulating investment in other sectors.

Sports and arts facilities play an important role in determining the quality of life of the population. As quality of life is important in attracting and retaining skilled workers these facilities play an important role in regional development (ESRI, 2006:93). A high skilled economy needs to provide the facilities that high skilled individuals require. While this is particularly important in order to retain and attract mobile high-skills workers it is also important for the wider population. (ESRI, 2006:304)

Sports facilities encourage physical activity in the population and thereby make a major contribution to public health, both physical and mental. These are particularly important in rural areas where isolation and mental health are a significant concern.

The horse and greyhound racing industries produce benefits for the rural economy and any reductions in employment in these areas should the Report's recommendations be implemented must be fully considered.

A large number of voluntary and community clubs have emerged and these clubs are arenas in which voluntary activity takes place in rural Ireland. A recent estimate has suggested that for every four adult people who regularly play active sports, there are three adults who volunteer (Delaney and Fahey, 2005). These sports are thus major generators of community activity and social engagement among both young people and adults.

## Communications, Energy & Natural Resources

*Recommendations include: Defer the rollout of Phase II and Phase III Metropolitan Area Networks (MANs); Terminate energy awareness programmes run by D/CE&NR or Sustainable Energy Ireland; Rationalise number of sustainable energy schemes, including Greener Homes Scheme, the Home Energy Savings Scheme and the Low Income Housing/Warmer Homes Scheme*

MANs are State owned telecommunications networks located in towns and cities throughout the whole country. These optic fibre, open access networks are offered to telecommunication service providers, on a wholesale basis, to enable them to provide high-speed broadband services to their customers. MANs play a pivotal role in the delivery of high speed broadband to regions throughout the country. IDA figures illustrate that MAN enabled towns have increased their share of Foreign Direct Investment from 24% before MANs became available to over 89% in 2007, thereby helping to achieve more balanced regional development. The IDA is unequivocal in its view that the MANs have provided their client customers with greater choice, service and better prices when it comes to broadband and telephone connectivity. According to the IDA a number of its clients, currently located in towns with MANs, would not have located there in the absence of the networks. The deferment of the remaining phases of the MANs could undermine the capacity of those towns to attract inward investment or grow indigenous enterprises.

A number of the sustainable energy schemes help alleviate fuel poverty and this is particularly important in the context of the proposed carbon tax. The introduction of a carbon tax will disproportionately impact on rural dwellers (IRL, 2008). In order for a carbon tax to be as effective and equitable as possible a number of policy synergies are required, these include energy schemes (IRL, 2009a).

## Community Rural and Gaeltacht Affairs

*Some of the recommendations include: Close Department; Discontinuation of the Revitalising Areas by Planning Investment and Development scheme; Reduction in allocation for community and voluntary sector supports by €10 million; Reduction in allocation for Local & Community Development Programmes, including the Local Development Social Inclusion Programme (LDSIP) and the Community Development Programme; Close the Western Development Commission; Phase out Ceantair Laga Árd-Riachtanais (CLÁR); Reduction in allocation for Community Services Programme; Discontinuation of specific Gaeltacht schemes, i.e. Gaeltacht Culture and Social Schemes; Gaeltacht Community and Recreational Schemes; Gaeltacht Improvement Schemes; At minimum, the functions of the Partnership/LEADER Companies, County Childcare Committees and Volunteer Centres could be merged and delivered by one organisation per local authority area; Reduce allocation for island infrastructure*

The Report questions the importance of two departments which play an important role in rural development and rural communities. This represents the Report's ignorance of rural circumstances and a lack of concern for the 40% of the population who live in rural areas. The abolition of the department will mean there will be no dedicated rural policy unit outside the agriculture department, which has tended to have a very agriculture focus. A separate rural department is an important recognition of the

requirements of rural people outside of farming. According to the 2006 Census, only one in five (21.5%) of the working population of rural areas is working in agriculture (as a farmer or agriculture worker), a decline from one in three (31%) in 2002<sup>1</sup>.

There is clearly a significant and growing rural population who are not engaged in agriculture, and as rural areas tend to have different needs, operate at a different scale to urban areas, have different issues regarding access to services and have been harder hit by the loss of jobs in the recession there is still a strong case to have a distinct rural department.

### **The Disregard for Community and Voluntary Groups**

Community and Voluntary groups in rural areas have a strong track record of fostering local enterprise and skills. The announced cuts in supports for the community and voluntary sector and local and community development programmes compromises the ability of local communities to harness local enterprise and innovation which is more vital now than ever. The Report fails to acknowledge that community and voluntary organisations deliver essential social services in areas such as education, mental health, disabilities and welfare for very vulnerable people. Many of the organisations delivering these services are funded from the Department of Community, Rural and Gaeltacht Affairs.

The proposed abolition of the RAPID scheme, a 59% reduction in the allocation for local and community and development programmes, and a 20% cut in funding for the Community Services Programme, which employs people from the live register, would weaken the support services available to the growing number of people in need. The proposed cut of 64% in the allocation for community and voluntary sector supports, such as the Local Community Grants scheme, the scheme of Community Supports for Older People and Supports for Volunteering will weaken community and voluntary organisation's capacity to deliver essential services to the most vulnerable people in society.

In Volume One the Special Group specifically proposes that the number of organisation types and the number of individual bodies should initially be reduced by merging some functions into a single county/ local authority level organisation. At minimum, the functions of the Partnership/LEADER Companies, County Childcare Committees and Volunteer Centres could be merged and delivered by one organisation per local authority area according to the Report. The independent *Ex Ante Review of the Rural Development Programme 2007-2013* considered the LEADER approach a strength of the RDP (AFCon, 2006). IRL are concerned that implementing the proposals in the report will jeopardise the successful LEADER

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<sup>1</sup> Total no. of persons living in Aggregate Rural Areas nationally who were 'at work' in 2006 was 729,267; Total no. of persons living in Aggregate Rural Areas who classify their occupation as 'farmer' in 2006 was 139,790. The percentage of persons 'at work' living in Aggregate Rural Areas who were farmers in 2006 was 19.2%. There were 16,702 persons living in Aggregate Rural Areas who classified themselves as 'agricultural workers' in 2006. If these are added to farmers, then the percentage of those 'at work' who live in Aggregate Rural Areas who are farmers or agricultural workers in 2006 was 21.5%. In 2002 that figure was 31.0%.

approach that emphasises a “bottom up” approach and area based local development strategies.

The **islands and Gaeltachts** are very badly served in the Report with the cuts in infrastructural and social investment proposed.

The establishment of the **Western Development Commission** was an acknowledgement by government of the need for state intervention to ensure balanced regional development between East and West. Today, these disparities and challenges remain. The gap in Gross Value Added (GVA) between the West region and Dublin in 2000 was 53.9, this gap increased to 65.9 in 2006 and to abolish the WDC would be to ignore or deny these regional disparities.

Some rural areas continue to lose population. Between 2002 and 2006, 641 rural electoral divisions (EDs) lost population, with a total loss of population of over 25,000 persons (Census 2006). This is occurring despite overall national population growth. Such a loss means that there is an increasing dependant population, including a higher cohort of older people and others requiring care. Because of such dependency social exclusion, including the incidence and risk of poverty, becomes more associated with remoteness and rurality. The **CLÁR** initiative based on areas with most population decline was an effort to address this. While CLÁR may need to be reshaped to take changing circumstances into account, its abolition would ignore real rural issues.

## Defence

*Recommendations include: Further rationalise army barracks*

The Report does not consider the importance to the local economy of the 24 army barracks around the country. For example Kilkenny Army Barracks has been identified as being worth between €6-€8 million to the local economy. Letterkenny barracks was estimated to contribute a similar sum to the economy there. The income generated from pay, pensions and ancillary purchases at Columb Barracks, Mullingar has been quantified as worth approximately €10 million to the local economy. All barracks also play an important role in the identity and social fibre of the towns in which they are located and employ significant numbers of civilian staff.

## Education & Science

*Recommendations include: Increase the staffing schedule at primary level to 29 to 1; Suspend additional recruitment to the National Education Psychological Service; Amalgamation of smaller primary schools; Reduction in the number of Special Needs Assistants; Progressive further reduction in the number of English language support teachers; Decrease in the primary and post primary capitation grant; Abolition of the Tipperary Rural and Business Development Institute (TRBDI); Rationalisation of IoTs; Reduction in the allocation to the Student Support Scheme; Re-Introduction of Third Level Fees; Reduce allocation to school transport and increase charge and begin charging for primary pupils. Education is the area with the highest number of proposed staff reductions in the Report at 6,930 positions*

Education is seen as the way out of the economic downturn, yet regrettably it is at the front-line of the cuts. If the proposals are followed it will increase non completion rates and do nothing to encourage the most vulnerable to stay in education.

According to Power (2009: 26) “any diminution of the education offering due to spending cutbacks would be detrimental to the future well-being of the overall economy in general and the regional economies in particular.”

The continuing existence of severe educational disadvantage in rural areas, and its differences with urban areas, are well documented. If the recommendation to amalgamate schools is accepted then those that remain open are unlikely to be in a position to accommodate increased numbers in an appropriate way. Parents will be forced to pay more for school transport and the running costs of schools. The forced amalgamation of schools will remove the vibrancy from many rural areas where local schools are a vital focus for community activity and identity.

The proposed **reduction in capitation grants** failed to recognise that schools are already being propped up by voluntary fund-raising and parent contributions.

### **School Transport Scheme (STS)**

Census 2006 figures show how dependent rural families are on the school transport scheme. For example among secondary school students there was a marked difference in transport use between urban and rural dwellers with over half of children in rural areas taking the bus compared with one in five in urban areas. One third of primary school children in rural areas travel to school by bus. The increase in school transport fees to at least €500 per pupil and the introduction of fees for primary pupils amounts to an additional tax on rural families. The amalgamation of schools will increase the number of parents required to pay for transport. Previously when rural schools closed there was no account taken of the transport costs of bringing children to the larger amalgamated schools. The school run is the cause of a large number of car trips in rural areas. Recent increases in STS fees for families have had an unintended outcome. Recent measures doubled the fee for its use in some circumstances. Rural families tend to be larger and the increased cost of STS for families with more than one child is significant. This has forced parents to rethink the cost of the bus fees, forcing some to use the car.

It is important to ensure that all students from all backgrounds have free and fair access to second level education. There are instances in remote parts of the country where school attendance is adversely affected by distance from school and from the nearest bus stop.

### **Pupil Teacher Ratios**

At primary level, the Report recommended that the staffing schedule be increased from 28:1 to 29:1. Teachers had been promised that the staffing schedule would be reduced to 24:1 by 2010. At post-primary, it wants the same figure to be increased from 19:1 to 20:1 in September 2010. This figure was already increased from 18:1 in last October’s budget. The report acknowledges that this proposal would result in some schools having to cut the range of subjects it teaches. No decisions can be made in advance of the findings of the Educational Research Centre’s report on pupil teacher ratio outcomes.

## **Other Services and Supports**

The group believes 1,000 English-language support teachers should be lost by September of next year. The Report recommends a reduction in the number of **special needs assistants** (SNAs) by up to 2,000. No such reductions can be allowed until *The Value for Money and Policy Review of the Special Needs Assistant Scheme* is completed. It also recommends a slowdown in the planned recruitment of psychologists. These services were already difficult to access in rural areas and further reductions in numbers serving rural schools will store up problems and further disadvantage the vulnerable in rural areas.

### **Institutes of Technology**

NESC (2008:203) have noted that Institutes of Technology play an important role in the regions. These include, in the first place, the education and training they provide, both for young people to become graduates and adults to return to education. Their regional impact also embraces their research support to local industry, the international presence they attract (students and lecturers), their outreach activities to smaller hubs and remote areas, their responsiveness to regional economic and social developments, the specialised research centres they create, and their cultivation of strong links with former graduates. The rationalisation proposed in the Special Group's report risks removing this and hampering regional development. These Institutions are also significant employers in regions. Promoting sustainable rural development by providing support and expertise to the businesses and communities of the region is part of the core remit of Tipperary Institute and to propose its closure disregards the role education and training must play in building resilient rural communities and the dedicated focus of the Institute on this.

The 2009 Offaly Outreach Education Project survey on *Equality of Access to Higher Education* in the county, where the majority of respondents were on low income, showed that the greatest barrier to third level access in rural areas was financial cost. The reduced allocation for the **Student Support Scheme** and maintenance grants will reduce participation in third level. The cost of attending third level for students from remote rural areas, due to transport, accommodation etc. is already considerable.

### **Enterprise, Trade & Employment**

*Recommendations include: Rationalise regional IDA offices in Ireland; Discontinuation of Shannon Development; Transfer enterprise and marketing support functions into EI. This includes the County Enterprise Boards, Údarás na Gaeltachta, the LEADER Companies, the Partnership Companies, An Bord Bia, Bord Iascaigh Mhara, Teagasc, the Western Development Commission and the Irish Film Board.*

As noted in the D/CRAGA section above IRL are concerned that this will jeopardise the successful LEADER approach that emphasises a “bottom up” approach and area based local development strategies. This will reduce the local input and knowledge and reduce the possibilities for harnessing local assets.

EI's regional activity has shown a tendency to concentrate on the larger urban areas outside Dublin, such as Cork city and Galway city. In the current climate we cannot

afford to lose the expertise and institutional knowledge about funding local, rural SMEs which will occur if these functions are lost.

According to the Joint Oireachtas Committee on Arts, Sports, Tourism, Community, Rural and Gaeltacht Affairs' "Awakening the West" report (2009:43) "The Shannon Development company is a model example of a company that prioritises sustainable economic development in the Shannon Region. Shannon Development is dissimilar to Enterprise Ireland in that it uses its property portfolio to stimulate activity. It has been successful in promoting business parks such as the Kerry Technology and the Shannon Free Zone. Shannon Free Zone employs 7,200 people with 110 companies located there, which have generated over €3.2 billion in exports per annum"

The "Awakening the West" report concluded that given the success of the Shannon Development company in terms of promoting industry and enterprise, the continuation of the Development Company is fundamental to the regional development of that area.

In 2007, just 745 (8.1%) of the 9,216 new jobs created in IDA-supported firms were located in counties Donegal, Leitrim, Sligo, Mayo, Roscommon, Clare, Limerick or Kerry. While Galway and Cork accounted for 1,905 (21%) of new jobs created in 2007, the vast bulk of these jobs were concentrated in the gateways of Galway city and Cork city (Joint Oireachtas Committee on Arts, Sports, Tourism, Community, Rural and Gaeltacht Affairs, 2009). IRL are concerned that the reduction of the IDA's regional presence will further disadvantage these areas and limit the number of IDA supported jobs they receive.

#### **Environment, Heritage & Local Government**

*Recommendations include: Discontinue Affordable Housing Schemes; Extend water charges for domestic customers; Reduce funding for the Climate Change Awareness Campaign; Rationalise regional offices of EPA; Reduce Exchequer contribution to the Local Government Fund; Reduction of number of Local Authorities; Postpone/Prioritise Work on the National Inventory of Architectural Heritage*

Currently there are 34 Local Authorities according to the report this should be reduced to 22. The Report does not give any specific suggestions about how this reduction would take place, but newspaper reports suggest that city and county Local Authorities would be merged e.g. Cork City and County Councils, and some of the smaller Local Authorities would be merged e.g. Sligo and Leitrim. These authorities have a local significance, the reductions in the Local Government Fund will reduce the level of services offered and also expose the population to higher development charges etc.

The report states that regional authorities and town councils should be abolished to give a single tier of local government. Regional Authorities are developing a role in inter and intra-regional transport and the harnessing of regional energy assets. They are also responsible for the preparation and implementation of the Regional Planning Guidelines (RPGs), which are the main means for implementing the National Spatial Strategy at regional and local level. The RPGs are currently being reviewed and revised with a view to increasing their capacity to stimulate regional economic

activity and competitiveness. IRL are concerned that this work would be discontinued if the proposal was implemented.

The National Inventory of Architectural Heritage helps identify and protect significant erections and features. These have a social and cultural significance and may also help harness tourism in rural areas. This can not be jeopardised by postponing work on the Inventory.

## Finance

*Recommendations include: closure of some Revenue Commissioners office locations and merging offices, particularly in regional areas; changes in procurement policy*

The recommendations represent the retreat of state agencies and services from areas outside of the major urban centres. It will make it more difficult for rural dwellers to engage with a key state agency, reduce the Revenue Commissioners institutional understanding of rural issues and pressures, take money out of local economies and increase the cost and time associated with interacting with the agency. Any closures must take these factors into account.

The Report's emphasis on centralised procurement for the public service would have an impact on local suppliers in small towns and rural areas and significantly impact on the locally traded services sector which is a large employer in such local economies. A report by the WDC in 2008 found that the total net impact of the relocation of 235 public sector jobs to two rural towns in the Western Region was the creation of an additional 153.7 jobs in the wider economy and €6.6 million of additional Gross Value Added (GVA) due to the multiplier effect of the public sector employment, including purchases from local suppliers.

## Health & Children

*Recommendations include: Alterations to the National Childcare Investment Programme; Increase the threshold for the Drugs Payment Scheme; Revise the income guidelines for Medical Card eligibility; Introduce a co-payment of €5 for each prescription under the GMS and Long-Term Illness Scheme; Secure 20% efficiencies in non-emergency patient transport services; Increase hospital charges and introduce a means test for Homecare packages; Increase the percentage of care costs under the 'Fair Deal' contributed by an individual from their residence; Introduce open competition for primary care services*

Hospital and prescription charges are recommended to be increased. Irish Rural Link are concerned that inviting open competition to provide services under the primary care programme, effectively relying on the market to deliver high-quality services the length and breadth of the country, will result in poorer, more expensive services for those in rural and more remote areas. It may also result in reduced access to GPs, pharmacists, dentists and opticians.

A number of voluntary organisations that are involved in delivering personal and social services have traditionally been funded from the proceeds of the *National Lottery*. The Report recommends ending the co-financing by the exchequer of these projects. This is a further example of the Report's disregard for the vital voluntary

element of many social services in Ireland. Removing exchequer funding will render organisations unable to continue the services.

The implications of the Report for older people in rural areas, including the loss of transport services allowing older people access primary care services, are detailed further in the Appendix 2 case study.

## Justice

*Recommendations include: Rationalise the Garda station network; Reduce the allocation to equality organisations and projects; Abolish the Office of the Minister for Integration*

### **Rural Garda Stations**

The closure of Garda stations will leave a significant population without any visible policing presence and cause a crisis in rural security. That a number of stations are not open all day during office hours suggests that the local Gardai are engaging with the people in their areas and providing a visible presence. This is something IRL consider desirable and not a justification for closure.

Physical and social isolation and higher proportions of older people living in rural areas has led to a sense of vulnerability in many rural communities. CSO figures from the past 20 years paint a picture of a rural Ireland with an increasingly ageing population. The number of over 65s in rural areas is growing steadily, standing at over 200,000 in 2006, and rising.

A recent UK study has identified a recession crime wave in rural areas and this is likely to be mirrored in rural areas here. The study describes a 17.5% increase in violent robberies in rural areas of England and Wales over the past year which it directly attributes to the economic downturn. According to the Garda Representative Association the recently announced hiring ban will start a downward spiral which will affect rural Ireland first as the average age of members of the force is older outside the cities. The relatively small savings can not offset the social and security problems it will exacerbate.

### **Office of the Minister for Integration**

Ireland has a relatively dispersed immigrant population with a significant proportion in rural areas. Research by Irish Rural Link (2009b) has found that a significant number intend remaining. IRL's work has also found that the majority of voluntary organisations in rural areas are dealing with new communities and integration issues. Links have been established between these groups and the Office of the Minister for Integration, who through resources and policy documents, is informing the work of these groups. The effect of the D/CRAGA proposals on these community and voluntary groups has been examined above and to remove the office of the Minister for Integration will further undermine their work and expose vulnerable new communities to further social exclusion and potential social problems in the future.

*Recommendations include: Change in the rate of social welfare personal payments; Change eligibility conditions for Family Income Supplement; Discontinuation of the Family Support Agency; Reduce and Standardise Child Benefit Rate; Phase out second welfare payment; Discontinuation of double payments for Community Employment Schemes; Tax Household Benefits Package; Limit Exceptional Needs Payments; Limit duration of Rent Supplement Payment*

The brunt of the required adjustment should not be borne by the most vulnerable, including those most recently unemployed. The percentage of people at risk of poverty is 21.5% in rural areas compared to 14.3% for urban areas (Bertolini *et al*, 2009). The dependence of the rural economy on weakened sectors such as construction and traditional manufacturing, along with the removal of the safety valve of emigration, means that social welfare cuts cannot be considered.

The focus of Community Employment (CE) on disadvantage must remain. The call in the Report to abolish what they call “double payments”, will have a negative impact on the participation rates of lone parents and disabled people on CE. The current arrangement, that allows lone parents and disabled people to maintain a portion of their welfare payment, supports their involvement by covering additional participation costs like childcare and transport, which are already greater in rural areas.

The Household Benefits Package comprises the electricity allowance, telephone allowance and free television licence schemes. This package is generally available to people living in the State aged 66 years or over who are in receipt of a social welfare type payment or who fulfil a means test. The package is also available to carers and people with disabilities under the age of 66 who are in receipt of certain welfare type payments. People over 70 qualify regardless of their income or household composition. The Special Group has concluded that the most appropriate approach is to treat the Household Benefits Package as taxable income. The Package plays an important role in tackling social exclusion and allowing older people live independently in their homes in rural areas, cuts in the scheme of Community Supports for Older People will exacerbate the effects of this proposal.

The FSA supports the Family and Community Services Resource Centre Programme; voluntary organisations and individuals involved in counselling and mediation; and research on family issues. Its abolition with the cessation of much of its projects will harm families. The network of Family Resource Centres provides an important service in rural areas that will cease to be provided.

*Recommendations include: The sale of the Bus Éireann Expressway Service & reductions in CIE PSO services; Reduce expenditure on roads maintenance/improvement; Introduction of road pricing; Cease funding the Rural Transport Programme; Discontinue the public service obligation payments for regional air services; Discontinue operational grants for regional airports*

Power (2009: 25) emphasises that ongoing investment in transport infrastructure such as ports, airports, rail and road is required as “if access to a region is not up to standard, inward investment will be undermined, the cost of doing business will not be competitive and commercial and economic activity will be undermined”.

Despite significant investment in recent years Ireland lags in the quality of its road and rail infrastructure. Reducing accessibility and connectivity in regional Ireland is misguided and will prevent these areas from developing. Transport infrastructure is not only an important locational determinant for many firms but also a key driver of growth. Consequently, investments in infrastructure have a significant role in regional development (ESRI, 2006:89).

NESC’s concept of ‘tailored universalism’ (NESC, 2005) to deliver affordable services across the territory of the State is not advanced by the Report. ‘Tailored universalism’ requires, for example, where only large population catchments justify – and enable – a quality service to be provided (e.g., the 500,000 deemed necessary to support centres of excellence for cancer treatment), the challenge is to ensure that transport and other arrangements enable residents in the most remote households to be seen and treated as promptly and efficiently as any others. The reductions in rural transport advocated undermine this.

Cutting investment in road maintenance will jeopardise road users and increase the maintenance costs of running a car for rural households – a form of transport the report appears happy to see people more dependent on. It will make the regions less attractive to investment. The introduction of widespread road pricing is recommended as there are likely to be public transport alternatives. If other recommendations in the Report are introduced this alternative will not exist in provincial areas.

Experience from other countries has shown that carbon taxation is only equitable and will only succeed if it is part of a comprehensive package of measures. In the absence of fuel alternatives and adequate public transport the ability of rural households to make behavioural shifts (intended to be the ultimate goal of a carbon tax) is extremely limited. A 2006 report on transport carbon emissions for the Scottish Executive identified a number of policy synergies required to enhance the likelihood of a carbon tax meeting its aims. These are not yet in place in Ireland and will not be introduced if the Special Group’s recommendations are adopted.

### **Bus**

The Special Group state that the three CIÉ companies (Dublin Bus, Bus Éireann, Irish Rail) should undertake targeted reductions in Public Service Obligation (PSO) services beginning with off-peak, low patronage services. This should go beyond current cost-cutting proposals and that in total PSO payments to CIÉ should be

reduced by €50m. This raises fundamental questions about the nature of public service provision in this country and whether or not we consider public transport, which, if examined on a purely commercial basis may be uneconomic, is a necessity and public good or something that should solely be provided by the private sector. Its proven role in tackling social exclusion means rural public transport should be enhanced, not reduced.

### **Rural Transport Scheme**

According to the report:

*Given the availability of private sector bus alternatives, the high level of car ownership and the underutilisation of synergies with other publicly funded local transport services support the view that the level of direct Exchequer assistance can and should be eliminated, particularly in light of current budgetary circumstances this programme should be ended.*

This highlights the Special Group's disconnect from rural realities and the benefits that these transport services provide to people whose means are limited and who have no alternative transport. The ESRI's Mid-Term Evaluation of the first National Development Plan (2003) described the (then) pilot Rural Transport Initiative as successful in providing those in rural areas with access to vital services.

The Fitzpatrick Associates report for the Department of Transport, published in 2006, estimated that some 380,000 people living in rural Ireland had unmet transport needs. Of these 200,000 were accounted for by older people, young people, those on low incomes, and people with mobility, sensory or cognitive impairments.

Adequate rural transport is required to ensure that those at risk of social exclusion in rural areas have access to essential facilities and public services. The RTP has an important community focus and allows rural dwellers access important services. The RTPs may form the basis for a more comprehensive rural transport system for all rural households that must be developed. Most of the urban/rural difference on greenhouse gas emissions can be accounted for in terms of transport expenditure, and removing the RTPs when a carbon tax is imminent makes no sense.

### **Air & Rail**

The ESRI (2006:89) note that given the geography of Ireland being relatively peripheral within Europe, areas that are peripheral within Ireland benefit significantly from improved access.

According to the Special Group's report the PSO scheme for regional air services should be discontinued following the expiration of the current contracts. The Regional Airport Management Operational Grants Scheme should be abolished when the current scheme expires in 2010. According to the Report a significant reduction in the capital grants scheme for regional airports should be achieved in light of the cancellation of the above schemes. This implies that once the PSO has ceased, a number of the regional airports will close and will therefore not require the capital grants allocated to them.

Regional air access is vital for international trade and competitiveness and reducing support for regional airports and air services cuts any chance of attracting employers when the global economy recovers. The Report says this is justified due to investment in rail but elsewhere it is recommended that the Western Rail Corridor be abandoned. It also proposes that a number of rail lines (Limerick Junction to Rosslare; Limerick to Ballybrophy; Manulla Junction to Ballina), which service rural areas, be closed. This does not support the Government policy objective of a shift to more sustainable transport modes, as those journeys previously taken by rail will likely be replaced by journeys taken by car.

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## Appendix 1 Rural and Regional Impact Matrix

Note: The matrix is illustrative. The exclusion of recommendations from this analysis should not be construed as agreement. That certain recommendations are not identified as having negative impacts on all three facets of sustainable development (environmental, economic and social) should not be seen as reducing their significance.

### Key

- denotes that a proposal will negatively impact or undermine the Economic (*Eco*), Social & Cultural (*Soc*) or Environmental (*Env*) sustainability of rural communities and the regions.
- represents no likely impact/impact uncertain

<i>Department/Recommendation</i>	<i>Eco</i>	<i>Soc</i>	<i>Env</i>
<b>Agriculture, Fisheries &amp; Food</b>			
Reduce <i>Teagasc</i> offices	●	-	-
Transfer agriculture and rural economy research funding to new single funding stream for all research	●	●	-
Rationalise the Departmental local office network	●	-	●
Lower number of schemes, including REPS and Disadvantaged Areas payments	●	●	●
<b>Arts, Sport &amp; Tourism</b>			
Possible abolition of Department	●	●	●
Reduction in allocation to <i>Fáilte Ireland &amp; Tourism Marketing Fund</i>	●	●	-
Reductions in allocations to the horse and greyhound industry	●	●	-
Discontinuation of allocation for Cultural Projects	●	●	-
<b>Communications, Energy &amp; Natural Resources</b>			
Defer the rollout of Phase II and Phase III Metropolitan Area Networks (MANs)	●	●	●
Terminate energy awareness programmes run by D/CE&NR or <i>Sustainable Energy Ireland</i>	-	-	●
Rationalise number of sustainable energy schemes, including <i>Greener Homes Scheme</i> , the <i>Home Energy Savings Scheme</i> and the <i>Low Income Housing/Warmer Homes Scheme</i>	●	●	●
<b>Community, Rural &amp; Gaeltacht Affairs</b>			
Close Department	●	●	-
Discontinuation of the <i>Revitalising Areas by Planning Investment and Development</i> scheme	●	●	●

<b>Community, Rural &amp; Gaeltacht Affairs, cont.</b>	<i>Eco</i>	<i>Soc</i>	<i>Env</i>
Reduction in allocation for community and voluntary sector supports by €10 million	-	●	-
Reduction in allocation for Local & Community Development Programmes, including the <i>Local Development Social Inclusion Programme</i> (LDSIP) and the <i>Community Development Programme</i>	●	●	-
Close the Western Development Commission	●	●	-
Phase out <i>Ceantair Laga Árd-Riachtanais</i> (CLÁR)	●	●	●
Reduction in allocation for <i>Community Services Programme</i>	●	●	-
Discontinuation of specific Gaeltacht schemes, i.e. Gaeltacht Culture and Social Schemes; Gaeltacht Community and Recreational Schemes; Gaeltacht Improvement Schemes	●	●	●
At minimum, the functions of the <i>Partnership/LEADER Companies</i> , <i>County Childcare Committees</i> and <i>Volunteer Centres</i> could be merged and delivered by one organisation per local authority area.	●	●	-
Reduce allocation for island infrastructure	●	●	●
<b>Defence</b>			
Further rationalise army barracks	●	●	-
<b>Education &amp; Science</b>			
Suspend additional recruitment to the <i>National Education Psychological Service</i>	-	●	-
Increase the staffing schedule at primary level to 29 to 1	-	●	-
Amalgamation of smaller primary schools	●	●	●
Reduction in the number of Special Needs Assistants	-	●	-
Progressive further reduction in the number of English language support teachers	-	●	-
Decrease in the primary and post primary capitation grant	●	●	-
Abolition of the <i>Tipperary Rural and Business Development Institute</i> (TRBDI)	●	●	●
Rationalisation of IoTs	●	●	●
Reduction in the allocation to the <i>Student Support Scheme</i>	●	●	-
Re-Introduction of Third Level Fees	●	●	-
Reduce allocation to school transport and increase charge, begin charging for primary school children	●	●	●
<b>Enterprise, Trade &amp; Employment</b>			
Rationalise regional IDA offices in Ireland	●	-	-
Discontinuation of <i>Shannon Development</i>	●	-	-
Transfer enterprise and marketing support functions into EI. This includes the <i>County Enterprise Boards</i> , <i>Údarás na Gaeltachta</i> , the <i>LEADER Companies</i> , the <i>Partnership Companies</i> , <i>An Bord Bia</i> , <i>Bord Iascaigh Mhara</i> , <i>Teagasc</i> , the <i>WDC</i> and the <i>Irish Film Board</i> .	●	●	-

<b>Environment, Heritage &amp; Local Government</b>	<i>Eco</i>	<i>Soc</i>	<i>Env</i>
Discontinue <i>Affordable Housing Schemes</i>	●	●	-
Extend water charges for domestic customers	●	-	-
<i>Reduce funding for the Climate Change Awareness Campaign</i>	●	●	●
Rationalise regional offices of EPA	●	●	●
Reduce Exchequer contribution to the <i>Local Government Fund</i>	●	●	●
Reduction of number of Local Authorities	●	●	●
Postpone/ Prioritise Work on the <i>National Inventory of Architectural Heritage</i>	●	●	●
<b>Finance</b>			
Closure of some Revenue Commissioners office locations and merging offices, particularly in regional areas	●	●	●
<b>Health &amp; Children</b>			
Alterations to the National Childcare Investment Programme	●	●	-
Secure 20% efficiencies in non-emergency patient transport services	●	●	-
Revise the income guidelines for Medical Card eligibility	●	●	-
Introduce a co-payment of €5 for each prescription under the GMS and <i>Long-Term Illness Scheme</i> & Increase the threshold for the <i>Drugs Payment Scheme</i> and increase hospital charges	●	●	-
End exchequer co-funding of voluntary organisations that are involved in delivering personal and social services with the <i>National Lottery</i>	●	●	-
Increase hospital charges and introduce a means test for Homecare packages Increase the percentage of care costs under the ' <i>Fair Deal</i> ' contributed by an individual from their residence	●	●	-
Introduce open competition for primary care services	●	●	-
<b>Justice</b>			
Rationalise the Garda station network	-	●	-
Reduce the allocation to equality organisations and projects & abolish the <i>Office of the Minister for Integration</i>	-	●	-
<b>Social &amp; Family Affairs</b>			
Change in the rate of social welfare personal payments	●	●	-
Discontinuation of the <i>Family Support Agency</i>	-	●	-
Change eligibility conditions for <i>Family Income Supplement</i>	●	●	-
Reduce and Standardise Child Benefit Rate	●	●	-
Phase out second welfare payment	●	●	-
Discontinuation of double payments for <i>Community Employment Schemes</i>	●	●	-

<b>Social &amp; Family Affairs, cont.</b>	<i>Eco</i>	<i>Env</i>	<i>Soc</i>
<i>Tax Household Benefits Package</i>	●	-	●
<i>Limit Exceptional Needs Payments</i>	●	-	●
<i>Limit duration of Rent Supplement Payment</i>	●	-	●
<b>Transport</b>			
The sale of the <i>Bus Éireann</i> Expressway Service & reductions in CIE PSO services	●	●	●
Reduce expenditure on roads maintenance/improvement	●	●	-
Introduction of road pricing	●	-	●
Cease funding the <i>Rural Transport Programme</i>	●	●	●
Discontinue the public service obligation payments for regional air services	●	-	●
Discontinue operational grants for regional airports	●	-	●

Note: The economic impacts of staff reductions in education and health across the country are not illustrated above

## Appendix 2: Case Studies

*The report states (in relation to the Department of Social and Family Affairs proposals) that "Care will need to be taken to avoid the inadvertent accumulation of measures in individual cases". This must be a consideration for recommendations across all Departments. Examples of the cumulative impact of the report's proposals are given below. It excludes some wider or cross cutting proposals discussed above which are likely to impact on all rural households.*

### **Two adults, one parent unemployed, with three children aged 5, 10 and 15**

Amongst the measures recommended by the Special Group which will impact on this household are:

- Social welfare rates should be reduced generally by 5%.
- The Group proposes reducing the Child Benefit rate it also recommends against reintroducing the December weekly bonus payment for 2010 and future years with payment on 3<sup>rd</sup> and subsequent children being cut most.
- Amalgamation of rural primary schools and an increased pupil-teacher ratio, this is likely to increase the numbers using school transport.
- A charge for school transport, at both primary and post-primary level, equal to 50% of the economic cost of the service should be levied. It is estimated this would be approx. €500 per child per year. Currently primary school transport is free, while post-primary will be charged €300 from Sept 2009. The same monetary fee should be charged for special needs school transport.
- Increased medical and prescription costs.
- The report envisages increased local authority charges.
- Discontinuation of Treatment Benefit. Treatment Benefit is funded by payments from the Social Insurance Fund (SIF) and contributes to the costs of dental, optical treatment and hearing aids. The Group holds the view that the scheme is no longer affordable.
- Loss of Family and Community Services Resource Centre Programme.

### **Lone Female Pensioner**

Amongst the measures recommended by the Special Group which will impact on this household are:

- Cease funding the Rural Transport Programme with its social inclusion focus.
- Reduction in allocation for community and voluntary sector including the scheme of Community Supports for Older People million which allows community groups provide personal alarms and other safety equipment.
- Removal of free passport scheme for those aged 65 years and over.
- Revise the income guidelines for Medical Card eligibility .
- Secure 20% efficiencies in non-emergency patient transport services.
- Widows'/Widowers' Contributory Pension Schemes to be reviewed.
- Tax Household Benefits Package comprises the electricity allowance, telephone allowance and free television licence schemes.
- Increase the percentage of long-term care costs under the 'Fair Deal'. Under the 'Fair Deal' the State agrees to underwrite the complete cost of care with individuals required to make a contribution in line with their means and assets. It is recommended that the percentage of care costs under the Fair Deal contributed by an individual from their residence be increased to a maximum of 22.5% over three years.
- Introduce a means test for Homecare packages. Home Services and Homecare Packages are community-based care systems that are important to reducing the percentage of individuals inappropriately placed in long-term care beds by providing individuals with support in their home and in the community. Homecare packages supplement other community services and provide a range of services, including nurses and therapists. There is currently no charge for homecare packages with individuals referred by health professionals and a needs assessment is completed with appropriate services being provided.
- Increase in retirement age.

**Rural Farming family, child in 3<sup>rd</sup> level.**

Amongst the measures recommended by the Special Group which will impact on this household are:

- Close REPS 4 and no rollover of participants from REPS 2 & 3 into REPS 4 (*already announced*).
- Reduce payments under the Disadvantaged Areas Compensation Allowance Scheme, termination of the Suckler Cow Scheme and review of disease eradication schemes.
- Reduction in the allocation to the Student Support Scheme reducing student maintenance grants.
- Re-Introduction of Third Level Fees.
- Increased medical and prescription costs.