



A Confidence and Supply Arrangement for a Fine Gael-Led Government

This document outlines the “Confidence and Supply” arrangement between Fine Gael and Fianna Fáil to facilitate a Fine Gael-led minority Government and the agreed policy principles that underpin that arrangement. Fine Gael will seek to agree separate policy commitments in a broader range of areas with other Oireachtas members as a basis for a comprehensive Programme for Government.



Core Principles for the Confidence and Supply Arrangement for a Fine Gael Led Government

This is a document that outlines the confidence and supply arrangement to facilitate a Fine Gael-led minority Government. Subject to the ongoing implementation of the attached policy principles:

Fianna Fáil agrees to:

- abstain in the election of Taoiseach, nomination of Ministers and also the reshuffling of Ministers;
- facilitate Budgets consistent with the agreed policy principles attached to this document;
- vote against or abstain on any motions of no confidence in the Government, Ministers and financial measures (eg money bills) recognised as confidence measures; and
- pairing arrangements for EU Council meetings, North South meetings and other Government business as agreed.

The Fine Gael -Led Minority Government agrees to:

- accept that Fianna Fáil is an independent party in opposition and is not a party to the Programme for Government;
- recognise Fianna Fáil's right to bring forward policy proposals and bills to implement commitments in its own manifesto;
- publish all agreements with Independent Deputies and other political parties in full.
- allow any opposition Bills (that are not money bills) that pass 2nd stage, proceed to Committee stage within 10 working weeks;
- Implement the agreed policy principles attached to this document over a full term of Government;
- have an open approach to avoiding policy surprises; and
- introduce a reformed budgetary process in accordance with the OECD review of the Oireachtas along with the agreed Dáil reform process.

Should an event arise that has potential to undermine this agreement efforts will be made to have it resolved by the two Party Leaders.

It is agreed that both parties to this agreement will review this Framework Agreement at the end of 2018.

It is agreed that the final arrangements will be a written agreement signed by the respective Party Leaders.

This is a political agreement and is not justiciable.

Appendix 1

Policy Framework for a Confidence and Supply Agreement to Facilitate a Fine Gael-Led Minority Government

Ireland's Economy

- Maintain our commitment to meeting in full the domestic and EU Fiscal rules as enshrined in law.
- Facilitate the passage of budgets presented by the Government within these rules and which are consistent with the policy principles contained in this document.
- To address unmet needs introduce budgets that will involve at least a 2:1 split between investment in public spending and tax reductions.
- Base health expenditure on multi-year budgeting supported by a 5 year HSE Service Plan based on realistic, verifiable projections.
- Introduce reductions in the Universal Social Charge (USC) on a fair basis with an emphasis on low and middle income earners.
- Establish a “Rainy Day” Fund.
- Maintain Ireland’s 12.5% corporation tax, and engage constructively with any measures to work towards international tax reform while critically analysing proposals that may not be in Ireland’s long term interests.

Industrial Relations and Public Sector Pay

- Recognise full implementation of the Lansdowne Road Agreement in accordance with the timelines agreed and recognise that the recruitment issues in the public service must be addressed as part of this Agreement.
- Establish a Public Service Pay Commission to examine pay levels across the public service, including entry levels of pay.
- Support the gradual, negotiated repeal the Financial Emergency Measures in the Public Interest Acts having due regard to the priority to improve public services and in recognition of the essential role played by public servants.
- Tackle the problems caused by the increased casualisation of work that prevents workers from being able to save or have any job security.
- Respect the Workplace Relations Commission and the Labour Court as the proper forum for state intervention in industrial relation disputes and ensure that both bodies are supported and adequately resources to fulfil their roles.

Securing Affordable Homes and Tackling Homelessness

- Significantly increase and expedite the delivery of social housing units, remove barriers to private housing supply and initiate an affordable housing scheme

- Retain mortgage interest relief beyond the current end date of December 2017 on a tapered basis.
- Increase rent supplement and Housing Assistance payment (HAP) limits by up to 15% taking account of geographic variations in market rents, and extend the roll out by local authorities of the HAP, including the capacity to make discretionary enhanced payments.
- Protect the family home and introduce additional long term solutions for mortgage arrears cases.
- Improve supports and services for older people to live independently in their own home, including a provision for pension increases.
- Provide greater protection for mortgage holders, tenants and SMEs whose loans have been transferred to non-regulated entities ('vulture funds').

Creating Decent jobs and Supporting Enterprise

- Prioritise regional development across all policy areas.
- Fully implement Food Harvest 2020 and Food Wise 2025.
- Secure the future of family farms and support our fishing industry.
- Seek to introduce a PRSI scheme for the self-employed and provide a supportive tax regime for entrepreneurs and the self-employed.
- Increase capital investment in transport, broadband, education, health and flood defences following the mid-term review of the Capital Plan which is expected mid-2017.
- Examine all options for increased credit availability, competition and quality of service in the banking sector through the development of new and existing platforms.
- Develop a strategy for growth and development for the credit union sector.

Cutting Costs for Families and Improving Public Services

- Reform the public sector to ensure more accessible public services.
- Maintain a humane approach for discretionary medical card provision.
- Develop targeted supports to reduce childcare costs, broaden parental choice and increase supports for stay at home parents.
- Tackle child poverty by increasing community based early intervention programmes.
- Increase and ring-fence €15m in 2017 in funding for a National Treatment Purchase Fund to urgently address waiting lists for those waiting longest.
- Reduce primary school class sizes; reintroduce guidance counselling to secondary schools and increase financial supports for post graduate students with a particular focus on those from low income households.
- Take all necessary action to tackle high variable interest rates.
- Seek to alleviate pressures affecting household budgets across energy, childcare, medical and insurance costs.

Tackling Crime and Developing Community Services

- Increase Garda numbers to 15000, invest in CCTV and mandate the Policing Authority to oversee a review of the boundaries of Garda districts and the dispersement of Garda stations.
- Increase funding to LEADER.
- Strengthen the Social Inclusion and Community Activation Programme (SICAP) and develop new Community Development Schemes for rural areas and reactivate and increase funding to RAPID areas through the Local Authorities.
- Improve services and increase supports for people with disabilities: particularly for early assessment and intervention for children with special needs and provision of adult day services.
- Fully implement ‘Vision for Change’ in the area of mental health.
- Strengthen and develop cross border bodies and services in Northern Ireland and implement the ‘Fresh Start’ agreement.
- Establish a Judicial Appointments Commission to identify the most suitable candidates for judicial office.
- Ensure that local Government funding, structure and responsibilities strengthen local democracy.
- Increase investment in the Irish language

Appendix 2

Fine Gael – Fianna Fáil Agreement on Water Services

- Irish Water will be retained as a single national utility in public ownership responsible for the delivery of water and wastewater services.
- The Government will establish an External Advisory Body on a statutory basis to build public confidence in Irish Water. It will advise on measures needed to improve the transparency and accountability of Irish Water. It will publish advice to the Government and give quarterly reports to an Oireachtas Committee on the performance by Irish Water on the implementation of its business plan, with particular regard to:
 - Cost reduction and efficiency improvements;
 - Procurement, remuneration and staffing policies;
 - Infrastructure delivery and leakage reductions;
 - Improvements in water quality, including the elimination of boil water notices; and
 - Responsiveness to the needs of communities and enterprise
- The Government will suspend the Water Conservation Grant, while restoring exchequer funding to Group Water Schemes to pre-2015 levels, implement multi-annual funding for the Rural Water Programmes and revise grant levels to new group water schemes and for the refurbishment of private wells.
- The Government will, within six weeks of its appointment, introduce and support legislation in the Oireachtas to suspend domestic water charges for a period of nine months from the end of the current billing cycle. The suspension of domestic water charges will be extended by the Government if this is required and requested by the Special Oireachtas committee on the Funding of Domestic Water Services (see below) in order to facilitate the completion of its work and the consideration of its recommendations by the Oireachtas.
- The Government will establish within eight weeks of its appointment an Expert Commission to make recommendations for the sustainable long-term funding model for the delivery of domestic water and wastewater services by Irish Water (see draft terms of reference below). The Expert Commission will endeavour to report within five months of its establishment.
- The recommendations of the Expert Commission, will be considered by the Special Oireachtas Committee which will endeavour to make its own recommendations to the Oireachtas within a period of 3 months. The recommendations of the Special Oireachtas

Committee will be considered and voted upon by the Oireachtas within a one month period.

- The Fine Gael and Fianna Fáil parties reserve their right to adopt differing positions on any consequent legislation or resolutions being debated by the Oireachtas.
- The Government will facilitate the passage of legislation (whether it be a money bill or otherwise) the implementation of the recommendations in relation to domestic water charging supported by the Oireachtas (including abolition, a reformed charging regime or other options).
- We affirm that those who have paid their water bills to date will be treated no less favourably than those who have not.

Draft Terms of Reference for the Expert Commission

An Expert Commission will be set up to assess and make recommendation upon the funding of domestic water services in Ireland and improvements in water quality, taking into account:

- The maintenance and investment needs of the water and waste system on short, medium and long-term bases;
- proposals on how the national utility in State ownership would be able to borrow to invest in water infrastructure;
- the need to encourage water conservation, including through reviewing information campaigns on water conservation in other countries;
- Ireland's domestic and international environmental standards and obligations;
- the role of the Regulator; and
- Submissions from all interested parties.

The Commission will be empowered to commission relevant research and hear evidence to assist this work. The Commission shall endeavour to complete its work within five months.