

FRESH START & STORMONT HOUSE AGREEMENTS

SIX MONTHLY UPDATE

29 JUNE 2016

This paper highlights some of the progress made to implement the Fresh Start and Stormont House Agreements and takes a forward look at commitments over the next six months. A six-monthly progress report is annexed, in line with the reporting arrangements established under the Stormont House Agreement.

Key Achievements

1. The **NICS voluntary exit scheme** closed and, when taken together with the recruitment freeze and release of Agency staff since November 2014, resulted in a 17% reduction (circa 4,600) in terms of posts in the last two years.
2. The **Eason working group** brought forward proposals to maximise the use of the Executive's funds to 'top-up' the UK welfare arrangements. The recommendations were agreed by the Executive on 21 January along with the first year funding package. The regulations have been passed by the Assembly.
3. The **restructuring of government departments from 12 to nine** was successfully implemented on 9 May 2016.
4. The **Northern Ireland (Stormont Agreement and Implementation Plan) Bill** was passed at Westminster with Royal Assent granted in May.
5. Regulations to implement the **Northern Ireland (Welfare Reform) Act** have been progressed both at Westminster and the Assembly.
6. The announcement of **shared and integrated education projects** that, subject to joint agreement, will benefit from up to half a billion pounds of dedicated UK Government funding allocated under the Stormont House and Fresh Start Agreements.
7. The Irish Government's contribution of €2.5million to the **North West Development Fund** has been disbursed.
8. The **three person panel report** on the disbandment of paramilitary groups was published on 7 June 2016.
9. The Co-Chairs and members of the **Flags, Identity, Culture and Tradition Commission** were appointed on 20 June 2016.

Looking forward

10. The **2017-2020 Budget**, in parallel with the Programme for Government, a refreshed Economic Strategy, Investment Strategy and Social Strategy will be agreed by the end of 2017.
11. The UK and Irish Governments will continue to work with the parties, the Executive and victims' groups and others with a view to **building the consensus needed to establish the legacy institutions**.
12. The UK and Irish Governments will work together to **establish the Independent Reporting Commission**.
13. The Executive will agree its **action plan on tackling paramilitarism, criminality and organised crime**.

Commitment		Progress Report / Milestones Achieved
A. ENDING PARAMILITARISM AND TACKLING ORGANISED CRIME		
Statement of Principles		
A2.6. Page 15	These commitments [para 2.5] shall also be added to the Pledge of Office as a requirement of a person taking Ministerial office through an amendment of the Northern Ireland Act 1998	COMPLETED
A2.7 Page 15	They will also form the basis of a new undertaking, in Assembly standing orders, for each Member of the Legislative Assembly analogous to the previous obligations on those in local government	COMPLETED
Tackling Paramilitarism, Criminality and Organised Crime		
A3.1 Page 15	A tri-lateral cross-border Ministerial meeting will take place in December 2015, involving the UK Government, the Irish Government and the NI Executive. It will agree new measures to enhance law enforcement co-operation aimed at tackling organised crime and criminality, including that linked to paramilitarism.	COMPLETED
A3.2 Page 15	In a concerted and enhanced effort to tackle cross-jurisdictional organised crime and to bring to justice those involved in it, a Joint Agency Task Force will be established under this Agreement. The Task Force will be led by senior officers from the PSNI, An Garda Síochána, the Revenue Commissioners and HM Revenue and Customs. The Task Force will report on its work in accordance with the statutory arrangements in place for the law enforcement agencies	COMPLETED There are no plans to receive reports from the Task Force as it is operationally independent and reports on its work in accordance with the statutory arrangements in place for law enforcement
Page 16	The Task Force will include: <ul style="list-style-type: none"> • a <u>Strategic Oversight Group</u> (comprised of representatives from the relevant law enforcement agencies at senior management level) that will identify strategic priorities for combating cross-jurisdictional organised crime. The Oversight Group will provide a report on the work of the Task Force to the six-monthly Ministerial meetings under the Intergovernmental Agreement on cooperation on criminal justice matters; and • an <u>Operations Co-ordination Group</u> (comprised of senior operational management personnel from the relevant law enforcement agencies) that will co-ordinate joint operations and direct relevant resources in that context. 	COMPLETED There are no plans to receive any of these operational documents as the Task Force and its sub-groups are operationally independent.
A3.3 Page 16	The tri-lateral Ministerial meeting in December will set out further details, including membership, priorities and agreed goals of the Task Force.	COMPLETED
A3.6 Page 16	The Executive will implement additional measures aimed at tackling the impact of criminality and paramilitarism in Northern Ireland, to include:	See below

A3.7 Page 16	Criminal Justice <ul style="list-style-type: none">• Further measures to speed up criminal justice and support victims to give evidence.	Implementation of a range of measures is expected to begin in autumn 2016. These include the provisions arising from the Justice Act 2015; application of emerging developments arising from the Indictable Cases Pilot in Ards during 2015; possible amendments to existing legislation to introduce Statutory Time Limits; and a review into reporting on performance of the Criminal Justice system.
	<ul style="list-style-type: none">• Measures to improve forensic capabilities to enable evidence to be secured more effectively	It is anticipated that the necessary equipment will be on site in FSNI in September 2016. Work is ongoing on a range of other specifications and tender documentation with a view to having further contracts awarded by the end of the year.
A3.8 Page 16	Proceeds of Crime <ul style="list-style-type: none">• Support for agencies to enhance specialist capabilities, such as forensic accounting.	Resources to enhance PSNI and PPS capability are being considered in the context the 3-Person Panel report and Executive Action Plan.
A3.9 Page 17	Community Engagement and Prevention <ul style="list-style-type: none">• Cross-departmental programme to prevent vulnerable young people being drawn into paramilitary activity.• Development of a programme to increase the participation and influence of women in community development.• Additional programmes aimed at reducing re-offending.• Rigorous enforcement of rules that prevent funding from being misused.	The Early Intervention Programme Board will oversee the development of a cross departmental programme and development of an outcome based plan to address the issue of diverting young people from involvement in paramilitary activity. This will include identifying commissioning priorities, contingent on funding being available. A draft programme and funding proposal is being developed and is expected to be completed by November 2016. Initiatives and programmes are being designed for roll out in 2017-18 onwards. COMPLETED: This will be a standard agenda item at all Public Sector Group meetings.
A3.10 Page 17	Support for Transition <ul style="list-style-type: none">• Initiatives to help moves away from paramilitary structures and activity.• The reintegration of people previously involved in the Troubles taking into account the report of the Review Panel on employers' guidance on recruiting.	This is included in the Executive's Action Plan which remains under active consideration and publication is expected shortly. The second report of the Review Panel has been received by the First Minister and deputy First Minister. This will be considered further as part of the Executive's

		Action Plan which remains under active consideration and publication is expected shortly.
A Strategy Tackling Paramilitarism, Criminality and Organised Crime		
A4.1 Page 17	A three person panel will be appointed by the Executive by the end of December with the task of bringing back to the Executive for agreement and action a report before the end of May 2016 with recommendations for a strategy to disband paramilitary groups.	COMPLETED: Panel report published on 7 June.
A4.2 Page 17	<p>The Executive shall:</p> <ul style="list-style-type: none"> • carry out research into the social costs and implications of paramilitarism and further steps that the Executive can take to promote a more integrated cohesive and lawful society; 	<p>Research is to be commissioned by the Department of Justice in line with the need identified in the Executive's Action Plan. The UK Government is also conducting research into paramilitary style attacks.</p> <p>The NI Omnibus survey in September will measure public attitudes towards organised crime which will contribute to the evaluation of the public awareness campaign.</p>
	<ul style="list-style-type: none"> • undertake a public awareness campaign to raise public understanding of the harm done by paramilitarism and organised crime and the steps that everyone can take to contribute to the prevention of crime and progress towards the end of paramilitarism in Northern Ireland; and • report on how efforts to tackle paramilitarism will be linked to wider cross-departmental and statutory agency work programmes aimed at reducing community division and the causes of sectarianism and racism in NI. 	Work is underway to develop tender documentation with a view to tendering in the summer, and launching the campaign in November 2016.
A4.3 Page 17	Before the end of June 2016, the Executive will publish an action plan including all of the above measures, together with timescales for implementation.	The Executive's Action Plan remains under active consideration and publication is expected shortly.
Monitoring and Implementation		
A5.1 Page 17	<p>A four member international body including persons of international standing will be established by the UK and Irish Governments. The UK Government and the Irish Government will nominate one member each and the Executive shall nominate two members. The body will:</p> <ul style="list-style-type: none"> • report annually on progress towards ending continuing paramilitary activity connected with NI (or on such further occasions as required); • report on the implementation of the relevant measures of the three administrations; and • consult the UK Government and relevant law enforcement agencies, the Irish Government and relevant law enforcement agencies and, in 	<p>A Bill establishing the legislative basis was passed at Westminster with Royal Assent granted in May. The UK and Irish Governments are working together on the preparation of the International Treaty required to provide for this new body. The UK Government will bring forward supporting regulations in due course and the Irish Government will also legislate. Work is ongoing on the practical arrangements for the establishment of the body.</p>

	Northern Ireland, the Executive, PSNI, statutory agencies, local councils, communities and civic society organisations.	
A5.2 Page 18	The reports of the body will inform future Executive Programme for Government priorities and commitments through to 2021.	For future consideration once the body has been established
B. NI EXECUTIVE FINANCIAL REFORMS AND CONTEXT		
Reform and Efficiency		
B1.2 Page 19	Public Sector Reform and Restructuring Transformation Fund	The latest forecast suggests that over 4,000 full time equivalent public sector staff, inclusive of the NICS will exit at a cost of £170million and generating annual savings of approximately £160million. When taken together with the volume recruitment freeze and release of Agency staff which was in place for 16 months the NICS has reduced in size by 17% in the last two years.
B1.3 Page 19	Departmental Restructuring	COMPLETED: The restructuring of government departments was successfully implemented on 9 May 2016.
B1.4 Page 19	Reform of property management	A programme blueprint was agreed in December 2015. Three projects are being undertaken on Estate Rationalization, Asset Information, and Business Transformation. The benefits realisation plan has been prepared.
B1.5 Page 19	Asset Management Strategy	Capital realizations of over £155million have been achieved over the period 2011-12 to 2015-16. Annual asset management resource savings of approximately £36million were achieved over period 2011-12 to 2014-15, aiming for £100million per year by 2020-21. Funding was secured in 2016-17 budget to develop estate rationalization projects with further Invest to Save opportunities to be considered for Budget 2016.
B1.6 Page 19	Digital Transformation Programme	Initial targets have been exceeded with 4.5million new online transactions and 20 new or transformed digital services delivered.
B1.7 Page 20	OECD Review	The OECD Public Governance Committee ratified the report at the 53 rd congress of the Committee

		on 22 April 2016. The report is to be considered by the Executive and the OECD report launch is scheduled for 6 July 2016.
B1.8 Page 20	Impact of division	COMPLETED: The Report was published by the then Finance Minister on 10 March.
B1.9 & B1.10 Page 20	Cross-cutting reform in 6 thematic areas Benchmarking, alternative models of delivery and structural reform in the big spending areas of education, health, and justice are inherent in these themes. It is anticipated that the Executive will shortly endorse the implementation of action plans associated with these proposals.	A number of feasibility studies are underway and these will be followed by action plans, where evidence justifies proceeding and funding is in place for implementation.
B1.11 Page 20	The Executive is also committed to progressing significant structural reform of social housing provision. This will be focused on reducing the Departmental Expenditure Limit subsidy pressures.	Business cases will be prepared by the end of the summer 2016 that will identify and assess options for reform in delivery of landlord and non landlord services.
B1.12 Page 20	Cost Reduction Targets: The Executive will have to set challenging cost reduction targets for each of the nine new departments for each year of the forthcoming Spending Review period.	Budget 2017-18 will impose Public Expenditure constraints, including cost reduction targets to live within Control Totals.
B1.14 Page 20	...the Executive will consider revenue raising measures if cost reductions cannot be achieved quickly enough or if there is a decision to maintain enhanced public services.	Budget proposals for 2017-18 and beyond are being prepared.
Executive's position on Corporation Tax		
B1.18 Page 21	In accordance with the requirements of the Stormont House Agreement, the Executive reaffirms its commitment to take all the actions necessary to demonstrate that its finances are on a sustainable footing for the long term including successfully implementing measures in the Stormont House Agreement, this agreement and subsequent reform measures.	A programme of Public Sector Reform is in place to support budgetary measures. Budget 2017-18 will impose Public Expenditure constraints to live within Control Totals. The new Executive will determine its budget to 2020-21 and will take the necessary steps to ensure that budgets will balance on a year-to-year basis.
B1.19 Page 21	The NI Executive commits to a commencement date of April 2018, and a Northern Ireland rate of 12.5%.	Preparatory work is continuing including the establishment of a project board to oversee delivery. A benefits maximization plan is under consideration with plans to include longer term actions in the refresh of the Economic Strategy. Discussions are underway on the UK Government assessment of the sustainability of the Executive's finances which will be necessary to continue to meet the

		Executive's timetable.
C	NI EXECUTIVE WELFARE AND TAX CREDIT ENHANCEMENTS	
C1.1 Page 22	The Executive has agreed to allocate a total of £585 million from Executive funds over four years to 'top-up' the UK welfare arrangements in NI with a review in 2018-19. This sum incorporates the present discretionary fund.	COMPLETED
C1.2 Page 22	The Executive will establish a small working group under the leadership of Professor Eileen Eason to bring forward proposals within this financial envelope (including administrative costs) to maximise the use of these additional resources.	COMPLETED
C1.3 Page 22	The Executive has agreed to implement the findings of the working group within the financial envelope available.	COMPLETED: The Executive agreed the recommendations and first year funding package on 21 January. The first payments were implemented in June. The second tranche of regulations were agreed by the Executive and passed by the Assembly on 27 June.
Legislative Process		
C2.1	It is agreed that Legislative Counsel in the NI Assembly will work with Parliamentary Counsel at Westminster to prepare the necessary legislation and Order in Council to effect current welfare changes	COMPLETED
C2.2	The Welfare Bill will be debated and approved by the Assembly by way of a Legislative Consent Motion no later than the week commencing 23 November 2015. This approval will also cover the draft Order in Council which gives effect in NI to the 2012 welfare changes in GB, the welfare clauses of the Welfare Reform and Work Bill as initially introduced at Westminster and the Executive's proposals to enhance payments flowing from this Agreement.	COMPLETED
C2.3	Following Assembly approval, the Bill will be passed at Westminster in order to meet the Executive's timetable	COMPLETED
C2.4 Page 23	Any subsequent changes to the welfare elements of the Welfare Reform and Work Bill will be brought to the Assembly for debate and approval.	A draft Order in Council has been prepared. These powers will enable the Department for Communities to make payments to claimants impacted by Social Sector Size Criteria and those entitled to receive a "Cost of Working" Allowance. The Order in Council is expected to be law later in the year. .
C2.5 Page 23	The welfare and tax credit top-ups will be taken forward by the Assembly	The first set of regulations was passed by the Assembly in April. The second set was agreed by the Executive and passed by the Assembly on 27 June. The UK Government confirmed in the

		<p>Budget that top-ups related to non-taxable benefits would be exempt from tax. The Department for Communities has put in place disregards for the purposes of social security payments.</p> <p>A mandatory scheme is also being developed to mitigate the impact of the Social Sector Size Criteria to ensure no household is financially impacted. Legislative powers to pay future claimants are being incorporated within the Order in Council.</p>
Advice Centre Support		
C3.1 Page 23	The Executive, in preparing its budget for next year, will provide additional funding for independent advice services in recognition of the complexity of welfare and tax credit changes.	The Executive allocated £2million to welfare advice services as part of June Monitoring.
D	UK GOVERNMENT FINANCIAL SUPPORT	
D1.1	<p>In the SHA the UK Government agreed to provide support. This included:</p> <p>flexibility to use £700m of capital borrowing to fund a voluntary exit scheme over a period of 4 years with £200m in 2015-16, £200m in 2016-17, £200m in 2017-18 and £100m in 2018-19;</p> <p>a contribution of up to £500m over 10 years of new capital funding to support shared and integrated education subject to individual projects being agreed between the Executive and the UK Government;</p> <p>up to an additional £350m borrowing for infrastructure projects with a profile over four years with £100m in 2015-16, £100m in 2016-17, £100m in 2017-18 and £50m in 2018-19;</p> <p>allowing the proceeds of specific agreed asset sales to be retained in their entirety and exceptionally consideration of these funds being used for a combination of both capital and resource spending;</p> <p>flexibility to repay both the £100m loan from the Treasury and £114m welfare deductions from asset sales and capital budgets;</p> <p>if the implementation of welfare reform is completed during 2015-16 (including the relevant secondary legislation) the £114m deduction will be reduced to reflect the proportion of the year prior to implementation of the measures; and</p> <p>up to £150m over 5 years to help fund the bodies to deal with the past.</p> <p>This support remains subject to the conditions set out in the financial annex to the SHA, and funding for bodies to deal with the past is subject to agreement</p>	The UK Government's support remains subject to the conditions set out in the financial annex to the Stormont House Agreement.

	on their establishment.	
Welfare Reform		
D3.2	The Assembly will approve a consent motion no later than next week to enable primary and secondary legislation to make changes to the welfare system to proceed at Westminster.	COMPLETED
D3.3	...the UK Government will progress legislation which will comprise a Bill in Parliament to allow for changes to the welfare regime in Northern Ireland. A sunset clause will be included in the Bill to bring this arrangement to an end at the end of 2016	COMPLETED
D3.5 Page 26	<p>...the UK Government confirms:</p> <ul style="list-style-type: none"> • welfare deductions for 2015-16 will stop following Assembly approval of the consent motion set out above and the UK Government will refund the proportion of deduction due for the remainder of the year, making an equivalent sum available to the NI Executive spread equally over 2016-17 and 2017-18; • it will support the proposal put forward to address welfare error and fraud in Northern Ireland, and will provide up to £25m of new ring-fenced funding per year for five years to support implementation; and • it will not make any welfare-related Annually Managed Expenditure deductions on the basis of savings anticipated by the 2012 Welfare Reform Act in 2016-17; • any successful bid for a share of error and fraud savings will need to demonstrate forecast savings that can be verified by the Office for Budget Responsibility, in line with the process for assuring similar forecasts by the Department for Work and Pensions. 	Discussions are ongoing between the UK Government and the Executive to ensure that funding can be accessed by DfC and SSA in a manner which best supports the implementation of welfare reform and addresses fraud and error.
D3.6 Page 26	...the UK Government has agreed that half of all savings certified by the OBR can be reinvested by the Executive (for example for integrated health, work and wellbeing interventions; employer support to hiring young unemployed and long-term unemployed).	The UK Government is committed to examining any proposal that generates savings which could be verified by the OBR.

Budget Controls		
D4.1 Page 26	<p>The UK Government welcomes the Executive's plans to establish an Independent Fiscal Council for Northern Ireland. The Council will:</p> <ul style="list-style-type: none"> • prepare an annual assessment of the Executive's revenue streams and spending proposals and how these allow the Executive to balance their budget; and • prepare a further annual report on the sustainability of the Executive's public finances, including the implications of spending policy and the effectiveness of long-term efficiency measures. <p>The membership and terms of reference of this Council will be agreed with the UK Government.</p>	The terms of reference have been approved by the Finance Minister. Work is ongoing to identify membership of the Council.
D4.2 Page 27	The UK Government will legislate, with Assembly consent, to ensure that the Assembly cannot consider spending plans which exceed the Block Grant allocated by the Treasury or the NIE's borrowing limits, where planned spending relies on those funding sources.	COMPLETED: The provision is contained in Northern Ireland (Stormont Agreement and Implementation Plan) Bill which was passed at Westminster with Royal Assent granted in May.
In-Year Pressures		
D5.1	The UK Government will release those additional in-year budgetary flexibilities as set out in the SHA to support the Executive in ensuring public services continue to be delivered whilst wider reforms are being pursued	COMPLETED
D5.2	The Northern Ireland Executive will complete a monitoring round by the end of November 2015, setting out clearly the action being taken to balance its 2015-16 position.	COMPLETED
Corporation Tax		
D6.2 Page 27	The UK Government will undertake an ex-post review of the costs of the devolution of Corporation Tax four years after the implementation of a devolved rate by the Executive. This review will consider the extent of behavioural costs (but not second round effects) and will make further adjustments to the Northern Ireland Block Grant as supported by new evidence	Review to commence four years after implementation.
SHA Flexibilities and Support		
D7.1 Page 27	<p>Subject to:</p> <ul style="list-style-type: none"> • the conditions set out in the SHA financial annex on the need for UK Government agreement where specified for specific projects; and • confirmation by the Executive as part of this supplementary agreement that the flexibility and support offered is sufficient to deliver a balanced budget for 2015-16 by the end of November 2015 and the publication of a balanced budget for 2016-17 in the Assembly by the end of January 2016; <p>the UK Government will agree to the release of the support and flexibility outlined in the SHA financial annex as it relates to the 2015-16 and 2016-17 budgets. The detailed plan for incorporating this</p>	COMPLETED

	<p>support into budgets should be agreed with HM Treasury in advance of the publication of the 2016-17 NI Executive budget.</p>	
D7.2	<p>The UK Government will provide a number of further flexibilities:</p> <ul style="list-style-type: none"> • ensuring that the NI Executive can access the full amount of additional borrowing provided by the SHA even if it is able to realise agreed efficiency savings from Voluntary Exit Scheme without switching the full amount of existing borrowing for that purpose; • capital funding for shared and integrated education can be used to support shared housing projects, with individual projects to be agreed by the UK Government (expansion of commitment at SHA A7); and • any under spend of new legacy funding in 2015-16 may be carried forward to 2020-21 (but funding for bodies to deal with the past is subject to agreement on their establishment). 	Funding for bodies to deal with the past is subject to agreement on their establishment.
Tackling Continued Paramilitary Activity		
D8.1 Page 28	The UK Government confirms that it will provide additional security funding of £160m over the next five years to support the PSNI to address the continuing 'SEVERE' National Security threat, as well as provide greater capability to tackle continued paramilitary activity and criminality.	COMPLETED
D8.2 Page 28	The UK Government will provide an additional £25m over five years to tackle continuing paramilitary activity. The UK Government funding will only be released after the Executive has agreed a strategy to address continuing paramilitary activity.	Funding for the first tranche of activity in 2016-17 has been made available by the Executive from its £5million match funding. A programme board has been established to prioritise funding bids.
D8.3 Page 28	The NI Executive will match the UK Government's additional funding to tackle continuing paramilitary activity.	COMPLETED
D8.4 Page 29	The UK Government will ensure in the Spending Review that UK Government agencies are appropriately resourced to ensure that the concerted UK/PSNI policing and criminal justice response to paramilitarism and criminal activity is delivered.	COMPLETED
D8.5 Page 29	The UK Government recognises the need to ensure progress against any strategy to tackle paramilitary activity is delivered effectively. It will provide funding of up to £3m over four years to establish and fund the new Monitoring and Implementation body.	The UK Government will make this funding available as detailed.
Shared Future		
D9.1 Page 29	The UK Government will provide an additional £60m over five years in support of the Executive's delivery of confidence and relationship building measures within and between communities, contributing to the conditions that will allow the removal of peace walls and the creation of a shared future.	Work is underway to determine how the £12million 2016-17 budget should be allocated.

E.	IRISH GOVERNMENT FINANCIAL SUPPORT	
E1.3 Page 30	The Irish Government reaffirms its support for the EU PEACE and INTERREG programmes, which includes substantial funding negotiated during the Irish Presidency of the European Union. It will continue to work closely with the Northern Ireland Executive to ensure that funding opportunities are maximised under these EU programmes. Almost half a billion euro will be available from EU sources during the period 2016 to 2021.	A draft composite paper will be considered by Ministers at the NSMC Plenary scheduled for 4 July. It includes the A5, Ulster Canal, Narrow Water Bridge and alternative funding opportunities including opportunities to maximize EU Funding.
E1.5 Page 30	The Irish Government will also continue to explore capital investment in health projects and services that benefit the border region.	The Irish Government is exploring capital investment in health projects and services that benefit the border region in the context of the capital expenditure programme. This will be referenced at NSMC July meeting.
A5 Western Corridor serving the North West		
E2.2 Page 31	...the Irish Government reaffirms its existing commitment to providing funding of £50 million for this project. It will also commit an additional £25m to ensure that Phase 1 of the project can commence as soon as the necessary planning issues have been resolved by the Northern Ireland authorities. In accordance with the revised project timeline, the Irish Government funding will be provided in three tranches of £25m in the years 2017, 2018 and 2019 respectively.	A draft composite paper will be considered by Ministers at the NSMC Plenary scheduled for 4 July. It includes the A5, Ulster Canal, Narrow Water Bridge and alternative funding opportunities including opportunities to maximize EU Funding.
E2.3 Page 31	... the Executive and the Irish Government have agreed that construction on the first section of the A5 will commence in 2017 with a view to completion by 2019. The first section will be the route between New Buildings (outside Derry/Londonderry) to north of Strabane.	The A5 construction work remains on track to start in late 2017.
The Ulster Canal		
E3.3 Page 31	The Executive and the Irish Government agree to undertake a review with a view to identifying options for jointly developing future phases of the Ulster Canal restoration project, for consideration by the North South Ministerial Council in June 2016.	This is included in the composite paper for the July NSMC Plenary.
E3.4 Page 31	As part of the Mid Term Review of the Capital Plan, the Irish Government will work also with the Northern Ireland Executive to seek agreement on a funding plan for the Atlantic Youth Trust initiative. This proposal involves a new sail training vessel to facilitate youth development, mentoring, and training on an all-island basis.	This will be part of the mid-term Capital Plan review by the Irish Government. The Department for Communities is the lead Executive department for this project.
Narrow Water Bridge		
E4.2 Page 31	The Northern Ireland Executive and the Irish Government agree to undertake a review of the project with a view to identifying options for its future development, for consideration by the North South Ministerial Council in June 2016.	This is included in the composite paper for the July NSMC Plenary.

North West Development Fund		
E5.2 Page 32	The Irish Government has agreed to provide funding of €2.5m to support the [NW Gateway] Initiative, which will be complemented by matching funding from the Northern Ireland Executive.	The relevant Councils are preparing proposals for the use of the funding for consideration by both governments, following which a bid will be submitted for match funding in October monitoring.
Next Steps		
E6.1 Page 32	A group of senior officials from the Northern Ireland Executive and the Irish Government will meet regularly to maintain a strategic overview of economic and infrastructural investment, with regard to the projects set out in this Section. They will also consider opportunities for sourcing further investment for all-island infrastructure projects for mutual benefit, including through PPPs, EU funding and other non-Exchequer sources.	This is included in the composite paper for the July NSMC Plenary.
E6.2 Page 32	Regular progress reports will be provided to the North South Ministerial Council.	The next meeting is scheduled for 4 July 2016.
F. IMPLEMENTATION OF OTHER ASPECTS OF THE SHA		
Flags, Identity, Culture and Tradition		
F15 Page 33	The advertisement and information pack to enable the recruitment of the eight non-political members of the Commission will be placed by OFMDFM in December 2015. Political nominations from the five largest parties will be invited during December. It is planned to have the Commission established by March 2016.	COMPLETED: Co-Chairs and members of the Commission were announced by the First Minister and deputy First Minister on 20 June.
Parades		
F16 Page 33	A discussion paper is currently being prepared for the Executive. The paper will outline options in relation to the model and operation of the regulation of parades and related protests and the key outstanding issues of contention such as code of conduct, criteria and accountability. OFMDFM will bring this paper to the Executive.	A draft Executive paper is to be prepared for submission to the First Minister and deputy First Minister.
The Past		
F21-55 Page 34	There remains a need to resolve the outstanding issues and the UK Government and Irish Government will reflect on the options for a process to enable this.	Engagement continues to take place with victims groups and others with a view to building the consensus needed to legislate.
Institutional Reform		
F56 Page 35	A Bill to reduce the number of MLAs to five members per constituency will be introduced to the Assembly no later than the end of November 2015	The Bill is awaiting Royal Assent which is expected shortly.
F57-58 Page 35	A Protocol governing the use of the Petition of Concern mechanism in the Assembly will be referred to the Speaker within a month [17 December] of the date of this Agreement.	Alliance, SDLP and UUP have declined to be co-signatories of the Protocol on the Use of the Petition of Concern.
F59	A Statement of Proposed Entitlements for an Official Opposition will be introduced as part of the arrangements to enable those parties entitled to	COMPLETED

	Executive ministerial positions but choose not to do so, to be recognised as an official opposition. The Speaker will be asked to arrange for the amendments to Standing Orders and relative administrative procedures.	
F60 Page 36	... The Executive has [since] agreed the draft Departments Bill which will be introduced to the Assembly no later than the end of November 2015. There have been some amendments to the transfer of functions from OFMDFM and between departments. These will be reflected in the supporting Transfer of Functions Order which is currently being drafted.	COMPLETED
F61 Page 36	A Programme for Government framework adopting a more outcomes-based approach will be developed. Initial workshops will take place during the autumn with a view to having the framework prepared by the end of April 2016.	COMPLETED: Framework received Executive approval on 26 May and has been issued for consultation. Work will continue through the Autumn to finalise the Programme for Government, the Budget and related strategies.
	The necessary changes to Westminster legislation will be brought forward as soon as there is a suitable legislative vehicle.	COMPLETED
F64 Page 37	Assembly officials are also considering mechanisms to ensure that the Independent Financial Review Panel has all the necessary information to enhance the robustness and transparency of decision-making [relating to the system of Members' salaries and expenses]	The Assembly Commission will shortly bring forward the necessary legislative proposals.
F65 Page 37	Following the May 2016 Assembly elections the maximum consultation requirement on policy will be eight weeks.	COMPLETED
F66 Page 37	...further areas of devolution and changes to intergovernmental machinery...The UK Government will consider any such proposals put forward by the Executive.	For future consideration.
Outstanding Commitments		
F67 Page 38	Compact Civic Advisory Panel - A panel of six people will be established by the Executive. It will be tasked by the Executive to consider specific strategic issues relevant to the Programme for Government and report to the Executive. It may also propose subjects that it wishes to consider and seek Executive agreement to do so. The Panel will seek the views of a wide range of representatives and stakeholders from civic society. Panel members, including the Chair will be identified and appointed by OFMDFM.	Membership of the Panel is under consideration.
F71 Page 39	At the NSMC Institutional meeting on 25 February 2015 it was agreed that a meeting would take place to consider strategic approaches for the development of the North West region. The meeting date is to be confirmed.	Derry and Strabane District Council and Donegal County Council have submitted their prospectus ' <i>North West of the Island of Ireland – A Proposed Strategic Model for Regional Development and Growth – A Regional Prospectus</i> ' for

		Executive consideration and Ministerial endorsement. A date for a Ministerial meeting has to be confirmed.
F72 Page 39	The Executive will ensure full implementation of the T:BUC strategy, and beyond that will commit to a continuing effort to eradicate sectarianism in all its forms.	<p>£12million was allocated for Shared Future initiatives in 2016-17.</p> <p>To date:</p> <ul style="list-style-type: none"> • a 2016-17 summer camp programme is in progress; • one shared neighbourhood was launched in March with a second to be launched in July and seven others in construction with final development at contract stage; • United Youth piloted in 2015/16; • An economic appraisal for Limavady Shared Education Campus approved; Moy and Ballycastle projects are being progressed; and two further projects were announced in March 2016; • Cross Community Sports programme piloted and evaluated in 2015-16 and work started on a cross- community youth sports rural pilot in Lisnaskea; • Strategic frameworks for each Urban Village area will be launched at events in early July 2016; • Interface barriers have reduced from 59 to 52 and engagement is underway on 40 of remaining 52.
REVIEW AND MONITORING		
SHA 74 & 75 Page 39progress in implementing the provisions of this Agreement must be actively reviewed and monitored. Review meetings will include Executive party leaders as well as the UK Government and Irish Government... supported by the NICS and, as appropriate, officials of the UK and Irish Governments. There will be quarterly meetings, convened by the UK Government and Irish Government, with the first meeting before the end of January 2015 at which an implementation timetable will be agreed.	Review meeting took place on 29 June.
Page 39-40	Six-monthly updates on progress on the implementation of the Agreement will be published.	Six-monthly update published on 29 June.

