

FOI Request: 98/2004

Request from Mr John Burns of 'The Sunday Times' 'for all minutes of meetings of the government liaison committee overseeing the Digital Hub since May 2002.'

No	Date	Document Details	Release
1	08.05.2002	Government Liaison Committee Minutes	Partial Release. Page 1 Section 1 is not relevant to the request
2	26.06.2002	Government Liaison Committee Minutes	Partial Release. Part of Section 8, Page 2 is not relevant to the request
3	09.10.2002	Government Liaison Committee Minutes	Partial Release. Page 2 is not relevant to the request
4	20.11.2002	Government Liaison Committee Minutes	Partial Release. Part of Section 7, Page 2, is not relevant to the request
5	17.02.2003	Government Liaison Committee Minutes	Partial Release. Page 1, Sections 1 and 2, and Page 2, Section 1 are not relevant to the request
6	21.07.2003	Government Liaison Committee Minutes	Partial Release. Page 1, Section 1 and Page 2, Section 1 are not relevant to the request
7	08.10.2003	Government Liaison Committee Minutes	Partial Release. Page 1, Section 1 and part of Page 2, Section 1 are not relevant to the request
8	14.02.2004	Government Liaison Committee Minutes	Partial Release. Page 1, Section 2, and Page 2, are not relevant to the request
9	27.05.2004	Government Liaison Committee Minutes	Partial Release. Page 1, Section 1, Page 2, Section 1 and Page 3 Section 1 are not relevant to the request

Government Liaison Committee (MLE & Digital Hub)

Meeting – 8 May 2002 – 44 Kildare Street

MINUTES

Present:

T. Stewart Roche	HEA	Peter McArdle	Ernst & Young (E&Y)
Pat Macken	D/E&LG	Eamonn Molloy	D/PE
Paul Byrne	D/FIN	Patricia Cronin	D/PE
David Byers	OPW	Rebecca Minch	D/PE
Jennifer Condon	EI		
Brian O'Hanlon	D/FIN		
John Callinan	MLE		

2. Presentation on DMDL Business Plan – E&Y

- Paper submitted by E&Y entitled, *Draft DMDL Corporate Business Plan 2002-2010*
- DMDL Board expected to approve the Business Plan at end of this month
- DMDL have advised E&Y that they do not expect to be on a commercial footing until 2008 raising the issue of further Government funding for their operational budget being required beyond the stipulated date of end 2003
- DMDL have assumed continued Government funding for their operational budget in their projections
- Corporate Governance Guidelines require the submission only of Business Plans by State companies to their parent Government Department and not the approval of those Plans by that parent Department

Action Points

- Principal issues will be outlined in a conclusion paper to be supplied by E&Y at the end of their consultancy to D/PE (this paper to be circulated to the GLC for observations)
- D/PE will hold bilateral discussions with D/FIN to discuss the question of further post 2003 funding in greater detail
- Noted that, as the property is vested in the OPW on behalf of DMDL, the OPW should be kept informed on all developments concerning the PPP process.
- Agreed that D/PE would facilitate meeting between OPW and DMDL to discuss this.

3. Telecomms infrastructure in the Digital Hub

- Envisaged that broadband infrastructure in the Hub will be operated on a neutral, open access basis
- Will be progressed by D/PE in liaison with DMDL and Dublin City Council

Next meeting provisionally arranged for Wednesday 26 June at 2.30pm. E&Y will attend as part of the conclusion of their assignment.

Government Liaison Committee (Digital Hub)

2.30pm, 26 June, 2002

Dept of Communications, Marine & Natural Resources, 44 Kildare Street

MINUTES

Present:

Samara McCarthy	IDA
Stewart Roche	HEA
Conor O'Mahony	D/Fin
Brian O'Hanlon	D/Fin
David Byers	OPW
Paddy McDonagh	D/E&S
Peter McArdle	Ernst & Young
Don Bergin	Consultant to E&Y
Eamonn Molloy	D/C, M&NR
Rebecca Minch	D/C, M&NR

Apologies:

Jennifer Condon	EI
Pat Macken	D/E&LG

1. Ernst & Young Conclusions Paper & project sign-off

- A working draft paper outlining the work they have completed to date in respect of the five key areas of advice they were required to provide, and conclusions arising therein, was circulated by E&Y
- It was noted that E&Y had now completed their consultancy
- The group was asked to forward any observations to R. Minch by close of business on Monday, 1 July to allow for the finalisation of the paper by the middle of next week

2. Oversight Model

- Observations were invited from the group (to be submitted by close of business next Monday)
- Based on information supplied in the Oversight Model by DMDL, D/C, M&NR aim to proceed with drawdown of operational funds for the next quarter for DMDL
- Mr. O'Mahony raised an issue regarding the financial accounts for DMDL to 31 March 2001 and the operating surplus which arose. It was agreed that this matter would be discussed bilaterally between D/C, M&NR and the D/Fin as a matter of urgency

3. Property Update (D. Byers)

- Mr. Byers confirmed that a meeting between OPW and DMDL re licencing arrangements was held recently and that OPW drafts of licences currently with DMDL
- OPW have requested the following information from DMDL:
 - Confirmation that alterations to LAWS building do not require planning permission

- Confirmation that full insurance cover be provided by DMDL for Skateboarding event being organised in cooperation with MLE

4. Recruitment of CEO for DMDL

- Update given by Ms. Minch re the above – following the advertising of this post by DMDL, D/C, M&NR wrote to DMDL again requesting a job specification and indicating that any appointment would require sanction from the D/Fin
- Response from DMDL not yet received

5. Telecomms infrastructure in the Digital Hub

- Construction of fibre network due to be finalised in July 2002 with Network Operations Centre due to be completed by end of 2002
- Update given by Ms. Minch re procurement of the Management Services Entity which it is intended will be established by the beginning of 2003 to manage and operate the Metropolitan Area Networks (including the Digital Hub) being built by local authorities as part of Phase 1 of the National Broadband Strategy

6. DMDL Accounts

- The DMDL Accounts to 31 March 2001 were noted by Government on 18 June last and are now due to be laid before the Oireachtas subject to the resolution of an issue re surplus reported at 31 March 2001. (See comment on financial accounts under Section 2 above)

7. Legislation

- It is envisaged that the Digital Hub Development Agency Bill will be taken in the Seanad in the autumn

8. Review of Digital Hub project

- The Government Decision of April 2001 provided for a review of the project to be carried out in mid 2002
- It was agreed that the review should now be completed at the end of 2002. This is on the basis that the PPP process, which will be the critical catalyst for the success of the Digital Hub project, has only just recently commenced and a proper evaluation would not be feasible until this process is well underway.

Mr. Molloy concluded the meeting by thanking Mr. McArdle and Mr. Bergin, on behalf of the GLC, for the contribution they have made during their assignment.

Government Liaison Committee (Digital Hub)

2.30pm, 9 October, 2002

Dept of Communications, Marine & Natural Resources, 44 Kildare Street

Present:

Samara McCarthy	IDA
Stewart Roche	HEA
Paul Byrne	D/Fin
Lorcan Fullam	D/Fin
Paddy McDonagh	D/E&S
Michael English	D/ET&E
Eamonn Molloy	D/CMNR
Rebecca Minch	D/CMNR

Apologies:

Jennifer Condon	EI
Pat Macken	D/E&LG

Funding for DMDL

- GLC advised of situation regarding surplus which arose on DMDL accounts at end 2001. This issue was raised with Dept of Finance by C&AG (auditor to DMDL).
- Under Government accounting rules any surplus must be surrendered to the Exchequer. The surplus issue will be dealt with in the context of the C&AG report on the DMDL 2001 accounts.
- Agreed that GLC should work towards preparing a paper dealing with the question of funding for DMDL post 2003 which would cover areas such as, DMDL's revenue potential and the outlook for the digital media sector.

Legislation

- Second Stage of the Bill to be taken in the Seanad on Thursday, 17 October.
- Appreciation was expressed for the briefing material supplied by members of the GLC to DCMNR in preparation for this.
- Agreed that a standard borrowing power should be included in the Bill and that DCMNR would agree the wording of this provision with the Dept of Finance.

CEO appointment

- DMDL currently seeking sanction for remuneration package before appointing the selected candidate.
- Briefing on the appointment will be given by DMDL at the next GLC meeting.

Printworks

- Preliminary work on the refurbishment of the building underway.

Oversight Model

- Updated financial information will be included in the next version after the forthcoming DMDL Board meeting.
- DMDL to give presentation on the Oversight Model at the next GLC meeting.

Government Liaison Committee (Digital Hub)

2.30pm, 20 November, 2002

Dept of Communications, Marine & Natural Resources, 44 Kildare Street

Present:

David Byers	OPW
Stewart Roche	HEA
Pat Macken	D/E&LG
Paul Byrne	D/Fin
Lorcan Fullam	D/Fin
Eamonn Molloy	D/CMNR
Patricia Cronin	D/CMNR
Rebecca Minch	D/CMNR
Eve-Anne Cullinan	DMDL
Joe Moreau	DMDL
Jenny Cotter	DMDL

Apologies:

Jennifer Condon	EI
Samara McCarthy	IDA
Paddy McDonagh	E&S

1. Briefing from DMDL

- PPP process – DMDL will request that developers deliver residential and enterprise elements in parallel. DMDL looking at incentivising the delivery of the enterprise component. Preferred bidder to be identified by end Q1 2003. Mr. Macken highlighted the need for DMDL examine any State Aid issues that may arise from linkages between the PPP process and tax incentives.
- Letting of 157 Thomas Street – companies due to move in shortly.
- Launch of the new project office and learning space – learning initiatives due to be underway in Q1 2003 .
- Outline of DMDL's financials given as per Oversight Model submitted to the GLC – assurance given by DMDL that there would be no surplus at end 2002.
- Memorandum & Articles of Association issued by the DCMNR(then DPE) to DMDL earlier this year due to be considered by DMDL at their next board meeting.

2. Funding for DMDL

- DMDL to be allocated €2.3m for operational funding in 2003.
- D/Fin do not foresee any increase on this amount.

3. Legislation update

- Committee Stage of the Digital Hub Bill now completed in Seanad. Report Stage scheduled for 3 December.

4. Printworks

- Contract for joint venture about to be signed with EI. On site works due to begin Q1 2003.

5. Property update

- Title currently being completed by CSSO.

6. DMDL Accounts

- DMDL accounts to end December 2001 have been noted by Government and adopted by the Board of DMDL. They will now be laid before the Houses of the Oireachtas.

7. AOB

- The future operation of the GLC to be reviewed in anticipation of the enactment of the Digital Hub Bill. GLC to revert with suggestions.
- The review of the project to be undertaken after Q1 2003 i.e. after the enactment of the legislation/ tenders received in PPP process.

Government Liaison Committee (Digital Hub and MediaLabEurope)

2.30pm, 17 February, 2003

Dept of Communications, Marine & Natural Resources, 44 Kildare Street

Present:

David Byers	OPW
Stewart Roche	HEA
Paul Byrne	D/Fin
Lorcan Fullam	D/Fin
Samara McCarthy	IDA
Michael English	D/ET&E
Eamonn Molloy	D/CMNR
Patricia Cronin	D/CMNR

MLE 2.30 to 3.30

John Callinan	MLE
Ronan Smith	MLE

DMDL 3.45 to 4.30

Eve-Anne Cullinan	DMDL
Joe Moreau	DMDL
Jenny Cotter	DMDL

DMDL

DMDL made a brief presentation on their 2003 priorities. These are:

- Completion and letting of the Printworks
 - Availability of more short term enterprise space at 10-13 Thomas St and the Gate House
 - Selection of the preferred bidder for the PPP and completion of the planning process
 - Completion of the Network Operations Centre
 - Target of 18 companies operating in the Hub
 - Additional sponsorship secured from Guinness
 - Workshops with IDA/EI on marketing of the Hub
 - Deliver pilot learning initiatives and facilitate links with MLE and third level sector
 - Examine financial and operational framework for the project post 2003
- In response to the latter point, the Department of Finance explained that Government funding for the project runs out at the end of this year and no Government commitment exists in regard to future funding.

In a follow up meeting after the departure of DMDL representatives, OPW advised that:

- the PPP process is going well and that the structure of the taxation element of the PPP is an important issue for all short-listed consortia.
- Issues such as the timing of the income stream for DMDL arising from the PPP remain to be resolved.
- A number of developers have asked about putting the VAThouse into the PPP. This requires consideration of a number of issues including the impact on MLE for whom this building has been purchased and how they might gain from its inclusion in the PPP. This possibility has been signaled to MLE and OPW is to consider this matter further and come back to the Group with a recommendation.

- The Department of Finance is anxious that the review of the project, as provided for in the Government decision on funding for the project, would start soon so that the financial and organizations issues arising post 2003 can be formally considered. It was agreed that DCMNR would start work on the terms of reference for the review within the next few weeks. OPW will look at sourcing an appropriate person to undertake the review.

(6)

**Government Liaison Committee
(Digital Hub & MLE)**

**Draft Minutes of Meeting
11.00am, Monday 21 July, 2003**

In attendance:

Eamonn Molloy – D/CMNR
Patricia Cronin – D/CMNR
Ciara Bates – D/CMNR
Samara McCarthy - IDA
T. Stewart Roche - HEA
Kieran Grace – D/ETE
Lorcan Fulham – D/Finance
John Callinan - MLE

Briefing from DMDL (representatives from DMDL were unable to attend)

- The Digital Hub Development Agency Act, 2003 was signed into law with the Establishment Day Order effective from 21st July, 2003. Following on from the Legislation a number of actions were taken:
 - Re-appointment of the Board
 - Property transferred from OPW to the new Agency
 - Agency will continue to be governed by the Corporate Governance Guidelines.

- The ITN for a developer for the Digital Hub properties has issued to the four shortlisted tenders.
- The development of the building Vathouse 7 is to be offered to the developer selected to refurbish the digital hub properties.
- Attention was drawn to the fact that DMDL will be approaching Government with a view to requesting additional funding for 2003 and also for further funding in 2004. The agreed Government funding for this project as per the original contract will have been paid in full by the end of 2003.
- The issue of the Executive Services Team contract was also raised.

Date of Next Meeting

- The GLC will meet again in September 2003.

*Digital Hub Unit
August 2003.*

Meeting of Government Liaison Committee on 8 October 2003

Attendance

Stewart Roche	HEA
Paul Byrne	D/Fin
David Byers	OPW
Kevin McCarthy	D/E&S
Eamonn Molloy	D/C, M&NR
Patricia Cronin	D/C, M&NR
John Callinan	MLE
Philip Flynn	Digital Hub Agency

Digital Hub

Philip Flynn then joined the meeting.

In regard to staffing the Department of Finance advised that a letter has issued to the Department of Communications in regard to the request for staff for the Hub. The Department of Communications undertook to pass the letter to the Digital Hub Agency immediately. The Department of Finance also asked whether consideration has been given to a renegotiation of the Magahy & Co contract this year in light of the additional staffing resources. Philip Flynn agreed that this would be examined.

In regard to funding for next year, the Agency is of the view that Government resources will be required to cover the transitional phase until a funding stream becomes available from the private sector developer. Philip Flynn advised that the Board of the company is reluctant to look at borrowing until the likely structure and size of the income stream from the properties is clear. Paul Byrne reminded the meeting that Government funding for the project expires at the end of this year and that the estimates process for next year will be challenging.

The Print Depot is ready for occupancy with 30,000 sq ft of usable space of which 20,000 sq ft is available for letting. 12,000sq ft will be filled by Enterprise Ireland and, of the remainder, 50% has been taken by Havoc with the balance to be filled by an overseas tenant to be secured by the IDA.

Utilising the Diageo sponsorship, progress is being made with the Liberties Learning Initiative where NCTE is also heavily involved. The Agency proposes to approach Diageo to ascertain if their sponsorship can be used to cover programme management expenses.

After the departure of Philip Flynn the following actions were agreed by the Committee:

- OPW will engage outside experts to review the proposed contract for refurbishment of property when it is submitted by the Board to the Minister and Minister for Finance for approval.
- On the funding issue, a letter will issue from the committee asking the Board of the Agency for proposals to address funding for next year.

Meeting of Government Liaison Committee on 14 February 2004

Attendance

Stewart Roche	HEA
Paul Byrne	D/Fin
Eamonn Molloy	DCMNR
Kevin O'Brien	DCMNR
Stjohn O'Connor	DCMNR
John Callinan	MLE
Michael McDermott	Digital Hub Agency
Dr Stephen Brennan	Digital Hub Agency

Digital Hub

Michael McDermott outlined that on foot of the last GLC meeting DHDA had renegotiated the Executive Services contract. The contract is now based on a per day basis as opposed to the previous fixed fee arrangement. The cost in 2004 is expected to be in the region of €800k.

The Department of Finance asked whether consideration has been given to renegotiation of the Executive Services contract towards a more unit cost based structure. Michael McDermott agreed that this would be examined.

Legal fees (Fry's) are estimated to be in the region of €250k for 2004. DHDA were asked to benchmark the rates being charged.

Three buildings are now complete with 25 enterprises now located in the Hub. Rent for 2004 is forecasted at €400k.

Milestones for 2004 are to: work with the IDA and Enterprise Ireland to create a brand within the gaming and wireless technology markets, Highlight the benefits of clustering to SMEs, and to create an environment where research organisations can develop.

Utilising the Diageo sponsorship, further progress is being made with the Liberties Learning Initiative. Sixteen schools and eight community centres are due to join the Initiative within the next three weeks.

Meeting of Government Liaison Committee on 27 May 2004

Attendance

Stewart Roche	HEA
Eamonn Molloy	DCMNR
Kevin O'Brien	DCMNR
Stjohn O'Connor	DCMNR
David Byers	OPW

Apologies

Paul Byrne	D/Finance
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Digital Hub Development Agency

David Byers gave an overview of the progress made on the developer competition, including the investment of €45 million in the DHDA property. Following a general discussion the following steps were agreed:

- Letter reconfirming GLC position to DHDA and seeking detail of Developer Competition by end June
- William Burgess meets with the Secretary General
- Possibility of William Burgess meeting with the Minister
- Future borrowing to be addressed on a month-by-month basis to ensure ability to continue trading

Stjohn O'Connor
Digital Hub Unit
28 May 2004

GLC - 27/5/04

DHDA

- D) Reply to P Flynn proposed, re-affirming earlier letter and suggesting DHDA inform Minister post 30 June Board meeting