

**Composite Brief – Administrative Budget**

**Subheads A1 – A9**

Shaded Areas Contain Confidential Information – Not For Public Release

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## 1. 2007 OUTTURN & 2008 ESTIMATE BY SUBHEAD

<b>SUBHEAD</b>	<b>2007 Outturn €000</b>	<b>2008 Estimate €000</b>
A1 – Salaries, Wages & Allowances	23,494	17,389
A2 – Travel & Subsistence	1,718	1,228
A3 – Incidental Expenses	1,727	1,759
A4 – Postal & Telecoms Services	1,079	1,013
A5 – Office Machinery & Supplies	8,159	7,717
A6 – Office Premises Expenses	1,636	1,637
A7 – Consultancy Services	2,095	2,606
A8 – Equipment, Stores & Maintenance	186	226
A9 – VFM & Policy Reviews	61	204
<b>TOTAL</b>	<b>40,155</b>	<b>33,780</b>

## **2. DECENTRALISATION**

There have been substantial changes to the configuration of my Department since the 2007 general election. This has resulted in significant changes to the programme for decentralisation of Divisions of my Department, particularly in relation to those divisions decentralising to Clonakilty.

The Programme initially involved the relocation of the Department Headquarters (HQ) to Cavan and the Seafood and Coastal Zone functions to Clonakilty. Bord Iascaigh Mhara and the headquarters of the newly formed Sea Fisheries Protection Authority were also to relocate to Clonakilty. In advance of departmental reconfiguration, the Department had already delivered on the relocation of the entire Seafood and Coastal Zone functions and well as the Sea Fisheries Protection Authority to temporary accommodation in Clonakilty. In addition the Department had overseen with OPW the purchase of a site and assisted OPW in its tender competition to build a permanent building in Clonakilty. Since the reconfiguration of the Department, those Divisions already decentralised to Clonakilty have been transferred to the Department of Agriculture Fisheries and Food and that Department is now progressing the permanent building element of the programme.

The programme, as it now relates to the Department, involves relocation of the Department's Headquarters to Cavan and the decentralisation of the Central Fisheries Board (CFB) to Carrick-on-Shannon, Ordnance Survey Ireland (OSi) to Dungarvan and Sustainable Energy Ireland (SEI) to Dundalk.

The Department's Corporate Services Principal is overseeing and progressing issues relating to planning, property and accommodation while the Personnel Officer, Human Resources, is managing the staff transfer activity.

### **Cavan**

A 10.7-acre site has been acquired in Cavan Town to accommodate the decentralisation of the Headquarters functions of my Department to Cavan. A detailed specification on the needs of the Department in the new offices has been submitted to Office of Public Works (OPW) and preliminary discussions have taken place. It is expected that agreement on significant elements of the specification will be reached shortly.

The Department is working with the OPW towards setting out a detailed brief in order to facilitate the initiation of a competitive tendering process by OPW for a design build project. The successful bidder from this process will be responsible for the project from planning application to final delivery.

An advance party of forty-five staff is currently based in interim accommodation in Cavan Town covering Corporate Services, Domestic Policy Co-ordination, EU Co-ordination, North South Co-ordination, Internal Audit and Financial Management functions including payment of Departmental salaries and financial planning.

A further twelve to fifteen staff members will relocate to Cavan with additional functions, including Staff Development Unit and Strategic Change in the coming

months. A further advance party is actively being considered and the Department is in consultation with OPW in relation to additional accommodation in Cavan.

### **Dundalk (SEI)**

The relocation of SEI to Dundalk, having been identified by the Decentralisation Implementation Group (DIG) as an "early mover" as regards State agencies, has been significantly progressed. Temporary accommodation has been acquired for SEI and it is proposed to have 12-15 staff, some 30% of the Dublin based complement, located in Dundalk this year.

### **Carrick-on-Shannon (CFB)**

DIG has not included the Central Fisheries Board among the State Agencies ascribed early mover status. The Central Fisheries Board is in ongoing liaison with the OPW, however a suitable accommodation solution for the Board has not yet been identified in Carrick-on-Shannon.

### **Dungarvan (OSi)**

In December 2003, the Government announced plans for relocating OSi's HQ to Dungarvan in Co. Waterford. The OSi currently maintains offices in six regional locations: Cork, Ennis, Kilkenny, Longford, Sligo and Tuam.

206 posts are due to decentralise to Dungarvan. A site has been purchased and OSi has formally submitted a full outline plan to OPW on the architectural and detailed accommodation needs which would be required in a flagship headquarters for the national mapping agency. The timeframe proposed by OPW for the availability of the permanent accommodation in Dungarvan is Quarter 2 2009. To this end, OPW has recently sought the sanction of the Department of Finance to proceed to tender stage in relation to the development of permanent accommodation. In turn, OSi has been asked to submit to the Decentralisation Implementation Group a formal request to proceed to construction stage and is currently considering this request.

OSi is currently assessing the feasibility of establishing an advance office in Dungarvan. This examination is being undertaken in light of the need to ensure risk minimisation to business continuity and service to customer in any decentralisation move. This feasibility study will provide an opportunity to assess how best the overall move might be managed and to make recommendations accordingly. Recommendations arising from this examination are due to be submitted to the Department at end Quarter 3 2008 in accordance with its Service Level Agreement.

### 3. ENERGY EFFICIENCY PROJECT IN THE DEPARTMENT

<b>Heat and Light</b>	-	2007 Outturn	€540k
		2008 Estimate	€536k

A major review of energy use in the Department's Headquarters building in Adelaide Rd, aimed at reducing carbon emissions, commenced in January 2008.

The project undertaken in conjunction with OPW involves upgrading of Building Management Systems, reducing base energy loads, installing additional energy controls, reducing energy demands in high use areas, reducing solar gain in areas under significant glass cover. OPW are assessing, as a priority, the feasibility of employing passive energy solutions on behalf of the Department.

In the first phase of the project significant works were carried out over February and early March on the buildings natural gas heating system and on the heating management system. Initial results indicated a substantial reduction in gas consumption and the usage will be assessed over the coming months to establish consumption trends.

We are also working closely with OPW in implementing a wider energy conservation initiative aimed at enhancing energy efficiency in selected buildings managed by OPW.

#### **4. DEPARTMENT'S ACCOMMODATION IN DUBLIN**

Following reconfiguration of the Department in mid 2007, and the decentralisation of significant numbers of staff in advance moves to Cavan, it was decided to consolidate the Departments presence in Dublin into two main locations, i.e., 29/31 Adelaide Road and Tom Johnson House, Beggars Bush. The Leeson Lane building has been substantially vacated by this Department and control of it is expected to be passed back to OPW shortly for reallocation by that office, probably to the Department of Transport. Discussions with OPW and the Department of Transport are ongoing and a conclusion to these discussions is expected shortly.

A number of Departmental Divisions were moved from Leeson Lane to Adelaide Road, e.g., Inland fisheries, Staff Development Unit, Strategic Change Unit, and plans have been made to relocate a number of Divisions within the Adelaide Road building in order to make best use of the space available there.

Petroleum Affairs Division (PAD) is currently the only major Division of the Department located in Leeson Lane. Due to the staff numbers involved and the substantial storage requirements of PAD, it is anticipated that this Division will remain in Leeson Lane in the short to medium term. As space becomes available in Adelaide Road, due to staff decentralising to Cavan, PAD will relocate there when practicable.

## **5. STAFFING IN THE DEPARTMENT**

There were 456 whole time equivalent (WTE) staff serving in the Department of Communications, Marine and Natural Resources in January 2007. The authorised staff number at this time was 437.

A total of 137 posts were transferred to Department of Agriculture Fisheries and Food (DAFF) with the transfer of fisheries functions to that Department on 20<sup>th</sup> October 2008.

There was 339 WTE staff serving in the Department of Communications Energy and Natural Resources at end December 2007. The authorised staff number at this time was 300.

There is currently 317 WTE staff serving in the Department. The authorised staff number is 300.

The Department will continue to reduce its serving staff number to nearer its authorised complement over the course of 2008.

## **6. VALUE FOR MONEY REVIEWS (2006-2008 PROGRAMME)**

The Department of Communications, Energy and Natural Resources has committed to completing 3 reviews under the current programme. The 3 reviews have been completed and two have been published,

These reviews are as follows:

### **Energy (Conservation and Alternative) (Due September 2006)**

This review, covering the Sustainable Energy Priority of the Economic and Social Infrastructure Operational Programme (ESIOP), was published in July 2006.

There were 10 recommendations made in this report, all of which were accepted by the Division and are in the process of being implemented.

### **Broadband Infrastructure (Metropolitan Area Networks) (Due end 2007)**

This review has been completed and will be published shortly.

Once published, a Tracking Template will be forwarded to the Division to track the implementation, or otherwise, of the review recommendations.

### **The Group Broadband Scheme (Due end 2007)**

This review is complete and was published in November 2007.

All recommendations were implemented or were not applicable due to the closure of the scheme.

## **7. NDP 2007-2013 “Transforming Ireland – A Better Quality of Life for All”**

### Key overview facts

Ambitious Plan - of the order of €184 billion investment over the period 2007 - 2013.

### Overarching themes

- Balanced Regional development, in line with the National Spatial Strategy
- Development of the rural economy
- All-island cooperation
- Environmental sustainability, in the context of Kyoto obligations
- Removal of remaining infrastructure bottlenecks
- Creation of high value employment opportunities
- Social inclusion and a better quality of life for all

### Scale of DCENR Investment Activities

The total indicative investment for the period of the Plan for DCENR responsibilities is just over € 9 billion.

Total DCENR direct Exchequer capital funding over the Plan period is of the order of €919m. Allocations in the Plan are indicative and Exchequer funding is being provided as normal each year through the Annual Estimates process.

Expenditure in 3 main areas – Summary Table showing total allocations by Priority, Programme and Sub-Programme is set out below.

### Energy Programme (c. €8.5bn)

- Strategic Energy Infrastructure - €1.2bn
- Sustainable Energy - € 0.27bn
- State Energy Companies Investment - €7bn

#### Communication & Broadband (0.4bn)

- Broadband (MANS and nationwide broadband) - €431m.
- Digital Terrestrial Television - €4m

#### Science, Technology & Innovation (DCENR- €0.2bn)

- Energy Research - €149m
- Geoscience Research - €33m
- Digital Research - €23.5m

#### Key Achievements of NDP

Main changes over the last NDP:-

- I. Commitment to nationwide Broadband.
- II. €8.5bn investment in Energy.
- III. Major ramping up of investment in Research, in line with the Strategy for Science, Technology and Innovation.

**TABLE OF NDP 2007-2013 ALLOCATIONS**

**ECONOMIC INFRASTRUCTURE PRIORITY**

PROGRAMME	INVESTMENT €	PROJECTS	OUTTURN TO DATE
<b>ENERGY</b>			
Strategic Energy Infrastructure	1,240m	Electricity East-West Interconnector 2nd North South Interconnector GAS Ireland/Scotland gas link Gas storage all-island Oil Oil storage	2m
Sustainable Energy	276m	Energy efficiency measures & Integration and Innovation measures.	49.2m
State Energy Companies	7,010m	ESB €4bn; EirGrid €0.777m; BGE €1.97bn; Bord na Mona €270m.	1,151m
<b>COMMUNICATIONS</b>			
Broadband	431m	MANs programme. National Broadband Scheme	38m
Digital Terrestrial Television	4m	Rollout of DTT network.	4m

**ENTERPRISE, SCIENCE AND INNOVATION PRIORITY**

PROGRAMME	INVESTMENT €	PROJECTS	OUTTURN TO DATE
<b>Science Technology Innovation (STI)</b>			
Energy Research Sub-Programme	149m	SEI Research Energy Research Council Charles Parsons Awards	10.4m
Geoscience Sub-Programme	33m	INFOMAR, Geoscience Initiatives, Griffith Awards	5.6m
Enterprise Research Sub-Programme-Digital Research	23m	National Digital Research Centre, equally funded by D/CENR, D/ET&E & D/Educ. & Science	2.5m

## **8. EFFICIENCY REVIEW – PROPOSALS FROM THE DEPARTMENT OF COMMUNICATIONS, ENERGY & NATURAL RESOURCES**

In Budget 2008, the Tánaiste and Minister for Finance, announced the requirement for all Government Departments to examine all administrative spending under their aegis with a view to producing efficiency savings. Whilst the main focus of the Review is administrative spend, this report in respect of the Department of Communications, Energy and Natural Resources (DCENR), touches on all areas of Exchequer spending in the Department's Vote. All non-commercial State Bodies under the aegis of the Department were also requested to carry out an efficiency review and report back to the Department.

An ad hoc Group representative of all Divisions in the Department was set up to oversee this project. This Group coordinated the preparation of this Report and the Group also scrutinised reports received from agencies under the aegis of the Department. The report and accompanying recommendations have been approved by the Minister.

Meetings were held between the Department and all agencies operating under its aegis that were covered by the Efficiency Review between mid-January and early February.

This Department's Efficiency Review Report was sent to the Department of Finance and we await their response.