

REPORT ON VALUE FOR MONEY AND SPOT CHECKS

Background: Department of Finance Letter of 15 May 2007, re. Procedures for carrying out spot-checks for compliance with the General Conditions of Department of Finance Sanction for Multi-Annual Capital Envelopes, refers. The General Conditions of Sanction require Departments to put in place a system to carry out annual spot-checks of projects to ensure compliance with requirements set out in the Capital Appraisal Guidelines, Public Private Partnership Guidelines, National and EU Public Procurement Procedures and Tax Clearance requirements as laid down by the Revenue Commissioners.

Note: Information boxes below should be expanded as required to provide full information.

1. Please outline the steps which your Department, and the Agencies under its aegis, have taken to disseminate the capital appraisal guidelines and other requirements which are subject to the checks referred to above.

The requisite DoF guidelines and other relevant information are disseminated as required to the Line Divisions of the Department and the Agencies under its aegis.

This is normally achieved through written or electronic communications and is also made available on the Department's intranet. In addition, a workshop has been held to inform capital spending Divisions and Agencies of the measures to ensure that they are fully briefed on the CAGs. Training on the CAG will also be given in the Department in conjunction with CSTDC in mid 2009.

In addition, capital spending Divisions are now being requested to provide a completed checklist which indicates that they have complied with the requirements of the capital appraisal and VFM guidelines prior to opening a new 'project code' in the Department's financial system. Two versions of the checklist have been compiled, one to deal with the Department's role as Sponsoring Agency and Sanctioning Authority, the other to deal with its role as Sanctioning Authority only.

2. With reference to the capital appraisal guidelines, please provide details at a general level of the current systems in place within your Department and the agencies under its aegis for the appraisal and management of capital expenditure proposals.

- A checklist has been developed by the Department which details the key steps which must be carried out under the CAGs, as amended
- The completion of this checklist is mandatory for all new projects
- It is intended that capital expenditure should be tracked on a project basis using a new specific 'project code' in the Department's financial system

- A 'project code' must be opened prior to incurring expenditure
- Prior to opening a 'project code' capital spending Divisions are now being requested to provide an appropriately completed checklist
- Progress reports to the Management Committee on projects costing more than €30m are submitted on a quarterly basis, in line with the VFM Circular (January 2006)
- Monthly progress reports on capital spend are also examined at MC

3. Please detail the measures in place, at a general level, to ensure compliance with Department of Finance Circular 16/97 and the Government initiative on value-for-money including the Peer Review Process.

Circular 16/97 Returns.

Under the circular Departments are required to supply

1. an annual statement on IT related expenditure and impacts
2. a statement of strategies for the management of information, computer applications and technical infrastructure.

On approval of these statements, an Annual Delegation Certificate is issued by the Department of Finance.

In addition an independent parallel peer review of ICT projects must be carried out for ICT projects where the development and roll out costs exceed €5 million or where the project is likely to stretch the resources of the sponsoring Department or Agency

In respect of this Department, the following should be noted.

An **Annual Statement** on IT related expenditure and impacts for the year 2008 has been issued in respect of planned expenditure for 2008. A finalised return in respect of 2008 planned versus actual is not due to issue until March 2009.

Comparison of the 2007 actual versus planned expenditure further analysed against those easily identifiable figures available with the Financial Management system shows them to be generally in alignment. However it is recommended that a full examination of the figures presented in the March 2009 (2008 planned versus actual) expenditure report is conducted when available.

A **Statement of Strategy** exists for the period 2005 – 2007. Confirmation has also been received that a Statement of Strategy for the period 2008 – 2010 has been developed in conjunction with a third party contractor “Aston Consulting”.

An **Annual Delegation Certificate** has been issued by the Department of Finance in respect of 2008 expenditure.

No **Pier Review Process** was initiated for any ICT projects on the grounds that no single project was close to the value where one was mandated, nor did any of the projects place undue pressure on the Departments resources

4. Please outline the system put in place to carry out annual spot-checks of projects to ensure compliance with the VFM framework.
- In line with Appendix 3 of the CAGs, the Department has put in place a system to carry out annual spot checks of projects
 - The spot checks are carried out by IAU which is independent of those directly involved in the appraisal and management of projects
 - IAU is considered to be sufficiently competent to carry out the spot checks

Key work included the following:

- Analysis of the DCENR’s capital expenditure envelope
- Selection of a reasonably representative sample of projects ensuring coverage of at least 5% of all programmes in 2008
- Discussions with key personnel involved with the programmes and projects
- Analysis of the project files held by the DCENR
- Review of relevant accounting records

5. Please give details of the coverage of the spot-checks carried out and the findings; this should detail projects checked, the stage at which the project was, the estimated cost of the project and an estimate of the total value of projects checked by reference to the total value of the programme.

Capital Spot Check selection

A05 Office Machinery and other office supplies	€3,429,000	Opals, Inquire, Web development & IT Infrastructure	€773,260	Implementation
B01 Information & Communications Tech Programme	€53,634,000	Shannon Broadband Phase II & Kerry Phase II	€11 million	Implementation
B02 Multimedia Developments	€5,000,000	NDRC	€25 million	Implementation
B03 RAPID Programme (Dormant Accounts)	€250,000	ICT initiatives for Disadvantaged Youth	€250,000	Cyclic
C04 Grant to TG4	€917,000	TG4 Capital programme	€917,000	Cyclic
C06 Grants for DTT	€2,000,000	Technical advice in relation to DTT trials	€2,930,000	Post project review
D01 Energy Conservation	€63,000,000	Greener Homes & Warmer homes	€60 million	Implementation
D03 Energy RTDDI	€12,500,000	Ocean Energy	€15 million	Planning
E02 Mining Services	€3,000,000	Silvermines Rehabilitation	€11 million	Implementation
E04 Geoscience Initiatives	€2,700,000	Griffith Awards	€10 million	Implementation
E05 National Seabed Survey	€4,000,000	Informar	€12 million	Implementation
E06 Ordnance Survey Ireland	€1,000,000	OSI Capital grant	€1 million	Implementation
F01 Inland Fisheries	€3,300,000	Foyle & Carlingford Capital grant	€230,000	Implementation

Coverage of Spot checks

1. A snapshot of Departmental capital expenditure was extracted by IAU in October 2008. This snapshot represented all capital expenditure to the 30 September and was extracted from the Department's financial system, Agresso. The expenditure extract contained only 2008 expenditure.
2. The data extract was cross referenced to the capital monthly report to DoF on expenditure to ensure the validity of the dataset being used.
3. An analysis was also carried out to ensure that the records selected met or exceeded the

5% minimum required at a programme level.

4. In most cases a single project, qualified by expenditure, was selected from within a programme. Where expenditure was not sufficient, multiple projects were selected.
5. The intention to perform the proposed spot checks was flagged at a Management Committee meeting.
6. Following this meeting, IAU made individual contact with the Divisional Heads of Function in the relevant business areas of the projects selected and requested contact personnel in each area.
7. As specific contact persons were identified, IAU began scheduling interviews with these key people. The first of these interviews commenced in November 2008.
8. Interviews were conducted using a formatted questionnaire created by IAU, which was based on the relevant DoF guidelines.
9. All interviews/questionnaires had been completed by IAU by February 2009.

Spot Check Main Findings

It is the opinion of the IAU of DCENR that the compliance and awareness of the requisite guidelines within the Department is **generally adequate**. However the following findings have been made.

Appraisal Stages

1. Lack of a standardised appraisal process across the projects sampled and limited use of the created checklists.
2. Lack of a Communications Plan and evidence of dissemination of relevant data.
3. Where funding was allocated by Central Government or included in the annual estimates, a detailed Business Case or Project Initiation Document was not created to explore the available solutions. In addition, the "do nothing" option was rarely considered
4. Formal sign-off documentation was not always available.

Planning Stages

5. The management structure of the project team was usually based on the Divisional Line of Command Structure. However, the specific project responsibilities were not always well documented.
6. A Change Request Mechanism, while usually mentioned at a contract level, was not always documented.

7. The project was not reviewed after the detailed plan and design had been prepared or, if this was done, it was not adequately documented on the project files.
8. Final approval and sanction to proceed to the next stage was not always documented.
9. IAU understood that final approval was most likely recorded in management meeting minutes. However, the file notes did not always immediately reference this.

Implementation Stage

10. Lack of consistency in the format and level of quality of the monitoring and control mechanisms and reporting streams across Business Units.
11. Although the financial data in respect of capital projects is being reported on a monthly basis, no mechanism of reporting actual on-going project progress (phase development, project deliverables etc.) at a Department level is available.

Post Project review

12. The guidelines recommend that a post project review be completed for all projects over €30 million and a representative sample of 5% of all other projects be reviewed. The Department has no policy on post project reviews and it is recommended that a PPR policy should be put in place. It is important that the lessons learned on projects are documented, consideration should also be given to phase reviews on larger projects.

6. Please outline the views and responses of your Department and Agencies, as appropriate, in regard to the findings of such spot-checks.

In the opinion of IAU the Department would benefit from the creation of a central dedicated project appraisal and management resource in the Department in order to champion good project management practices and methodologies and monitor and report on all project activities, as well as acting as a central repository for all relevant documentation. This approach was recommended in last year's report and would ensure that the issues outlined in the findings above are addressed.

A networked arrangement has been put in place with regard to project appraisal and management in

2008, that is to say, advice/observations are given by Corporate Finance & Planning at the request of line divisions. A strengthening of this networked arrangement will be considered in the coming year with the possible assignment of a key oversight role to a Programme Appraisal and Evaluation Group in the Department.

Agencies under the aegis of the Department report to the relevant line division regarding their capital expenditure and, in general terms, these agencies would also benefit from the approach outlined above. Specific findings relevant to agencies will be notified to them in the coming weeks and observations/proposed actions will be presented to MC for their consideration.

7. Please outline any other issues with regard to compliance with the various VFM-related requirements of the General Conditions of Sanction, and the steps being taken to address them.

The role of the Procurement Policy Unit (PPU) within the Department should be strengthened and mandatory approval of procurement plans and contract extensions should be given by the unit for all procurements over a certain threshold and any contract extensions.

Presently, Line Divisions are not required to consult the Procurement Policy Unit and the unit gives advice only when consulted. Given that procurement is not a core activity of most Line Divisions, IAU recommends that compliance would be improved with the approach outlined above.

This recommendation will be discussed with the PPU with a view to submitting a proposal to the MC.

I hereby certify that the above material is correct and complete to the best of my knowledge.

Tomás Chambers
Head of Internal Audit Department of Communications, Energy & Natural Resources
March 2009

10

Pat Smyth

From: Tomas Chambers
Sent: 24 May 2010 15:43
To: Pat Smyth
Subject: FW: 2009 Spot Check Reports

Pat,
See below as discussed.
Regards
T

Tomás Chambers (01)6782400
Head of the Internal Audit Unit
Department of Communications Energy and Natural Resources
Elm House
Earlsvale Road,
Cavan

From: Tomas Chambers
Sent: 07 January 2010 11:45
To: Brian Carroll .T- Corporate Finance
Subject: RE: 2009 Spot Check Reports

Brian,
A procurement policy unit (PPU) within the Department provides advice and guidance to line divisions on procurement matters; it also disseminates any updates on procurement guidelines or policy.

Some members of the PPU have completed the IPA's certificate in Procurement, the Introduction to Procurement course run by the CSTDC is offered to all line Divisions.

Also I think the formation of the PAEG (Programme/Project Appraisal Group) within the Department is a positive development on this front, this should lead to improved procurement planning and may result in selection of the optimum method of procurement. I envisage that this group will examine in detail any proposals for new programmes/projects and the proposed procurement methods if relevant. This group will in turn report to the Management Committee.

Regards
Tomás

From: Brian Carroll .T- Corporate Finance
Sent: 05 January 2010 15:21
To: Tomas Chambers
Subject: FW: 2009 Spot Check Reports

Tomás

Sorry I did not have time to revert on original draft. Can you send me your ob.s on Stephanie's comment?

Thanks
Brian

From: O'Donnell, Stephanie [mailto:Stephanie.O'Donnell@finance.gov.ie]
Sent: 05 January 2010 15:19
To: Brian Carroll .T- Corporate Finance
Subject: FW: 2009 Spot Check Reports

Brian

It is not clear from this that procurement guidelines are specifically addressed in the training initiatives - perhaps you could clarify

Stephanie

From: Gilhooly, Cormac
Sent: 04 January 2010 09:51
To: Hearne, Edmond
Cc: O'Donnell, Stephanie; Finneran, Adrian
Subject: FW: 2009 Spot Check Reports

Copy D/CENR spot check report attached.

From: Tomas Chambers [mailto:Tomas.Chambers@dcentr.gov.ie]
Sent: 31 December 2009 16:42
To: Gilhooly, Cormac
Cc: Edward Barry
Subject: FW: 2009 Spot Check Reports

Cormac,

Further to your email below the first in the series, please find attached the 2008 Annual spot check report for DCENR, it was originally prepared in March 2009 but was not submitted because we understood that this report was to be submitted on a biannual basis. We hope to have the 2009 report ready for submission in March 2010; I trust this is in order.

I apologise for the delay, if you have any queries do not hesitate to contact me.

Regards
Tomás

Tomás Chambers (01) 6782400
Head of Internal Audit
Department of Communications, Energy and Natural Resources.
Elm House,
Earlsvale road,
Cavan,
Co. Cavan

From: Brian Carroll .T- Corporate Finance
Sent: 17 December 2009 12:47
To: Tomas Chambers
Subject: RE: 2009 Spot Check Reports

Thanks Tomás

I will follow-up.

Brian

From: Tomas Chambers
Sent: 17 December 2009 12:28
To: Brian Carroll .T- Corporate Finance
Subject: RE: 2009 Spot Check Reports

Brian,

The first email in the series below states that the 2009 capital spot check report was due at the end of March, my understanding is that the 2008 report was due in March 2009 and was to form an appendix of the annual Capital and NDP report for 2008. I understood that a decision was then made to make this report a biannual report and hence the spot check report was not submitted.

Please see the attached draft which we need to discuss if an annual report is required, can you confirm with D/Finance if the annual spot check report is an annual or Biannual report?

Thanks
Tomás

From: Brian Carroll .T- Corporate Finance
Sent: 17 December 2009 12:02
To: Tomas Chambers
Subject: FW: 2009 Spot Check Reports

Tomás

Have you an update on this?

Brian

From: O'Donnell, Stephanie [mailto:Stephanie.O'Donnell@finance.gov.ie]
Sent: 14 December 2009 12:29
To: Brian Carroll .T- Corporate Finance
Subject: FW: 2009 Spot Check Reports

Brian

Can I have an update

Stephanie

From: Gilhooly, Cormac
Sent: 11 December 2009 17:39
To: Quigley, Dermot; Heffernan, Tom; Purtill, Patricia; Conlon, John; McGuckin, Grainne; O'Donnell, Stephanie; Hanlon, Deirdre; McLaughlin, Marie; Ellison, Brendan

Cc: Dormer, Eoin; Dunne, Alan; Hearne, Edmond; Hughes-Elders, Georgina; Lynch, Nelius
Subject: 2009 Spot Check Reports

The 2009 capital spot-check reports were due in from Departments at end March. Most are still outstanding (in one case, we've just received the 2008 report!). Where your Department(s) haven't yet submitted a spot-check report could you please chase them to get them submitted by year-end.

Thanks

Cormac

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**ICT Architecture for the free release of INSS, INFOMAR and GSI digital
Data**

Geological Survey of Ireland

AUDIT REPORT

Audit Objectives

1. That the Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector as published by the Department of Finance are being adhered to.

Opinion

1. We are satisfied that the Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector as published by the Department of Finance are being adhered to. This represents a low risk.

Audit of Inland Fisheries Subhead F1

AUDIT OBJECTIVES

1. Compliance with Department of Finance and EU public procurement guidelines, adherence to the provisions of the Prompt Payment Account Act 1997, and other relevant Department of Finance and EU guidelines/regulations, by both the division and the relevant agencies

AUDIT OPINION

1. We are **partially satisfied** that there is compliance with Department of Finance and EU public procurement guidelines, provisions outlined in the Prompt Payment Account Act 1997 and other relevant Department of Finance and EU guidelines/regulations by the Division, CFB and RFBs. This constitutes a medium risk.

Summary Findings

1. Some documents with regard to the appraisal and management of the WRFB new headquarters project were not on file.

Findings & Recommendations

Compliance with Department of Finance & EU public procurement guidelines

IAU undertook a site visit to the WRFB on Monday 20th July 2009 as part of our verification checks. It was decided to audit the WRFB new headquarters project.

The WRFB undertook and completed a project to construct a new headquarters in Galway. The new building was constructed on a site which was already in the possession of the Board. The contract price budget of €1.288 million was funded from 2 sources; €1.0million from DCENR and the balance from the WRFB's own resources. The fit out costs were also borne by the Board's own resources, these costs amounted to €412,000.

The tender process itself was carried out by Simon J. Kelly & Partners Architects. They oversaw the process from publishing the tender on E-Tenders website to evaluating and recommending the most preferred contractor. Noel J. Farrell & Associates (Chartered Quantity Surveyors) acted as Quantity Surveyors on the project and they assisted in the tender process.

The contract award price was €1.288million excluding additions and the term of the contract was for 36 calendar weeks.

The project commenced on 25th September 2007 and was completed in August 2008. The fit out commenced in August 2008 and the building was ready for occupation by November 2008. The final cost of the project was within the budget previously allocated.

While the Board's project file did contain various documentation relating to this project there were a number of documents which were not held by the Board itself. The explanation for this is mainly due to the fact that the tender process from start to finish was carried out by an external source Noel J. Farrell & Associates, and therefore documentation relating to the tender process would be held by that source. Oversight of the construction and management of the project was also carried out by Noel J. Farrell & Associates.

The WRFB do hold some copies of the documentation relating to the actual tender such as contract notice, advertisements in local papers, template for Invitation to Tender and preliminary report on evaluation of tenders from Noel J. Farrell which includes a breakdown of the placing of each of the 8 tenders. The WRFB was in consultation with the project design team (i.e. Simon J. Kelly & Partners, Noel J. Farrell & Associates, Kyne & Clyne Engineering Consultant and Coyle Kennedy Consulting Engineer), on a regular basis throughout the lifetime of the project. Updates on the project were provided by all contractors and site meetings were held regularly and were attended by all relevant parties.

IAU has a number of concerns regarding the appraisal and implementation of this project. The following are the main concerns;

- No formal business case/appraisal on file outlining all options that were considered including the "do nothing" approach. There is a copy of the letter to DCENR dated 29th April 2004 from the CEO of WRFB outlining the proposal to construct a new HQ for the Board. The letter briefly outlines the grounds for the proposal, estimated cost and confirmation that planning permission has already been granted. This on its own could not be deemed as a "business case". The WRFB advised at the time of the site visit that there was a documented business case when the project was initially instigated. This was a number of years ago and it was during the tenure of the preceding CEO, the papers are not to hand at this time.
- No formal decision on file to show the Board's decision to construct a new HQ.
- To date €94,303 has been paid to the architect of the project no evidence of a competitive tender process was provided.

Recommendation

IAU acknowledges that overall the project was planned, implemented, managed well and the total cost was below the budget allocated, there are a number of recommendations we would make for any future capital projects. These are as follows;

- A documented appraisal/business case should be put together which examines all options available to the Board concerning the project, including the "do nothing" approach
- A documented record should be on file showing the minutes of the meeting where a final decision on the project was reached.
- The project management team should be outlined and what their responsibilities are.
- A documented formal decision if outsourcing the project to an expert is the preferred option. The Board should establish if other Boards would be in a position to advise and assist in future capital projects. This would mean a reduction in overall costs for the Board.
- All documents relating to the tendering process for the external expertise should be on held on the project file

Management Response

Many of the recommendations refer to records kept by the Western Regional Fisheries Board.

IFD agree the project was planned, implemented and managed well but that a "paper trail" outlining all decisions, options available and project management teams should be kept on file. IFD will contact WRFB in this regard. However, it should be remembered that this project started as long as six years ago in 2003. Cognisance of the need for an audit trail is something that has grown since that time.

Going forward, IFD are happy to implement the recommendations highlighted by IAU in all future major capital projects.

IAU's comment on *Management Response*

Management responses accepted

(13)

Managed Services Entity Phase II Metropolitan Area Networks (Procurement process)

Audit Objectives

1. That the appraisal process as stipulated in Department of Finance Capital Appraisal Guidelines and Guidelines for the Provision of Infrastructure and Capital Investments through Public Private Partnerships has been adhered to.

Audit Opinion

1. We are partially satisfied that the appraisal process as stipulated in Department of Finance Capital Appraisal Guidelines and Guidelines for the Provision of Infrastructure and Capital Investments through Public Private Partnerships has been adhered to. This represents a medium risk.

Main Findings

1. No formal appraisal process conducted.

FINDINGS AND RECOMMENDATIONS

Medium Risk

1. Appraisal process

The Department of Finance Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector provide that the option of procuring a project by PPP for projects costing over €20 million should be considered as part of an overall project appraisal. In general all projects should be appraised, with the overall value of the project being the driver for the extent and nature of the appraisal project.

Internal Audit note that a report containing a review of the economic issues was conducted by Analysys (11th September 2006) on behalf of the Department. This report provided an overview of the economic and commercial issues likely to be encountered in delivering MANs II and III. In its conclusion the report recommended that it would be "in Ireland's best interest if E-Net were to operate Phases II and III". In Internal Audits view, this document is not seen as a sufficient appraisal of a project of the value of MSE II, and consideration should have been given to further expanding on this analysis, (including possibly a post project review of Phase I) to determine whether to procure the MSE for the Phase II MANs, guided by the process used for Phase I was still the best option. Note: a subsequent Value for Money assessment on the tender process identified 4 possible options for the consideration of the Steering Committee.

Conducting a preliminary appraisal and or detailed appraisal provides the sponsoring agency with the following key data

- a. Clearly defines the needs (or continuing needs) the project should meet and its objectives
- b. Lists the options/schemes available
- c. Lists the constraints.
- d. Helps quantify the costs and risks
- e. Analyses the main options, i.e. value and quantify the costs and benefits of each item.
- f. Helps identify risks associate with each option.
- g. Decision on the preferred option.
- h. Recommendation on the preferred option and the reasons for its choice.

While acknowledging that there exists a memo to government dating back to 2002 relating to the MANs, it was not evidenced to Internal Audit that a formal documented full appraisal process was conducted in advance of conducting the procurement phase of this project.

In addition, there appeared to be some lack of clarity around the whether the actual procurement was to be conducted as a formal Public Private Partnership. Documents examined by Internal Audit (N DFA letter of engagement II/06/2007, Commission decision State Aid No 284/2005) seemed to indicate that the PPP option was being exercised. However Internal Audit has been informed by management that MSE II was not a PPP but rather the procurement process used some of the PPP principles.

Recommendation

General

A formally documented appraisal, subject to the requisite sign-off at the appropriate level should always be conducted.

In this instance, the level of expenditure requires a Multi Criteria Analysis (MCA) to be conducted. In constructing a multi criteria analysis scorecard and determining the weightings to be given to the criteria, the aim should be to achieve an objective appraisal of all the project options available (including the do nothing option) and provide for consistency and transparency in the decision making process.

Availing of the opportunity to carry out a formal process should also provide a mechanism for adequately assessing the risks to the project.

Specific

That the decision making process that led to the decision to procure the MSE II as the preferred option and the decision to use key elements of the PPP process should be documented and evidenced on the project file.

While recognising that the use of the PPP process was voluntary, in the interests of clarity, those key elements of the process that were to be used should have been identified and documented up-front. Any decision not to use any key element should also be noted.

In all future projects, adequate consideration should be given to conducting an appropriate appraisal process in line with the value of the expenditure and governing guidelines outlined above. In addition the use of any project management methodologies and or acknowledged protocols or processes should be clearly identified on the project file.

Management Response

This project was a further enhancement to MSE Phase I. Analysys as economic adviser to the project undertook this for Phase I.

While it would be correct to say in the narrow sense that no such decision is formally recorded in the Steering Committee minutes, this Steering Committee approved all the legal documentation throughout the process which was structured as a PPP.

IAU comment on Management Response

Best practice in this area would indicate that any formal documented appraisal even of previous phases, should have been subject to the requisite sign-off in the context of this phase

Silvermines Rehabilitation Programme

AUDIT OBJECTIVES

1. That the appraisal process as stipulated in Department of Finance Capital Appraisal Guidelines and Guidelines for the Engagement of Consultants and Other External Support by the Civil Service has been adhered to.

AUDIT OPINION

1. We are partially satisfied that the appraisal process as stipulated in Department of Finance Capital Appraisal Guidelines and Guidelines for the Engagement of Consultants and Other External Support by the Civil Service has been adhered to. This represents a medium risk.

Summary Findings

5. Cost of the project could be estimated more accurately by improved definition of the scope at an early stage.

Findings & Recommendations

MEDIUM RISK

5. Costs of project.

While IAU acknowledges that final costs will not be certain until the conditions attaching to waste license are published by the Environmental Protection Agency (EPA) in 2010, the projected cost have more than doubled from the initial estimate of €10.6m (government decision 2005) to the current estimate of €24m. A major factor in the cost increase is the proposed dept of covering to be placed over the tailings (mining waste). This was specified at 150mm in the conceptual design, 500mm in a further detailed design and indications are that it will be reduced below that figure in the current design. IAU would be of the view that this aspect should have been agreed in consultation with the Independent technical advisor at the earliest possible opportunity to get a more accurate estimate on cost. IAU would agree with the division's assertion

that this project is not suited to an annual budget approach and would support its application for multi annual funding to achieve economies of scale and for technical reasons.

Recommendation

The major factors in the design specification that effect the cost of the project should be agreed at the earliest possible opportunity to get accurate estimated costs. A multi annual capital allocation should be agreed to ensure the efficient and effective management of the project.

Management Response

The scenario as set out above seems to confuse several issues.

Firstly, the estimated figure of €10.6m in 2005 was based on the conceptual study. It must again be emphasised that the conceptual study is not the project plan. As the title would clearly indicate, the conceptual study sets out the general outlines that should be followed but it does not purport to be more than a scoping study as to how the project might be approached. Thus the cost estimate of €10.6m was an outline estimate only (a "guesstimate") and the 2005 Memorandum clearly explained that the Department would revert to Government once detailed project plans had been drawn up based on in-depth site investigations on which more firm estimates of cost could be based. These were not available until late-November 2007 and amounted to €24m. However at that stage the detailed designs for the Garryard facility had not been finalised (and of course could not be until the EPA conditions were known) so this figure was still an estimate. Nevertheless it was necessary to go back to Government to appraise it of the likely costs as was mandated in the 2005 Decision, and so this figure was used in the second Memo for Government that went forward in 2008, although with the clearly-explained proviso that it was still not a definite figure. It is not correct to refer to a "cost increase" in this particular context since it was always clear that the figure of €10.6m was no more than a (very) provisional estimate that would be updated as soon as the detailed studies had been done. The true figure is of course in the region of €22 - €24m and this figure would have been used in 2005 had it been available then.

This is a unique project, the first of its kind in Ireland, and it contains many unknown factors which could only be assessed in detail by in-depth site investigations following the appointment of the consultants e.g. the precise nature and toxicity of the wastes; the composition of the site structures and their stability etc. In most respects it cannot be compared to a standard building or civil engineering project where the designs can be undertaken and quantities and costs can be estimated with a good degree of accuracy based on well-known parameters.

Secondly, the comments on the depth of cover on the Gortmore site in relation to the overall estimated cost of the project are not accurate. The figure of 150mm as given on the conceptual study was increased to 500mm on the basis of the more detailed examinations of the actual conditions

existing there.

However, even this more detailed study was always subject to adjustment in the light of the realities as discovered on the ground. In particular, the novel nature of the project also dictated that the actual experience gained and the conditions revealed as the works proceeded could lead to variations, and this is what has in fact occurred at the Gortmore site where it has been found that different depths of cover are suitable at different locations. Obviously this is provided for by use of Bills of Quantities, as is normal procedure in construction contracts. Therefore before the two Gortmore contracts started the costs were known with a good degree of finality and any necessary variations arising from unforeseen events could be measured and costed at the agreed rates (this has happened on the phase 2 contract). It should be emphasised also that current conditions in the construction industry have led to very favourable prices being obtained for the phase 1 and 2 contracts and this is detailed in the consultants' reports on tenders on the relevant file. But variations in the depth of top cover for the Gortmore site are not in fact a major element in the overall cost of the project. The Garryard site will be the most costly and detailed element.

SRK Consultants have produced further estimated final costs and these are for a more simplified approach than the earlier Golders' designs. They have been given provisional approval by the Inter-Agency Group (meeting of 29th June 2009) and are currently awaiting submission to the EPA for their formal approval for the granting of a waste licence. The EPA approval and detailed conditions will not be known until mid-2010 and so the current SRK estimates are still provisional pending notification of the conditions. EMD is preparing a further Memo to Government seeking approval to a multi-annual funding approach. This Memo will emphasise the "all or nothing" nature of the remainder of the project i.e. it will take 2-3 years during which funding must be made available since it is not possible to halt it once work has actually started. SRK have also been instructed to draw up a scenario whereby the project can safely be brought to a "wait" stage if funding cannot be committed by Government.

IAU's comment on Management response

In the 2008 memo to government the following was listed as one of the factors that influenced the increased cost "the original conceptual plans proposed that the Tailings cover should comprise 75mm of limestone chippings overlain by 75mm of soil/growing medium, whereas the final design consists of 300mm limestone chipping, 200mm of soil/growing medium and geotextile layers;" while again acknowledging the unique nature of this project in Ireland and the passage of time since the conceptual plans were drawn up, best practice would indicate that a detail such as this should have been finalised earlier with the EPA if necessary and any design produced by consultants should have been assessed against the EPA's minimum acceptable standard.

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Project Governance of the Hydrographic/Geophysical Survey Launch

Audit Objectives

That the Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector as published by the Department of Finance are being adhered to.

Audit Opinion

1. We are partially satisfied that the Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector as published by the Department of Finance are being adhered to. This represents a medium risk.

Main Findings

1. An adequately detailed analysis of cost was not evidenced in the business case provided.

FINDINGS AND RECOMMENDATIONS

Business case

The Department of Finance, Guidelines for the Appraisal and Management Capital Expenditure Proposals in the Public Sector, projects costing between €0.5 million and €5 million should be subject to a single appraisal incorporating elements of a preliminary and detailed appraisal.

A business case incorporating elements of the appraisal process was developed for the project, however Internal Audit note the following items in respect of this document:

A. An adequately detailed analysis of cost was not evidenced in the business case provided. The executive summary (page 4) provided an overview that indicated an initial cost of €1 million plus VAT for the preferred solution. In addition the Projects Outputs and Business Outcomes Section of the Business case claims "that the project is expected to repay itself, in full over a five year horizon and will continue to yield savings and benefits thereafter"

It was not evident to Internal Audit how the €1 million figure was derived and whether the cost quantification covers the on-going capital cost and life cycle costs relating to the operation and maintenance of the project and whether any provision was made for the depreciation costs of the vessel.

B. Although the business case provides that the Director GSI is the business owner and sponsor, and is required to sign off on all aspects of the project, Internal Audit did not note specific authorisation and or communication on the file to proceed with the preferred option.

C. The Business case presented was dated as 1st Oct 2006, with a status of "draft" and a version no. 0.01. As the Invitation to tender was published on the eTenders

website on the 4th Oct 2006 (normally there is a one day time lag from entering a tender and actual publication), Internal Audit would be concerned at the speed which the project moved from conception, appraisal, business case and decision to go to tender.

Recommendation

- a. Internal Audit are of the opinion that the business case would have benefited from the inclusion of the relevant detailed analysis of the financial costs to support the estimated project costs.
- b. A formal decision to proceed with the project should be evidenced on the file.
- c. In line with best practice, consideration should be given in the planning of all future projects, to allow appropriate timelines, adequate to address project objectives.

Management Response

As regards business case. The Launch is costing €1m plus VAT. Presently, the INFOMAR project pays c. €14,000 daily rate for the hire of in-shore vessels to do the work that the Launch will do once it is commissioned. It has been calculated that INFOMAR can run the new Launch at an average daily rate of €5,000 - €7,000 depending on the type of work it is doing. If we take the largest estimate of daily cost, then the saving per day of operation of the Launch by ourselves as against a hired vessel is €7,000 per day. If the Launch works for 150 days of the possible 250 days in any year, then the initial cost of the vessel would have been saved i.e. €7,000 x 150 = €1,050,000, after only 1 year. Even if we apply the most conservative asset depreciation to the Launch, the launch will still continue to yield savings as against the only other alternative of hiring a vessel at twice the cost.

IAU Comment on Management response

IAU have recommended the formation of a programme/project appraisal and evaluation group within DCENR, this group would provide a key control and oversight role regarding programme/project appraisal and would ensure that appraisals/business cases are documented and are of a required standard.

The decision to proceed with the project is not recorded in the minutes of the September monthly Finance meeting. For future projects the decision to proceed should be recorded in the project file.

NATIONAL DIGITAL RESEARCH CENTRE

Audit Objectives

1. That the appraisal process, as stipulated in Department of Finance Capital Appraisal Guidelines and Guidelines for the Engagement of Consultants and Other External Support by the Civil Service, has been adhered to.

Audit Opinion

1. We are **not satisfied** that the appraisal process, as stipulated in Department of Finance Capital Appraisal Guidelines and Guidelines for the Engagement of Consultants and Other External Support by the Civil Service, has been adhered to. This represents a **high risk**.

Main Findings

1. The appraisal process engaged in was conducted at a very high level, consisting of dialogue with a number of Government Departments, third level institutions, industry representatives and funding agencies in order to gauge the level of interest in the project. The output of this dialogue was a Consultation Paper which had an indicative scope and scale of operations of €3 - €5 million per annum for five years.

AUDIT REPORT FINDINGS AND RECOMMENDATIONS

High Risk

1. Scale of Appraisal

The Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector, as issued by the Department of Finance in February 2005 (ref 1.7), provide that, at a minimum, projects with a value of between €5 million and €50 million should be subject to a Cost Benefit Analysis (CBA). Specifically, a CBA is deemed appropriate for innovative projects, involving complex or specialised issues or untried technologies.

While recognising that the NDRC was the subject of a consultation paper (02/03/2005) and a subsequent Memo to Government (30/05/2006), the latter was only submitted post the tender process, seeking approval to be given for the appointment of the successful consortium. Internal Audit is of the opinion that a CBA should have been conducted in advance of the tender process. This would have assisted in

- a. Defining the needs the project should meet
- b. List and analyse the options available, including if appropriate, the "do nothing" option
- c. Identify and explore the constraints
- d. Provide greater detail in respect of cost quantification

Internal Audit notes that the Consultation Paper had an indicative scope and scale of operations of €3 - €5 million per annum for five years whereas the Memo to Government sought approval for funding of €5 million per annum, which was at the upper end of the original indicative figures. With one exception, all of the expressions

of interest submitted were based on the higher figure which seems to have been treated as a benchmark figure. In the interests of value for money, the budget for this project should have been more clearly defined. €15m to €25m is a very wide scale and this may have been overcome with a more detailed appraisal process.

Internal Audit recognises that there may be a view that the NDRC in itself may not be viewed as a project, but rather a programme under which individual projects will be executed. In these circumstances, Internal Audit is of the view that an ex ante evaluation should have been conducted as part of a comprehensive appraisal process commensurate with the anticipated cost and degree of complexity of the issues likely to be involved.

Recommendation

Consideration be given by senior management as to whether the NDRC should be considered in the context of a programme/project and whether an ex ante evaluation/CBA should be conducted retrospectively.

Management Response

At a macro level the division accept that a detailed appraisal / CBA should have been considered however translational research is a complex business and it may have been difficult to define the components of the budget at the stage of the Memo for Govt. The best assurance of value for money is in the evaluation process used by the NDRC for approving projects for funding, which was a key aspect in selecting the LIP projects.

Iau's Comment on Management responses

Noted, a consideration of available appraisal models may have resulted in the use of a suitable model.

DIGITAL HUB DEVELOPMENT AGENCY

Audit Objectives

That Capital Appraisal Guidelines are being applied.

Opinion

We are **satisfied** that capital appraisal guidelines are being applied. This represents a low risk.

FINDINGS AND RECOMMENDATIONS

Post Project Review

Prepared By: _____ Amanda Mooney

Date: 3rd April 2009

Senior Responsible Owner: Gregory Forde

Project Manager: _____ Gregory Forde

Project Dates: 2007 – 2008

Scope of the Project

The project consisted of the construction of a new headquarters for the Western Regional Fisheries Board. The contract price budget of €1.288million was funded from two sources; €1.0million from the Department of Communications, Energy and Natural Resources and €0.288million from the Western Regional Fisheries Board's own resources. The fit out costs were also borne by the Board's own resources. These costs amounted to €412,000.

Timeline

The project commenced on the 25th September 2007 and completed in August 2008. The fit out commenced in August 2008 and the building was ready for occupation by November 2008. The site meetings throughout the construction ensured that all stages and deadlines were met and aided planning of future developments. The site meetings were attended by the architect, engineers, developer, CEO and relevant sub contractors as requested. The project was delivered within the agreed timeframe.

Delays

There was one delay experienced. This was due to an issue arising from the window suppliers but the contractor completed the project within the agreed timeframe.

Cost Savings

The site was Board property hence there was no additional cost to locate and purchase a site for the project. The Board sought value for money in all aspects of the construction and fit out and achieved best price solutions. Tender advertisements were placed on the E-Tender website and in the national newspapers.

There are other features of the building that will reduce costs and the carbon footprint of the building into the future and these include:

- a) Wood pellet boiler – energy saving and more fuel efficient than oil/gas
- b) Energy saving lighting – only in operation whilst movement in the area and timed to go off after a certain length of time.
- c) Toilet design – reduces water waste in comparison to standard toilets.
- d) Use of window design to decrease heat loss and light efficiency to reduce the use of artificial lighting – this particularly the case in the Board Room as it encompasses 270 degree.
- e) Recycling a predominant feature of the every-day office environment.

- f) Cycle racks installed – with a view to introducing a cycle scheme, thus reducing transportation costs for travel within the city.

Critical Success Factors

The following success factors have been identified:

- a) Tender stage for Contractor – Noel Farrell performed the tender aspect on behalf of the Board.
- b) Site meetings at each stage of the construction were crucial in order to identify possible issues or delays in the build.
- c) Good team involved – the architects, quantity surveyors and engineers ensured deadlines were met and any issues were resolved swiftly with minimal delay.
- d) Contractor meeting deadlines – the project could have been delayed if the contractor was delayed by any sub-contractor. An example of this would be the delay in the installation of the windows. This delay of eight weeks to rectify cill problems could've delayed the delivery of the project. The contractor, however, managed to meet the agreed timeframe.
- e) Budget - If the budget had over run at the construction stage it would have put severe financial strain on the Board's own resources to complete the project. The actual contract price of €1.288million was in line with the budget set.
- f) Fit Out Costs – The importance of pre planning the fit out costs was crucial to achieving best price and value for money. Tenders were received for IT equipment, Phone system, Furniture, Alarm system and Fire equipment.
- g) The successful suppliers ensured that the transition from Weir Lodge to Teach Breac was a smooth one with only 2 hours of downtime experienced.

The Board achieved its objectives in delivering a modern, energy efficient facility within budget and the timeframe.

Improvements

There were numerous aspects of the construction that would have been desirable had the budget allowed it. These included:

- a) An underground car park – too high a cost for inclusion
- b) A heat pump installation in the river – SAC so impossible to do.
- c) A back up heating system to the wood pellet system
- d) Greater budget from the Department of Communications, Energy and Natural Resources – if additional funding had been granted it wouldn't have put a strain on the Board's own resources to finance the excess and fit-out.

Manpower

There were a couple of areas that could have been improved had sufficient manpower and experience allowed. These included:

- a) The use of an in-house project manager to oversee each stage of the project from tendering to construction. Due to a lack of experience, technical knowledge and manpower the Board had to outsource the tendering stage of the process at a cost. This cost could be saved in future projects due to the experience now gained. Once the specification required has been

drawn up by an architect and engineer, there could be a dedicated employee in-house to deal with the tendering process from advertising to the awarding of the contract.

- b) An in-house project manager would also be able to deal with each stage of the construction including resolving issues surrounding delays therefore delivering the project ahead of schedule.
- c) The project manager would ideally have technical experience in managing other projects and a good financial background for renegotiating contracts where delays arise to implement cost savings on non-deliverables.
- d) This resource wasn't available in the compliment of the staff, at the time of this project, which would have reduced the amount of time the CEO had to input in overseeing every aspect. This is an area the Board can implement in other areas in the future.

Awards

The building has been the subject of a thesis for Colm Cantillon, architect with Simon J Kelly, and has been submitted to the Royal Institute of Architects of Ireland, RIAI, for an award.

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Broadband Awareness Campaign
Final Report

Ken Spald. 3177

Prepared by

Innex Creative Communications

On behalf of

Department of Communications, Marine and Natural Resources
&

Department of Enterprise, Trade & Investment

28th March 2007

Broadband Awareness Campaign 2006

1 Introduction

Nearly half of individuals in the EU25 used the Internet at least once a week in 2006. A third of households and three-quarters of enterprises had broadband Internet access.

Source: eurostat 146/2006 November 2006

While this quote may paint a moderately positive picture in the roll out of broadband, it is not indicative of the state of play in Ireland at this time. From an OECD Point Topic report at the time, Ireland's take-up rate as a percentage of the population was at 9.2% - a performance that had remained relatively unchanged since the previous report. It placed Ireland in 24th place out of 32, a rise of one place from the same quarter (2) in 2005. Furthermore this 9.2% take up rate was below the OECD average of 15.5 and placed us behind countries such as the UK, USA, Spain, France, Malta, Slovenia, Italy, Portugal and Germany.

Within the UK, broadband take up among all households was the lowest of all the UK regions at 28% (56% of all households with internet access). This is on the back of broadband being available to 98.5% of the region since February 2005.

Source: National Statistics, First Release, August 2006

Within the business environment, Ireland also continued to lag behind its EU counterparts:

	Ireland	EU
Medium Sized Firms (50 - 249 Employees)	71%	88%
Small Sized Firms (10 - 49 Employees)	57%	72%

Source: Forfás Overview of Ireland's Broadband Performance - Eurostat

It should be noted that both of the measurements for Ireland represent a 13% and 25% respectively increase over the same period in 2005.

In 2005, the European Commission estimated that DSL coverage in Ireland based on population was at 72%, making it the second lowest of the (at the time) EU15 member states. When looked at from a rural perspective the figure was nearly half that at 38%.

Qualitative research in early 2006 held by Forfás highlighted the relative lack of quality offerings in the Irish Broadband market as a barrier to SMEs competing effectively with their counterparts in other markets. Also affecting this take up was a lack of awareness in the benefits of broadband as a main reason why micro-enterprises (<10 employees) are not currently subscribing to broadband.

Furthermore this overview by Forfás highlighted limited availability in regional areas and lack of awareness among the key issues to be addressed.

2 Background

In March of 2006, index creative communications were appointed to act in the role of marketing manager to both Department of Marine, Communications & Natural Resources and Department of Enterprise, Trade & Investment to run a Broadband Awareness Campaign under the European Union's INTERREG IIIA telecommunications programme. This programme specifically addressed difficulties in border regions.

A more in depth analysis of this report is outlined later on in this evaluation.

3 TOPLINE RESULTS, JUNE 2006 & JANUARY 2007

Q.1 To what extent are you aware of the benefits of a broadband internet connection?

Base: Jun '06 1,201 Adults aged 15+ / 3,263,000
 Base: Jan '07 1,191 adults aged 15+ / 3,263,000

SHOW CARD

Q.2 Do you have any internet connection at present, whether dial-up or broadband?

SHOW CARD

Q.3 In relation to broadband which statement applies best to you personally?

SHOW CAMPAIGN

Q.4 And can you recall having seen or heard this campaign about Broadband usage, which ran over the past year?

	Jun '06	Jan '07
Fully understand	3	3
Largely understand	1	6
Understand to some extent	1	1
Don't really understand	7	5
Don't understand at all	1	1
Don't know	9	5
	1	1
Dial-up at home	30	26
Dial-up at work/college	4	2
Broadband at home	(632,000) 19	27 (869,000)
Broadband at work/college	8	12
Do not have internet connection	47	43
Don't know	1	n/a
I am not likely to look for broadband access	33	32
I might look for broadband access at some stage	19	16
I am quite likely to apply for broadband in the next three months	5	4
I will definitely apply for broadband in the next three months	3	3
I would apply for broadband access, but am unable to get it where I live/work	6	5
I have broadband already	(651,000) 20	28 (899,000)
Don't know	14	13
Definitely saw/heard		37 (1,200)
Possibly saw/heard		14 (443)
May have seen/heard - not certain		8
Did not see/hear		41
Don't know		1

A more in depth analysis of this report is outlined later on in this evaluation.

4 Programme Justification & Objectives

Broadband take up rates in Northern Ireland, whilst comparable with most parts of the United Kingdom was in general much lower in rural areas. The take up rate in the Republic was some way short of the 400,000 target set for 2007.

The programme set about targeting two specific audiences – residential and SME. It was to concentrate on the benefits of broadband:

- How easy it is to get.
- How easy it is to use.

Our programme was to be supplier neutral and cover the following benefits:

All (SME & Resident)

- No longer need to use the landline to get internet access.
- You can go online whilst simultaneously make phone calls.
- VoIP to friends/customers/branches resulting in reduced costs.
- Always on internet access.
- Much faster and reliable Internet access.
- Better value for money.
- Use broadband and web-cams to create own CCTV system
- Internet banking
- Different ways of getting broadband (satellite, wireless)
- Increased choice of providers – a phone landline is not the sole option

SME Specifically

- Efficient file transfer between offices
- Supports the sales and marketing activities
- Virtual Private Networks (VPN's) for medium sized enterprise
- Faster downloading of product supports, emails and programmes
- Much cheaper than ISDN alternatives

Residential User Specifically

- Videolink to elderly/distant relatives
- Potential to hand back the landline
- Online shopping, research and entertainment
- Downloading audio & video for personal players

In addition the following INTERREG goals had to be delivered on:

- To increase awareness of the availability of broadband.
- Increase awareness of the benefits of broadband to both the residential and business user.
- A genuinely cross border campaign, which highlights how broadband can be used to increase cross border communication and commerce
- How broadband works and does not confuse the viewer with technical jargon and price comparisons.
- Inform the viewer how they can find what services are available in their area.
- Improve broadband take up in the border counties by 50%.
- Demonstrate the trans-national/cross-border benefits of technologies such as VoIP, online shopping etc.
- To generate a high degree of publicity for the telecoms market.
- Support and develop existing business activity together with creating new sustainable markets for broadband products and corresponding additional business opportunities. Mutually supporting local business networks will facilitate sustainable local economic development.
- Demonstrate cross border co-operation and contribute to improving cross border relationships.
- Address the economic and social needs of the area.
- To recognise the EU's financial support for the project in all project publications, promotional material, advertising and media releases.

5 Marketing Manager – Specific Tasks

The marketing manager was specifically tasked with:

- Creating and agreeing the creative proposals.
- Liaise with both DCMNR and DETI in the appointment of a production company.
- Liaise with selected production company in the pre production, production and post production of the advertising material.
- Plan and book a media campaign.
- Set up an appropriate media launch with the Minister.
- Design and implement a website.
- Conduct a pre and post campaign research programme to measure the campaigns effectiveness.
- Ensure that the programme was implemented and run according to INTERREG guidelines.
- Provide a final report

6 Programme Campaign Strategy

The message of broadband and its benefits was in danger of being lost in a plethora of other messages the consumer is being bombarded with on a daily basis. In addition it was argued that broadband was seen as a 'low interest' item in terms of the decisions being made on a daily basis.

A big message campaign was required if the objectives of the programme were to be delivered on. On the island of Ireland the most cost effective way of achieving this is through television.

With television:

- The viewer has already made a conscious decision to watch something and therefore is more likely to be receptive to messages being conveyed.
- It allows for sound, vision and message demonstration.
- It delivers large and different audiences (e.g. housewives, businessmen, children) cost effectively through targeting specific programmes on different TV Channels.
- While 30" TV commercials are the norm, cost efficiencies can be further realised by using shorter lengths of the 30" and this was part of our strategy.
- It is a BIG MESSAGE medium and as such can effect step changes in peoples' attitudes quickly and efficiently.
- It delivered large audiences in our target audience area.
- It also had a knock on effect of delivering the same important message to the island of Ireland.

7 Programme Campaign in charge

Following the appointment of the marketing manager, two television scripts (SME & residential) were quickly agreed and a tender was issued in relation to their production. Tiger vision (based in London) was selected and was charged with delivering the two commercials and their associated cut downs for an airdate post the World Cup. The reason for this is that the World Cup drove up the airtime cost for June and would have reduced the effectiveness of our media budget. The campaign went on air on Monday 10th July 2006.

A media campaign was planned in order to deliver both a home and SME audience. The campaign targeted news, current affairs, sport, film, soaps and mini series on both terrestrial and satellite station to ensure maximum coverage and reach of our audiences.

Prior to airing the commercials a piece of quantitative research was conducted in order to measure the effectiveness of the campaign. A similar piece was carried out in January 2007, following the end of the campaign on 31st December 2006. The research involved a number of measurable questions in two Omnibus surveys.

The Questionnaire covered:

- Awareness of the benefits of broadband.
- Current Internet access.
- Likelihood of subscription to broadband.
- An additional question in January explored campaign awareness.

The website, www.broadbandaware.com, domain name was registered and a website created. This site contained links to other relevant sites and was launched prior to the media campaign commencing.

The final part of the programme was a PR launch featuring the Minister, which received widespread coverage in the National Press.

The initial media budget was increased in September of 2006 in order to build on the momentum that the campaign was gathering and allowed it to run for a longer and more sustained period over the autumn/winter period.