

<b>Lead topic: C&amp;AG 2014 Report on Public Services</b>	<b>Sub-topic: Chap 13- The Development of Eircode (Postcodes)</b>	<b>Contact: Adrian Finneran Ext: 4103</b>
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## FAST FACTS

- The C&AG found that there were flaws in how the Postcodes project was managed by DCENR
- The project was developed by DCENR under its delegated sanction and was approved by Government in October 2013
- However MPER approval was required, under the Communications Regulation Act 2011, for MCENR to enter into a contract with the preferred bidder- Capita.
- This approval was given in December 2013 on certain understandings, including that the procurement had been conducted in accordance with public procurement requirements
- There has been much negative comment about Eircode and how the procurement process was conducted.

## Q&A'S

Q: Are you happy with how the Postcodes project was conducted?

A: In the first instance, this is a matter for DCENR. The recommendations in the C&AG Report are directed to that Department and I understand that the Secretary General of that Department has accepted the recommendations in full.

Q: What was you Department's role in this project?

A: The project was managed by DCENR under the delegated authority to manage its expenditure in accordance with the 2005 Capital Appraisal Guidelines (now subsumed into the Public Spending Code) and other requirements. The project was also approved by Government in October 2013. My Department's specific approval in the matter was to convey Ministerial approval for the Minister for CENR to enter into a contract with the winning bidder- an approval specifically required by the Communications Regulation Act, 2011.

Q: Your Department approved the project, subject to certain conditions which were not met. What are you going to do about that?

A: My Department conveyed approval to enter into the contract with the winning bidder, subject to conditions including that the procurement was conducted in accordance with public procurement requirements. The C&AG's recommendations have been addressed to the Department of CENR. My Department has written to DCENR, asking for information on measures being taken to ensure that the terms of any approval are fully

complied with.

Q: Does your Department have any role in ensuring that projects are managed in accordance with the terms of the delegated sanction?

A: The Public Spending Code sets out the arrangements for the management of public expenditure. The onus rests on the spending Department to ensure that it is in compliance with these requirements. Among these requirements are:

- conduct of checks, at a project level, on the extent of compliance with official expenditure appraisal and Value for Money requirements. This could include a review of the quality and robustness of a Cost Benefit Analysis. This requirement has been in place since 2006.
- Annual reporting, under the Public Spending Code, on the number of checks carried out as part of the quality assurance reporting requirement. This should include any proposals by Departments to remedy any inadequacies identified during review/check work carried out during the year.