

Land Initiative Programme

Corporate Governance Structure

July 2017

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1. INTRODUCTION TO THE PROJECT

1.1 BACKGROUND

In 2015, the City council established a multi-disciplinary working group to explore the feasibility of bringing forward Dublin City Council lands for housing development. The group identified a sub-category of three prominent sites, now referred to as the "Land Initiative" sites. These sites include lands at the following locations:

- **O'Devaney Gardens, Infirmaroy Road.**
This site (approx 10 hectares, which includes a connected site on Infirmaroy Road) previously contained 278 social housing units in 13 four storey blocks. The site has an existing Master Plan along with some elements of phased planning permissions. The current City Development Plan (2016 – 2022) has designated this site as Strategic Development and Regeneration Area (SDRA 11).
- **Oscar Traynor Road, Coolock.**
This is a vacant greenfield site of approx 17 hectares, located to the south east of the junction of Oscar Traynor Road and the M1 interchange, almost all of which is zoned Z12. The current City Development Plan (2016 – 2022) has designated this site as Strategic Development and Regeneration Area (SDRA 17).
- **St Michael's Estate, Inchicore.**
This site (approx 6.2 hectares) previously contained 336 social units in 10 four to eight storey blocks. Zoned Z14 (SDRA 9), portions of the original site have recently been re-developed - 75 new social housing units, senior citizen housing, a crèche, a community and sports centre and a new primary care centre along with a community nursing home.

1.2 GOVERNANCE

As part of the development process of these three sites the need to establish strong governance procedures and protocols has been recognised. These procedures are set out in this document and are heavily reliant on governance guidelines established to provide oversight to Public Private Partnership (PPP) projects.

1.3 PURPOSE AND SCOPE OF DOCUMENT

Experience of capital projects to date reaffirms the importance of:-

- Having a strong corporate governance process in place comprising a Project Board. For the purposes of this document the over-arching group will be the Project Board.
- Identification of key roles, accountabilities and responsibilities of all parties at the commencement of a project;
- The role of Chairperson of the Project Board, which is to provide the leadership to keep the project on track and to maintain governance over a complex process.

The purpose of this document is to set out clearly the corporate governance process which will govern the Project. This corporate governance discipline should be carried down into any other meeting of a sub-group of the Project Team or its advisers and a written record should exist in relation to all matters involving any decision or inputs into decisions.

Once adopted, any amendment to this Corporate Governance Structure shall be effected by the Project Board, having regard to the meetings protocol provisions at section 3.1.

1.4 CORPORATE GOVERNANCE GUIDELINES

Terms of Reference have been established for the Project Board, Project Team, Process Auditor and the Legal, Financial and Technical advisers. It is the responsibility of the Project Board, and Project Team in general and in particular the role of Chairperson to maintain corporate governance over the complex process. The following Government Publications have been referred to in compiling this document:

- *“Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector”* (Dept of Finance, Jan 2005)
- *“Guidelines for the Reporting Arrangements, Role and Functions of a Process Auditor in a Public Private Partnership Process* (Dept of Finance, June 2004)
- *“The Public Spending Code”* (Dept of Public Expenditure and Reform, July 2012)
- *Guidelines for the Provision of Infrastructure and Capital Investments through Public Private Partnerships: procedures for the Assessment, Approval, Audit and Procurement of Projects”* (Dept of Finance, July 2006)

1.5 ROLES OF KEY PROJECT MEMBERS

The following provides an overview of the roles of the public sector Authorities/Agencies involved in the Project.

1.5.1 Department of the Housing, Planning, Community and Local Government (DoHPCLG): Sanctioning Authority.

1.5.2 Dublin City Council (DCC): Sponsoring Agency.

Dublin City Council as the lead agency for the delivery of the Project, subject to the approval and sanction of DoHPCLG, DCC is also responsible for ensuring the preparation of the Output Specifications and the determination of all matters of policy and other project specific issues and is the Sponsoring Agency for the Project.

2 GOVERNANCE STRUCTURE

2.1 Project Board

The membership of the Project Board shall comprise the following members:

- Dublin City Council Assistant Chief Executive, Housing. (Chair)
- ACE Planning & Development
- Nominees of DHPCLG;
- Nominees of NDFA
- Executive Manager Housing
- Executive Manager Planning
- Head of Finance - nominee
- Law Agent - nominee
- City Architect
- Chief Valuer
- City Planner
- Senior Project Manager – Dublin City Council

The following persons shall be in attendance:-

- Process Auditor; and
- Such persons as are invited to attend by the Chairperson of the Project Board.
- Project Board Secretary

2.2 Project Board Terms of Reference

- To develop, approve and ensure the implementation of decision making structures for the Project in line with the Corporate Governance document.
- To direct, at a strategic level, the procurement of the Project (which is managed by the Project Team).
- To provide clear project focus and guidance to the Project Team, specifically, in relation to the project Output Specification, timetables, deadlines and other deliverables.
- To direct the procurement of the project in accordance with the Department of Finance Guidelines and National and EU procurement rules and regulations.
- To review quality and completeness and sign off all major Project milestones and deliverables.
- To monitor and manage Project progress through review of regular progress reports from the Project Team.
- To review resource requirements at the various stages of the Project and to make provision as required.
- To ensure that the business and operational impacts associated with the Project are properly addressed.

- To resolve all issues raised by the Project Team during the course of the Project.
- To give final approval on the documentation prepared by the Project Team Board namely:-
 - The Output Specifications.
 - Determination of any and all outstanding policy issues.
 - Resolution of Project specific issues.
- To oversee the procurement and construction phases.

2.3 Accountable Officer

The Accountable Officer is the person within an organisation to whom the authority to sanction expenditure has been delegated.

2.4 Project Team

The membership of the Project Team shall comprise the following members:

- The Senior Project Manager and representation from the following depts./sections:
 - Planning
 - Roads
 - QS Section
 - City Architects
 - Technical Team DHPCLG
 - Financial Team NDFA
 - Process Auditor

2.5 Project Team Terms of Reference

- To manage the procurement of the project in accordance with the Department of Finance Guidelines and National and EU procurement rules and regulations.
- To prepare a programme for delivery and monitor progress against it.
- To provide regular progress reports to the Project Board.
- To review resource requirements at the various stages of the project and to make proposals in this regard to the as required the Project Board.
- To review resource requirements at the various stages of the project and to make proposals in this regard to the as required the Project Board.
- To appoint, as necessary, relevant Advisers who may also be available to the Project Board.
- To prepare the Output Specifications and recommend for approval to the Project Board.
- To identify policy issues which impact the Project.

- To develop the Prequalification documentation and initiate the competition through the EU Journal.
- To manage the evaluation of the prequalification submissions and make the necessary recommendations Project Board.
- To develop the tender documentation and other deliverables for the procurement of the Project for approval by Project Board.
- To manage the tender process including evaluation of tenders and make the necessary recommendations to Project Board.
- To manage the dialogue and/or negotiation process with the Preferred Bidder and make the necessary recommendations to Project Board for Contract Award.
- To prepare the contract documents to be executed for signature.
- Contract Administration of the Contract

2.6 Process Auditor

A Process Auditor will be appointed to the Project.

The role of the Process Auditor is to check that the proper procedures and processes have been followed in relation to the Planning and Implementation stages which occur after the appointment of the Process Auditor. The Process Auditor will be provided with all relevant documentation to enable him to carry out this role and will attend meetings of the Project Board and the Project Team and other relevant meetings as he deems necessary. He will raise any issues of concern with the Chair of the Project Team in the first instance and if necessary will bring such matters to the attention of the Chair of the Project Board. Prior to Contract Award the Process Auditor will submit a specific pre-contract award report to the Chair of the Project Board setting out his assessment of compliance under the Stages of the Procurement Process as referred to above and will refer any outstanding issues to the Chair for resolution of such issues.

2.7 Project Team Work Groups

At certain stages throughout the Project, certain Sub-Groups called Project Team Work Groups comprising members of the Project Team and assisted where required by the services of the Project Advisers (refer to Section 2.8 below), will be set up to deal with specific issues, e.g. Tender Evaluation, Risk Assessment, Payment Mechanism etc.

These Work Groups will be directed by the Project Team to be responsible for carrying out the work necessary to deliver the project in a timely manner. It is currently envisaged that membership of the Project Team Work Groups will remain the same for both phases of the Project.

2.8 Project Advisers

Legal, Tax, Insurance, and Technical Advisers will be appointed to support the Project Team in its responsibilities.

The Project Team Advisers will be in attendance at the Project Team meetings and Project Board meetings as required.

The Project Advisers are as listed in Appendix 1. An individual from each Team of Advisers will be named as the “Lead Adviser” for each of the Legal, Financial and Technical elements, including responsibility for coordinating other Advisers as may be appointed.

3. PROTOCOLS

3.1 Meetings Protocol

Meetings will be convened, as, and when deemed necessary, by the Chair of the relevant board or committee. Where practicable, members will receive notice at least 10 working days prior to the date of any meeting, provided that shorter notice may be given where necessary. Members may nominate that a delegate/nominee attend in their absence, in which case such delegate/nominee will be deemed to be a member for the purposes of determining whether such meeting is Quorate.

The Secretary to the relevant board or committee will be responsible for taking minutes, organising meetings, maintaining/updating a query/ clarification/ contact log and acting as a point of contact for all parties during the procurement process.

The minutes should:

- Record the meeting’s attendees;
- Be numbered; and
- Summarise the main issues in the discussion.

The minutes should also cover the decisions reached (including the inputs in reaching the decisions) at each meeting under each agenda point. The minutes shall contain action points, which are to be assigned to responsible parties. Any and all decisions taken by the relevant board or committee at a meeting are the collective responsibility of the relevant board or committee.

Draft minutes of the previous meeting should be circulated via email prior to each meeting with the next meeting’s agenda. Other papers relevant to the next meeting should also be attached at this point.

The Quorum for meetings of the Project Board,, the Project Team and Project Team Work Groups will be 50% of the membership, (rounded up) being present in person or by telephone. The Project Team must include representatives from DCC and the DHPCLG. If the Chair is absent he/she will designate an alternative to be Chair of the meeting.

Decisions / recommendations of the Project Board, Project Team and Project Team Work Groups will have, where at all possible, the unanimous support of all the members and, where unanimity is not achievable, will require the support of at least two thirds of the membership (rounded down).

Decisions may be taken by the Project Board, Project Team and Project Team Work Groups by or through electronic or email discussion provided adequate documentation is provided. This may be particularly appropriate where prior discussion has already taken place at a previous physical meeting. Meetings may also be held by telephone conference call.

The above protocols apply to Project Board, the Project Team and Project Team Work Groups and any Sub Committees established by any of the foregoing.

The Process Auditor will be circulated with all relevant documentation including minutes of Project Board and Project Team meetings.

3.2 Communications Protocol

Each member of the Project Team shall receive email updates upon receiving new documentation, when a decision has been made, or upon relevant correspondence from the Candidates or Tenderers.

The Chairperson of the Project Board, in consultation with the Chairperson of the Project Team will decide which relevant documentation is to be distributed to the members of the Project Board.

3.3 Consultation

The City Council's democratic mandate is by way of the 63 elected members, each elected through universal suffrage or co-option. Regular reports and presentations have been made to councillors via meetings of the City Council (elected members), the Local Area Committees and the Strategic Policy Committees. Certain critical changes have been made to a number of the proposals in the Feasibility Studies by way of submissions and agreed motions. Two of the three sites have also been the focus of extensive consultation with the original tenants (O'Devaney and St Michael's), locally based representative community groups and individual local residents. Besides the input of Councillors to the proposals, consultation with local stakeholders has been conducted both formally and informally, as follows:

- **Formal Consultation** - statutory invitations to make submissions to Planning Permissions, Master Plans and the City Development Plan 2016 – 2020.
- **Informal Consultation** - meetings between officials, local residents and public representatives have influenced the proposals at every level.
- **Tenant Consultation** - in the case of both O'Devaney Gardens and St Michael's Estate extensive and detailed consultation over a number of years with existing City Council tenants have also influenced the proposals.

3.4 Consultative Forums

While there is no requirement, outside of the consultative procedures outlined above, to establish consultative forums as part of overall governance, it would be considered best practice to engage with local stakeholders. This engagement should provide a forum to discuss and resolve local concerns and have a strong information exchange component. There is no scope for such consultative forums to veto, replace or take precedence over the more formal and statutory requirements, such as planning guidelines and planning permissions, or the reserved functions of the City Councillors, however it is recognised that community input into the proposals would be invaluable.

3.5 Consultative Forum Terms of Reference

- To provide a forum for the mutual exchange of information between stakeholders associated with the Land Initiative (L.I.) Sites.
- To define and agree communication processes with Dublin City Council, Developers and other relevant Stakeholders in respect of L.I. sites.
- To provide a platform for local and stakeholder concerns to be discussed and resolved throughout all stages of the development.
- Consult, co-operate and liaise with all interested parties including the local community and any relevant statutory bodies.

(Please refer to appendix II)

4. KEY STAGES

4.1 BACKGROUND

Procurement consists of three main stages:

- Appraisal Stage.
- Planning Stage.
- Implementation Stage.

These steps are set out in detail in the following Department of Finance Guidelines:

- *“Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector”¹, 2005 \ “The Public Spending Code 2012”;* and
- *“Guidelines for the Provision of Infrastructure and Capital Investment through Public Private Partnerships: Procedures for the Assessment, Approval, Audit and Procurement of Projects”, July 2006.*

4.2 STAGES

4.2.1 APPRAISAL STAGE

- Set up Land Initiative Feasibility Board
- Set up Land Initiative Technical Team
- Identify suitable sites
- Prepare feasibility studies

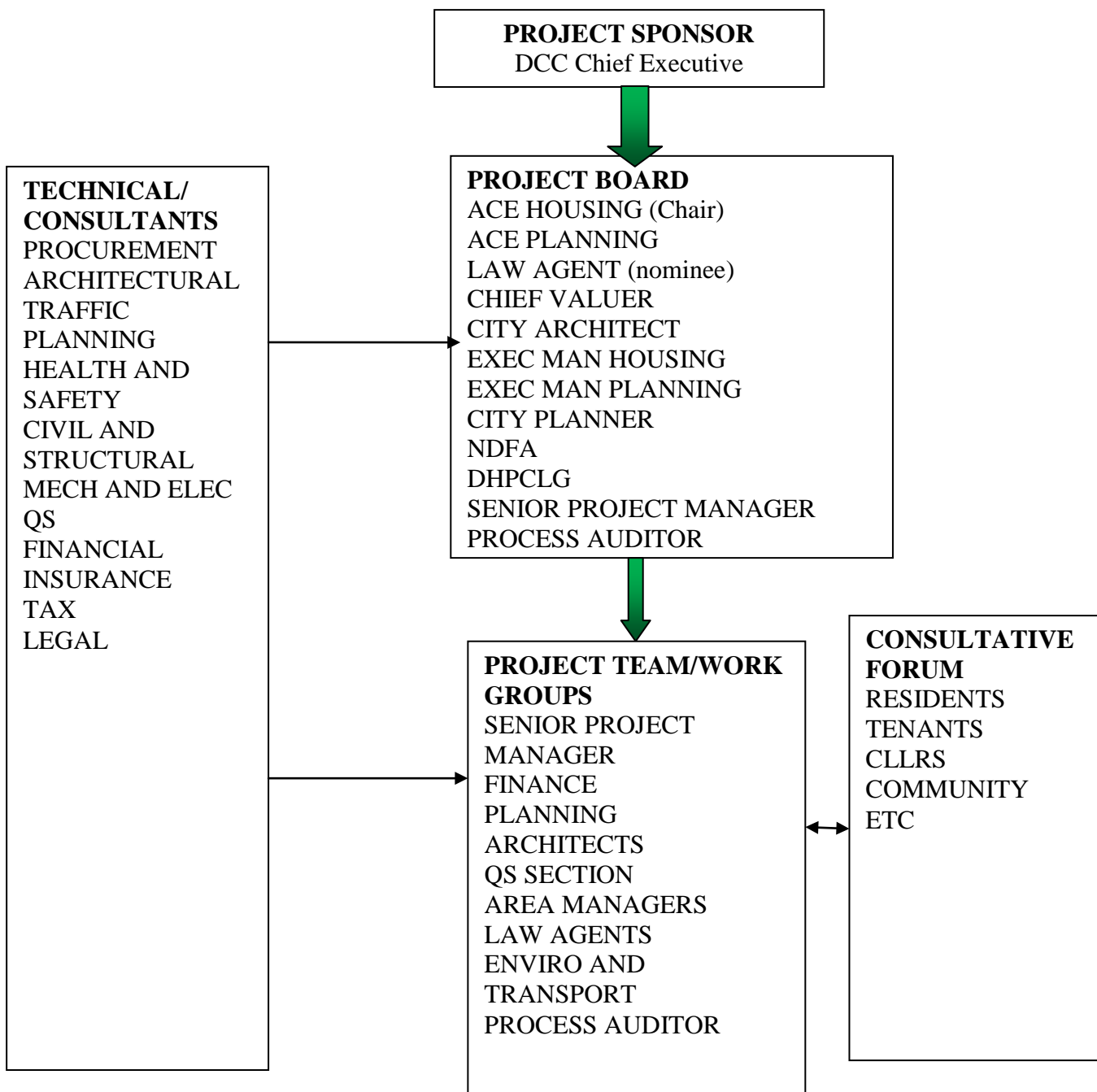
4.2.2 PLANNING STAGE

- Ratify project management structures (Project Board, etc.)
- Set up procurement working group
- Appoint Process Auditor
- Identify output specifications
- Identify disposal options

4.2.3 IMPLEMENTATION STAGE

- Procurement process
- Tender evaluation
- Award contract

APPENDIX I



APPENDIX II CONSULTATIVE FORUMS TERMS OF REFERENCE (Example Oscar Traynor Road)

• MEMBERSHIP

The membership shall be as follows:

- Three City Councillors to be elected to represent the North Central Area Committee.
 - Three City Councillors to be elected to represent the North West Area Committee.
 - The Chair and Vice Chair shall one of these City Councillors and shall be chosen by the council members. If either of these positions becomes vacant, a new replacement will be elected, by the councillor members from amongst their ranks.
 - One Executive Member (DCC).
 - One local resident representing the Lorcan Estate.
 - One local resident representing the Castletimon Estate.
 - One local resident representing the Woodlawn Estate.
 - One local resident representing the Aulden Grange Estate.
 - The above four members to be co-opted by way of submission of expressions of interest advertised locally and assessed for suitability by the council members.
 - One representative of the local school to be determined by the school authorities.
 - Other members may be co-opted depending on the various development stages i.e., Developer representative, etc
 - The forum will have a core membership of not less than 10 members and not more than 15 members.
- ### **• MEETING PROTOCOLS**
- Where the chair and vice chair are unavailable the attending members will agree a temporary chair by agreement.
 - The meetings shall initially be bi-monthly (i.e. once every two months) or more frequent depending on the need.
 - The meeting duration will be set at 90 minutes and will never exceed 2 hours.
 - Where practicable the members will receive 10 days notice prior to the date of the meeting, provided that shorter notice may be given where necessary.

- Members may nominate that a delegate/nominee attend in their absence, such delegate will be deemed to be a member for the purposes of attaining a quorum (quorum will be 50% of the membership, rounded up).
- The DCC executive will be responsible for taking minutes, organising meetings and will act as a contact point during the process.
- Agenda items will be agreed with the Chair and communicated to the executive 5 days prior to final date of meeting notification.
- The minutes will take the form of action minutes and will summarise the main issues in the discussion, the decisions taken and those responsible for output.
- Draft minutes will be vetted by the Chair prior to distribution to the members by email.
- The forum will at all time operate by means of a consensus approach.

The business of the forum will be conducted in an open and transparent manner and will recognise the increasing cultural diversity which exists in Ireland today.