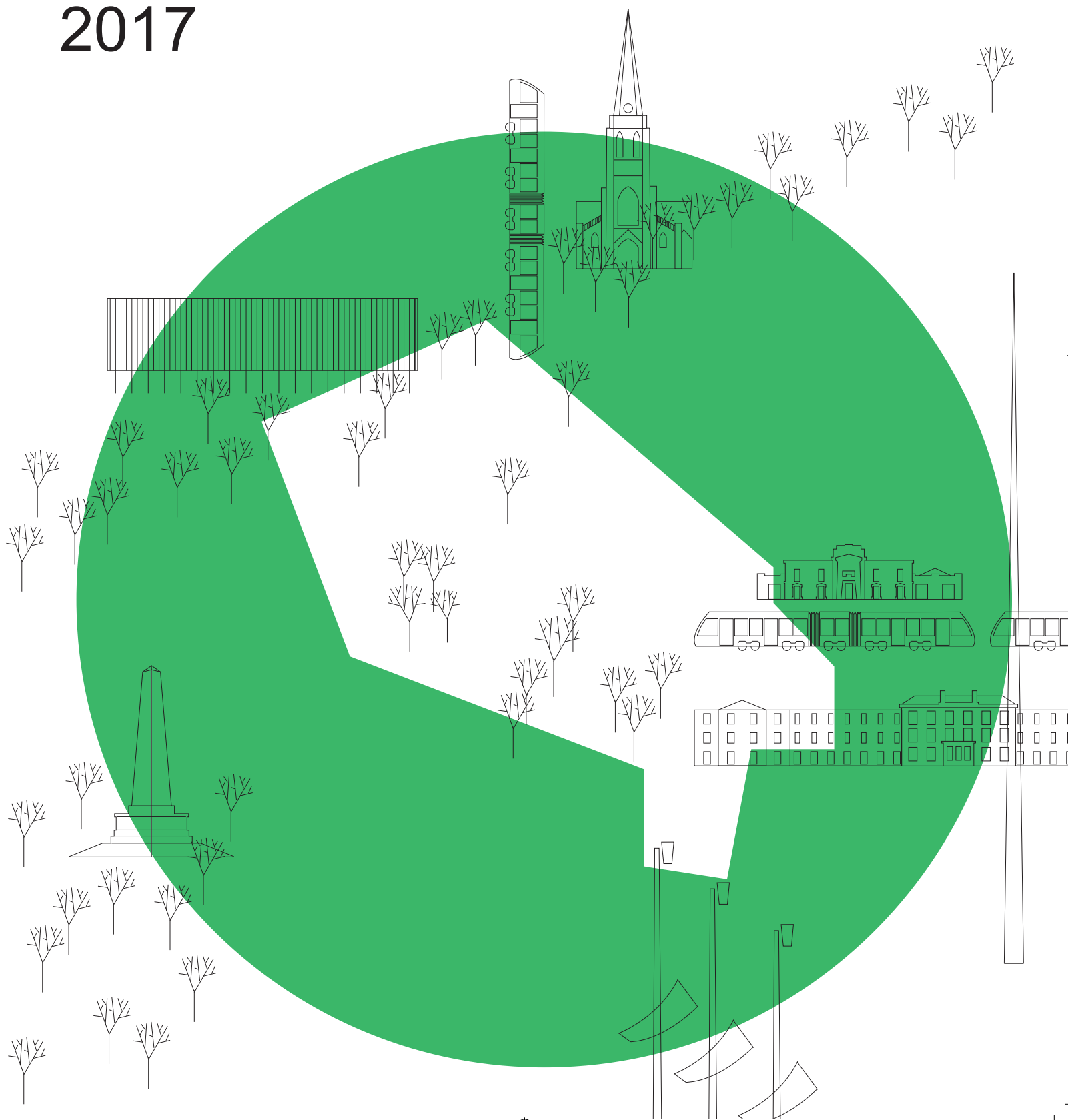




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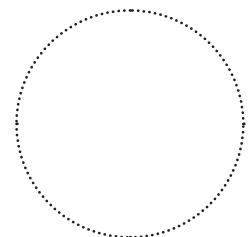
The Annual Report. 2017





Content

	Welcome	
I	Planning	9
II	Estate Management	11
III	Health	13
IV	Education	15
V	Community	19
VI	Sitewide Projects	25
VII	Public Art	27
VIII	Looking Ahead	31
IX	Disclosures	33
X	Financial Statements	35
	Appendices	



Agency Board Welcome

Oliver Cussen, Chairperson, Agency Board

While it was a year when the building project moved at a slow pace, important work was done in 2017.

A comprehensive review of the 2011 Grangegorman Strategic Plan was completed by the Agency, in consultation with stakeholders. This review will guide the Agency in formulating operational plans for the next five years.

The Primary Care Centre was completed and opened at the end of 2017. This is an important community, healthcare facility. The next major phase in the health services is the new residential care centre. The Agency has appointed the design team for this project. Following resolution of the legal issues, we look forward to working with the Stakeholders on the delivery of the Central and East Quads, with a view to occupation by 10,000 students in 2020.

The completion of the Educate Together Primary School at the end of 2020 will accommodate 600 children. Work is at an advanced stage on the planning for Phase 3 of the Project, principally the library, the school of business and the energy centre. The funding and delivery of these projects is critical to the realisation of the full benefits of the educational elements of the Grangegorman development.

In addition, a major challenge is to deliver student accommodation. This work continued throughout 2017 and will continue. Although privately funded, prolonged efforts and interactions with the relevant Departments to find ways to keep the debt off the State balance sheet have so far failed to come up with a satisfactory solution. It is significantly behind schedule, while new accommodation is being developed all around the campus.

Achieving enough funding, in the short to medium term, in order to build out the project, in accordance with the strategic plan, is important. To do this it will be necessary to meet the funding targets from the principal sources of funding namely, property disposals, private funding and the exchequer. This is a significant challenge and risk to the project.

The importance of good communication and liaison with the community is more important than ever particularly as building work intensifies and the potential of the development takes shape. The Agency and the Board is committed to continuing to support and develop good quality communication with the community and all stakeholders.

The Public Art Working Group continues to do very fine work. There is now a wide variety of art projects completed and underway. Art is an important part of the Project which enriches the physical development, culturally and aesthetically and engages local schools and communities to promote learning and celebrate local history and traditions.

The Grangegorman Labour and Learning Forum remains a key component of the Project which works on programmes to support children in accessing the benefits of education, promote learning opportunities generally and promote local employment on the site. I wish to thank the outgoing Chair, Brigid McManus. She did an excellent job during her term and devoted her time selflessly to the work.

The delivery and governance of projects already underway and the delivery and governance of the next phases of the project will form a significant part of the new Board's work over the next three years.

I wish to thank the staff of the Agency and the Chief Executive for their professionalism and strong commitment to the project coupled with perseverance and innovation in overcoming many challenges.

In 2018 the term of office of the current board came to an end. I would like to take this opportunity to thank the members of the Board for all their hard work and invaluable input to the project over the past three years. I look forward to working with the new members and those who will continue for a further term.

I also wish to thank the Minister for Education and Skills and the staff of his Department for their unfailing support for the project.



Agency CEO Welcome

Ger Casey, Agency Chief Executive Officer

Like the years preceding 2013 and 2014, much of 2017 was spent in preparation and planning for upcoming construction projects, engaging with our broad stakeholder group and taking stock of progress to date.

Perhaps the most significant of the construction projects was the PPP project which had heretofore been held up in Commercial Court proceedings by one of the unsuccessful bidders. As the court proceedings had finally concluded by the end of 2016, there was a lot of work to be done over 2017 to get this important project back on track. This was complicated by the major upturn in construction activity in Dublin and the consequential inflation in construction costs and tightening of resources. I would like to thank the teams in the National Development Finance Agency and the Department of Education and Skills in particular for their efforts in finalising the procurement process.

In terms of work carried out on site, the HSE Primary Care Centre, which had started on site in April 2015 was completed in late 2017. This was another huge milestone for our development work and the on-going regeneration of this part of Dublin. This fantastic new building, which is a combination of an old listed building joined together with a new one, is now delivering vital healthcare services to the north Dublin region. This includes GP, audiology, children's health and occupational therapy.

DIT's Greenway Hub was officially opened by the Minister for Education and Skills, Mr. Richard Bruton, in March 2017. This was a very significant event as it officially marked the arrival of the first new building in Grangegorman for DIT. The Greenway Hub is now a very busy hive of activity with researchers and new technology businesses located throughout.

Another milestone for 2017 was An Bord Pleanála's decision to allow the delivery of a 24 classroom school for Dublin 7 Educate Together in place of a 16 classroom school as was originally planned. Being able to provide more classroom places in an area where the number of children is increasing at a far greater pace than previously forecast will of course be of great benefit to the wider community, though we must also take note of the increased challenges in managing the impact on our directly adjacent neighbours from increased car traffic.

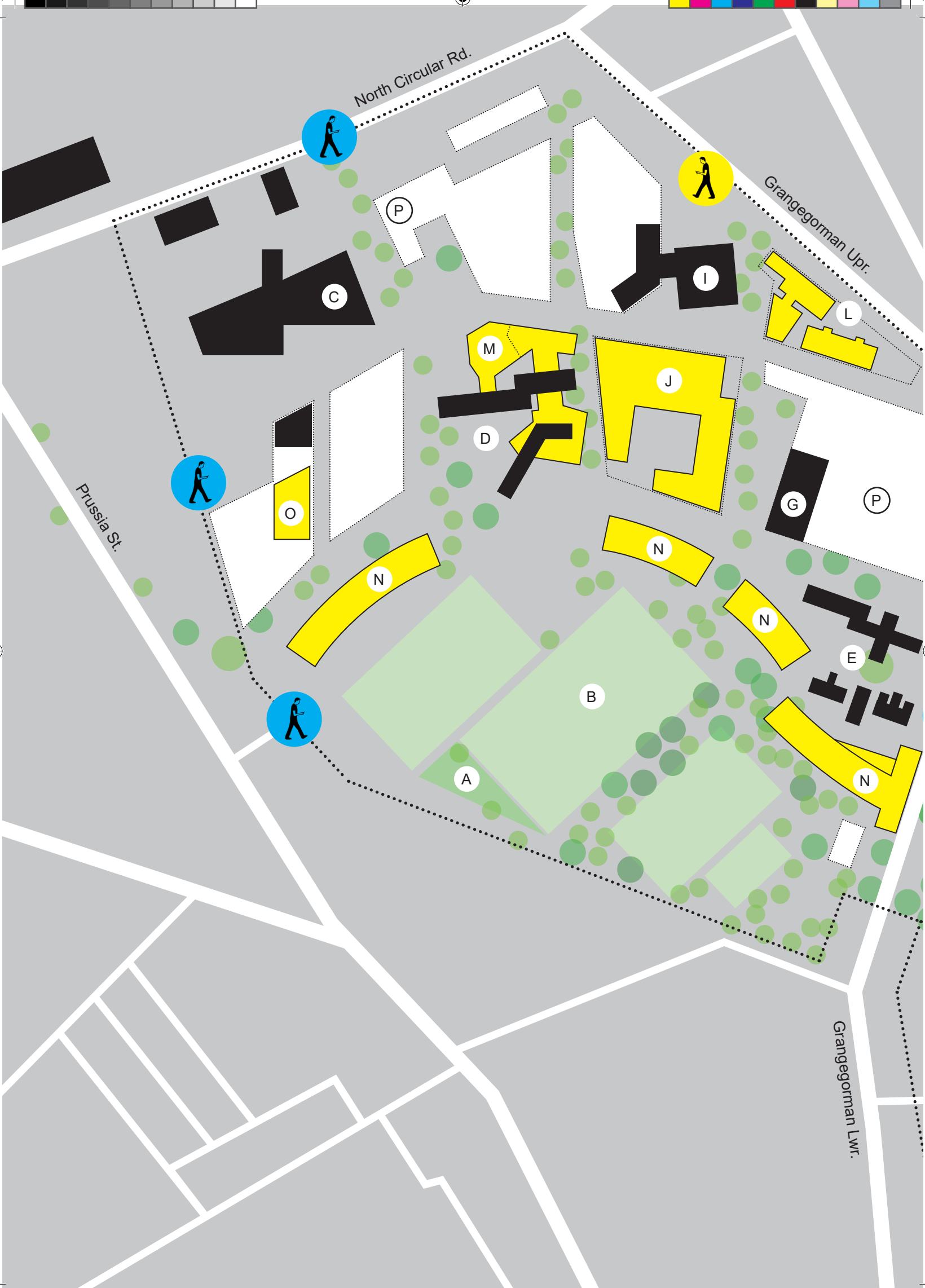
While there was not a huge level of construction activity on the Grangegorman site, the GDA continued to meet regularly with all of our stakeholders to ensure everyone knew what was happening and to continue to build relationships. Both the Consultative Group and the Community Liaison Committee met regularly throughout the year and a range of topics were covered at these meetings. In addition to these formal groups the GDA continued to build relationships in the wider community through its involvement with local events such as Stoneybatter Pride of Place Festival, of which the Agency is a major sponsor.

Another important vehicle the Agency uses for building relationships is the public art programme. In recent years this has provided some of the best community interaction on the project and has given local artists and the local community numerous chances to come together to collaborate on a wide range of projects.

As one looks through the 2017 Annual Report it may at first seem light on physical progress but it is important to know that behind all of the construction that is even now onsite or has been over the last 10 years, lies months and even years of planning and engagement with our stakeholders, funders, end-users and project partners. 2017 will certainly go down as one of those years but the fruit of that labour will only begin to really manifest itself in the coming years.

As always I would like to thank our stakeholders in the HSE, DIT and the community as well as the National Transport Authority, Transport Infrastructure Ireland, the CIE Group of companies along with the Department of Education and Skills and the National Development Finance Agency, without whose support and co-operation none of this would be happening. We look forward now to another productive year on this great project.







↓
2017

● In Use

● In Design/Procurement/Construction

A. Public Playground

B. Playing Pitches

C. Phoenix Care Centre

D. North House and Annex

E. An Croi Cluster

F. Clock Tower

G. Greenway Hub

H. Primary School (Temp)

I. Primary Care Centre

J. Central Quad

K. East Quad

L. Primary School

M Academic Hub

N. Student Housing

O. Energy Centre

P. Car Park (Temp)

X1. Luas Grangeegorman

X2. Luas Broadstone

X1

X2

F

K

H

Constitution Hill



Image: Grafton Architects





I Planning

The Grangegorman site was designated as a Strategic Development Zone (SDZ) in 2010 with the formal adoption of the Planning Scheme by Dublin City Council (DCC) in 2012.

This statutory document provides certainty to both the Agency and its stakeholders on what can and cannot be developed on site. The Planning Scheme is under the custodianship of DCC, which oversees its implementation. Since its formal adoption DCC has granted 27 planning applications under this fast-track mechanism, which has greatly facilitated the development of the urban quarter to date.

Three planning applications were granted in 2017, they were:

- Temporary car park for 111 car spaces and 8 cycle spaces (GSDZ4208/16) off the North Circular Road
- Retention of temporary structure for Dublin 7 Educate Together National School (GSDZ3653/17)
- Construction of an energy centre (GSDZ3926/17)

SDZ Amendment for Dublin 7 Educate Together New School building

In 2015, the GDA was informed by the Department of Education and Skills that there would be a need for a greater number of school places in the Grangegorman area. The Grangegorman Planning Scheme originally allowed for a 16 classroom primary school to be built onsite. With the requirement for further places in the area, it was necessary to

make an amendment to the SDZ under Part IX of the Planning and Development Acts 2000 – 2004 to increase the size of the school from 16 to 24 classrooms.

At the end of 2016, new planning legislation was enacted. This required An Bord Pleanála to decide whether the proposed amendment was a ‘material’ or ‘immaterial’ change. This SDZ amendment was one of the first to come under this new legislation. Following on from in-depth consultation and further research, DCC submitted the proposed amendment to the Board and it was approved by them in June 2017.

The Board, commenting on their decision, said:

“Having regard to the overall provisions of S170A of the Act, the Board agreed with the inspector’s conclusion that the proposed amendments would not be material, given the limited nature of the proposed amendment. It is considered that the amendment will not have material implications for the amenities of the area and will not affect the overall planning scheme objectives or the character of the Grangegorman SDZ area.”

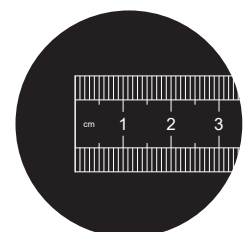




Image: Barrow Coakley Photography





II Estate Management

Grangegorman Estate Management Working Group

The Grangegorman Estate Management Working Group (GEMWG) was formed to look after the publicly accessible areas of Grangegorman as they are completed and handed over. It is currently made up of representatives from the GDA, DIT, HSE, and DCC and is chaired by Máire Mellerick, GDA Director of Construction. DIT Estates oversee the day-to-day management and servicing of the areas with GDA maintaining all underground services.

GEMWG met regularly over 2017 and dealt with a number of matters as they arose. A key area of focus for the group was to maintain access to both the pitches and the playground. This is being done in partnership with DIT Sports and the GDA.

The Playing Pitches

The drainage issue identified in late 2016 was finally resolved in the Autumn of 2017 and the first match back on the pitch took place in November.

The Playground

The Grangegorman playground has been one of the successes of the project. Since its opening in 2014, it has drawn families from all over Dublin's north inner city and beyond and is always busy from toddlers in the morning to older school children filing in after classes finish in the afternoon.

During 2017, the playground continued to have high levels of usage. There were a number of low level anti-social behaviour incidents reported and a small level of damage but overall the popularity of this amenity continues to grow.





Image: Donal Murphy





III

Health

Primary Care Centre

The Primary Care Centre in Grangegorman is the second major health focused building to be delivered as part of the re-development and the first project to consolidate a new building with a protected structure.

Construction of the new Primary Care Centre was completed early in the year following a two year construction contract carried out by L & M Keating Ltd. Once the builders moved offsite, the Health Service Executive began the fit out of the building in preparation for the first community services to arrive.

The first service available to the public in the Grangegorman Primary Care Centre was audiology, which opened in December 2017. Services to follow included GP and public nursing facilities, children's mental healthcare, physiotherapy and occupational therapy spaces as well as highly specialist units for ophthalmology. It is expected that the centre will be fully operational by mid-2018.

In late 2017, the GDA met with a range of residents in relation to some concern which was raised around one of the services to be located in the new centre. Following these meetings and follow up meetings with HSE staff, the issue was resolved to the satisfaction of the residents and the service is operating successfully.

As part of the overall public art programme for Grangegorman, the Public Art Working Group agreed to offer an Open Call for artists to lend artworks specifically to the new Primary Care

Centre under Pathway 6 of '...the lives we live' programme. Following the open call, nine artists were chosen and throughout 2017 the various art pieces began to be placed in the Primary Care Centre. Further details on this can be found in the Public Art section of this document.

Residential Care Neighbourhood

Formerly known as Community Nursing Units, the Grangegorman Residential Care Neighbourhood (RCN) was announced as part of the Capital Plan in early 2016. This will form a key part of the new Grangegorman Residential Care Neighbourhood along with new facilities replacing St. Elizabeth's Court and a new day care centre. The RCN will provide for up to 120 beds with ancillary support functions for the Dublin North East area.

The Agency aims to develop this project in a series of stages as part of the next phase of site works with a target completion date for 2021. The invitation to tender for design teams for this project went out at the end of 2016. The selection process continued throughout 2017 and an announcement on the successful design team is due in 2018.

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Image: Dublin Institute of Technology





IV Education

Central and East Quads

First announced as part of a Government Stimulus Package in 2012, a lot of work has been done since then to develop the Central and East Quads at Grangegorman. Once completed, these Quads will be home to 10,000 DIT Students. The Central Quad will provide for 10 DIT schools in the fields of Science, Health, Food, Tourism and some Engineering while the East Quad will form part of the cultural hub of the site with the Conservatory of Music, Creative Arts, Media and Language schools to be located there.

After an extensive procurement process through Public Private Partnership (PPP), a Preferred Tenderer was selected in 2015. However, due to a legal challenge over this selection a case was brought before the High Court. This has unfortunately pushed out the target delivery dates for the completion of the Quads.

While awaiting the outcome of the court proceedings, the Agency sought and was granted planning permission from DCC in July 2015. In October 2016, the High Court announced the decision to dismiss the case. Working closely with the National Development Finance Agency (NDFA), which is responsible for the delivery of State PPP projects, the Agency began to reengage with the Preferred Tenderer at the end of 2016. Work continued throughout 2017 to progress the project with the NDFA, DIT, the preferred bidder and the Agency to ensure construction could begin as quickly as possible. Construction began in 2018.

The preferred bidder for this project is the Eriugena consortium. Led by Macquarie Capital Group Ltd., the group

also consists of Irish construction company John Sisk & Son (Holdings) Ltd., FCC Construction (Ireland) Ltd. and Sodexo Ireland Ltd.

The Greenway Hub

The Greenway Hub was officially opened by the Minister for Education and Skills, Richard Bruton TD in March 2017.

The building is a specialist research hub for DIT providing dedicated research laboratories for the Environmental Sustainability and Health Institute (ESHI) and incubator spaces for DIT Hothouse and New Frontiers programme.

These services are part of Ireland's top performing Knowledge Transfer Office and will be a significant driver for regeneration in the Grangegorman area.

The Greenway Hub was funded through the Programme for Research in Third Level Institutions (PRTL) and Enterprise Ireland and aims to be a hub for innovation and to support the establishment and growth of technology or knowledge intensive ventures in Ireland and abroad.







IV

Education

D7 Educate Together Primary School

In 2015, award winning architects Grafton Architects were appointed as the Design Team for the new Dublin 7 Educate Together National School. As mentioned in the planning section of this document it was necessary to change the size of the school from 16 classrooms to 24 classrooms following a request from the Department of Education and Skills. An Bord Pleanála approved this change in June (See Chapter I for further details).

The new proposed school is to be located on the edge of the Grangegorman site adjacent to an existing junction where Rathdown Road and Grangegorman Upper intersect. Both DCC and the GDA agreed it was necessary for the layout of this junction to be altered in order to make it safe as a school entry location. The GDA would submit a separate planning application to DCC for this work.

Some initial consultation had already taken place in relation to the new layout of this junction in 2015 but over time the proposal changed. Therefore, in late 2017 the GDA began a new consultation process by presenting the new proposal firstly to elected representatives in the area and then to local residents via door to door consultations. Planning permission was granted for both applications in June 2018. The current timescale for the new school is for it to be open for September 2020. The decision regarding the new junction has been appealed to an Bord Pleanála as it was appealed by one party.





Image: Agency





V Community

Grangegorman Labour and Learning Forum (GLLF)

The Grangegorman Labour and Learning Forum (GLLF) is made up of a range of statutory, community and voluntary organisations and Grangegorman stakeholders who work within the Grangegorman area. It was first formed in 2010 and is currently chaired by former Secretary General of the Department of Education & Skills, Bridget Mc Manus. The primary aim of the Forum is to ensure that the local communities benefit from the various opportunities arising from the Grangegorman Project. This has three main strands which are: Employment, Education & Training, and Business & Enterprise.

To date, the GLLF has successfully devised and implemented the Grangegorman Local Employment Charter (2012) which aims to ensure that a minimum of 20% of new jobs on site are first offered to residents of the Grangegorman neighbourhood (Dublin 1 & Dublin 7) and then to the surrounding areas. The GLLF also encourages onsite contractors to use local sub-contractors and suppliers where possible. Throughout 2017, a hiatus in significant construction activity on the Grangegorman site meant that employment opportunities were temporarily unavailable. The GLLF took this opportunity to review and streamline processes and relationships in place around the Charter from the perspective of job seekers and hiring contractors, and to identify potential opportunities for work experience placements.

The GLLF was also a partner in the development and delivery of the DIT Access to Apprenticeship initiative, a pilot access

pre-apprenticeship course at DIT to support the successful transition of young people from disadvantaged communities to an apprentice programme.

The GLLF, through the work of its Business & Enterprise sub-group, continued to scope out opportunities and initiatives to support the local business community of small to medium enterprises and micro-businesses to maximise benefits from the Grangegorman Project. Activities during 2017 included two successful Grangegorman Business Breakfast events on the campus looking at 'Advertising, Promoting and Marketing Small Businesses' and 'Funding and Financing Small Businesses'.





ABC Programme

Throughout 2017 DIT, as the lead organisation, the GDA and the GLLF continued to work closely with Grangegorman ABC to ensure that children aged 0-6 years living in the area get the best start in life. The programme is run by a consortium of 29 statutory, voluntary and community organisations with a presence in the area and is chaired by Dr Paul Downes, Director of the Educational Disadvantage Centre at DCU.

The consortium works together in a range of home, school and early years settings to improve outcomes for children and their families, and to help them to reach their full potential.

Activities which continued to be rolled out during 2017 include:

- The Incredible Years Parenting Programme
- The Incredible Years Baby and Parent Groups
- Classroom Dinosaur puppet-based programme (strengthens children's social, emotional and academic competencies)
- Classroom Management for teachers in local primary schools
- Doodle Den Literacy Programme (literacy skills through games and fun activities in after-school settings)
- "Stepping Up" initiative supporting children who are making the transition from early years services to primary schools in the area

- Non-formal upskilling programme with Early Years staff and HSE specialists
- QI Levels 6 and 7 Childcare certification courses to upskill and support staff working in crèches in the area.

Funding for the programme, originally provided by the Department of Children and Youth Affairs and Atlantic Philanthropies to the end of August 2017, was extended to the end of December 2017 with potential additional extensions proposed for 2018. During 2017 Grangegorman ABC carried out an internal process evaluation of the programme to date and, as part of the focus on its future sustainability, commissioned research into a possible interagency children-young people's strategic plan for the north west inner city area for 2018-2022.



V

Community

Consultative Group

The Consultative Group is a statutory group established under the GDA Act 2005. It comprises a wide range of membership across the Grangegorman stakeholders and has a term of 3 years, as does the GDA Board. The current Consultative Group was formed at the end of 2015 after ratification by the Board and the completion of the election process for Community Representatives. The group usually meets once a quarter to get an update on the Grangegorman Project and to discuss any stakeholder concerns that may arise.

Over 2017, matters discussed by the Consultative Group included the History of Grangegorman and the proposed history project, The new Luas Cross City and its impact on the Grangegorman area, Dublin Bikes and the new services and facilities to be included as part of the Central and East Quads delivery.

Community Liaison Committee (CLC)

The CLC was first set up in 2011 with the purpose of helping the new urban quarter to embed into the existing communities of the Grangegorman area. It is a forum for stakeholders to bring any concerns on the impact of the Grangegorman Project and environs for discussion and meets on a monthly basis. The CLC is made up of the following stakeholders:

- 2 community members of the Consultative Group
- 1 community member of the Board
- 2 DCC elected members on the Consultative Group

- 1 DCC elected member on the Board
- 2 GDA staff
- 1 Garda Representative
- Rep from HSE
- Rep from DIT
- 2 Reps from Dublin 7 Educate Together
- 1 DIT Student Union Representative

Other organisations will join the meetings as necessary by invitation on a month by month basis.

Since its formation, the CLC has been instrumental in ensuring key issues are identified at an early stage and are therefore dealt with as necessary. In 2017, a key discussion took place around attendance at the group, which was felt to be low by some of the members. Because of this some steps were taken to allow stakeholders to nominate stand-ins and also a longer term review of the group is to be undertaken.

The main issues raised and discussed over 2017 included:

- Student accommodation in the area
- Site Security
- Anti-social behaviour
- Traffic Calming Measures
- Vacant properties





Image: Agency





V Community

Community Events

The Grangegorman campus is a publicly accessible space and since opening in 2014 has been host to many tours, public art events, sports and community networking events as well as the vast range of activities, workshops and conferences held by DIT. A number of community events took place over 2017 and are outlined briefly below.

DIT Graduate Exhibition

The fourth annual DIT Graduate exhibition for the School of Creative Arts took place on the Grangegorman Campus in June 2017. The exhibition, entitled “Making a Show” yet again gave local residents and the general public the chance to see the fantastic creativity coming out of DIT.

Stoneybatter Festival

The Stoneybatter Festival was born out of the great initiative that was “Stoneybatter Pride of Place”. The festival took place over the Summer Solstice weekend and featured a range of activities, many of which took place on the Grangegorman Campus. The festival culminated with a huge street party on Manor Street on Sunday 25th June. The street was closed to traffic and many of the local businesses set up stalls or ran events. The Agency, along with DCC, was one of the main sponsors of this great community event.

Lord Mayor’s Visit

On 12th July 2017, the newly elected Ardmheara Baile Átha Cliath, Míchaél Mac Donncha visited Grangegorman and was shown around by the CEO, Mr Ger Casey. This annual event has become something of a tradition with each newly elected Lord Mayor being invited to visit the campus as it develops.

Park(ing) Day

For one day every September, car parking spaces throughout Dublin and the world are turned into public parks, games or art installations. Park(ing) Day is intended to promote creativity, civic engagement, critical thinking, unscripted social interactions, generosity and play.

In 2017, the GDA decided to get involved in this initiative and so set up an interactive play/creative/informative space on Grangegorman Lower outside the campus entrance, where we encouraged passersby to stop and chat about the Grangegorman project and contribute to our art piece. It was a fantastic way to talk to local people about what is happening in the neighbourhood.



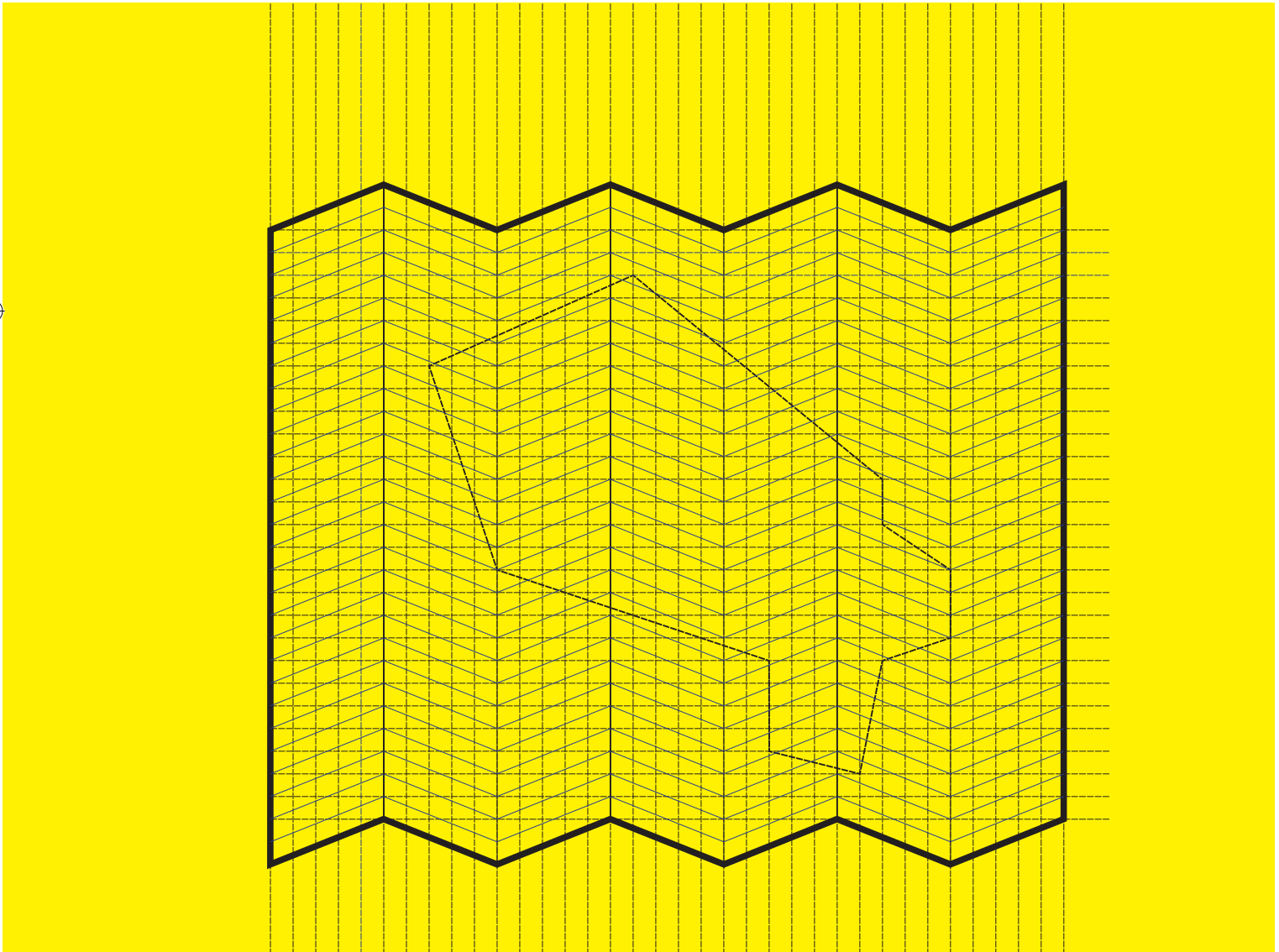


Image: Agency





VI

Sitewide Projects

Broadstone Gate

In December 2017, Luas Cross City began carrying passengers through the city, finally joining the Green and Red lines and passing through Grangegorman. As it had been decided at an earlier stage to omit the Broadstone Gate Plaza from the main Luas contract, this was not completed at the end of 2017. Therefore, at present, access to Grangegorman from the Luas is at the Grangegorman stop only.

The GDA is working on creating a temporary entrance through Broadstone, which will operate until the permanent plaza is completed in mid-2019.

Temporary Surface Car Park NCR

In October 2016, the Agency submitted a planning application for the construction of a temporary surface car park onsite. The car park is located off the North Circular Road between the Phoenix Care Centre and the new Primary Care Centre. This project consolidates the existing parking currently permitted on the campus and spaces will be used by DIT, the HSE and users of the Primary Care Centre once in operation.

The car park is now complete and will open shortly.

Building Information management (BIM)

The GDA approach to BIM has continually developed through 2017. The year started with the GDA presenting on the Agency's approach to BIM to industry leaders at the

Construction IT Alliance (CitA) Smarter Cooperative Building Series.

Two projects, the new Dublin 7 Educate Together National School and the new Academic Hub for DIT, progressed to Capital Works Management Framework (CWMF) stage 2a in accordance with BIM level 2 work practices. The GDA standard BIM documentation and protocol was reviewed to reflect current industry best practice, and the GDA received training from the author of PAS 1192-2 and the upcoming ISO 19650 standard.

In 2017, the GDA and Invicara signed a partnership agreement that would see the Agency using the Invicara platform as the GDA's Common Data Environment and Invicara's BIM Assure as the GDA's information quality tool.

The GDA has continued to work with other government bodies as a founding member of Public BIM, which is working to align the public sector BIM adoption. GDA was an active member of the Lean Construction Ireland Leadership Group and the NSAI National BIM Mirror Committee throughout 2017.

To finish off the year, the GDA presented at the CitA BIM Gathering 2017 Conference where the Information Manager Robert Moore discussed an Irish BIM mandate and Project Coordinator, Pat O'Sullivan presented on lessons learnt from the GDA's first BIM project, The Greenway Hub.

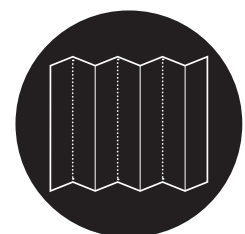




Image: Agency



VII

Public Art

Public Art Working Group

In 2011, the Agency commissioned the Grangegorman Arts Strategy to ensure that the arts are an integral part of the overall development process. The Public Art Working Group (PAWG) was set up at the end of 2013 to oversee the implementation of this Strategy. The group consists of a range of experts from the world of art, architecture, and public services. A dedicated Public Art Coordinator was engaged to devise a programme for this phase, which launched in 2015. At the time of print, the members the PAWG comprise:

Ciarán Benson, Chair

Jenny Haughton, Public Art Coordinator

Anita Groener, Artist

Kieran Corcoran, DIT School of Creative Arts

Christina Kennedy, Senior Curator at IMMA

Jacquie Moore, Office of Public Works

John Mitchell, Director, DMOD Architects

Derek Dockrell, Health Service Executive

Robert Ballagh, Community Representative

Terry Prendergast, Planner

Ronan Doyle, Agency Communications

About ‘...the lives we live’¹, The Grangegorman Public Art Programme

The PAWG chose to call this phase ‘...the lives we live’ which are the last four words from Derek Mahon’s poem ‘Dreams of a Summer Night’. The spirit of this poem is reflected in the many and varied actions being undertaken as part of Grangegorman’s public art programme. There are six pathways (themes) that are aligned with the strategic principles of the Arts Strategy. All opportunities have begun with an open call and have involved a variety of selection and curatorial processes. The six pathways are as follows:

Pathway 1: Major Visual Art Commission/s

Pathway 2: Community Based Projects/Events

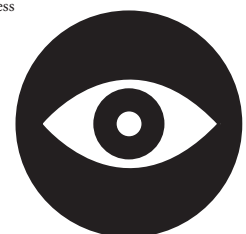
Pathway 3: The Cultural Mapping Project

Pathway 4: The ‘Creative Agents’ Initiative

Pathway 5: International Public Art Conference

Pathway 6: Lending and Acquisitions Policies

¹ Extract from ‘Dreams of a Summer Night’, New Collected Poems (2011), by kind permission of the author, Derek Mahon, and The Gallery Press





VII

Public Art

Pathway 1: The PAWG is commissioning a major legacy artwork for the Grangegorman site. An open call in 2015 led to a shortlisting process by a Jury comprising a national and an international curator, an architect, an artist and a PAWG representative. The artist brief aligned with the principles of ambition, enrichment and relevance. Due to the delay of construction on site, this project announcement has been put on hold until 2018.

Pathway 2: The PAWG is supporting an array of community-based arts initiatives that engage and link with local history, people, existing projects and emerging facilities. These projects invariably lead to the development of key relationships and partnerships in the process. Artists are challenged in their work practice and given the time to research and expand their ideas in a range of social and historical contexts.

The initial programme set out to invite three rounds of open calls for this pathway. Due to the overwhelming success of this pathway, in 2017 the PAWG agreed to put out a fourth and final call for community-based projects. To date, there are 17 projects that are being or have been supported through this pathway. They involve nearly 50 artists and community groups in the Grangegorman area. Further information on each of these projects can be found on the Agency website under Public Art.

Pathway 3: The PAWG hopes to contribute to the natural cultural mapping process being undertaken by the pathway 2 projects, and the existing cultural services in the area so that those who live, visit and work around Grangegorman can access all that is happening culturally in the area.

A number of public seminars and events took place in 2017 for initiatives that reflect the history of the Grangegorman site. Notable events were: Christina Henri's 'Wear A Bonnet: Living Art Installation' which took place in March to commemorate the women and children transported from Grangegorman to Australia in the 1800's; and the '1916 Revolutionary Cabaret' devised by soprano Judith Mok and writer Michael O'Loughlin, which explored the artistic revolution of music and poetry across Europe during 1916.

Pathway 4: An introductory seminar was held by Professor Doris Sommer in 2016 to establish interest in a creative agents initiative in Dublin. It was a great success and it is hoped that the Creative Agents Initiative will be further advanced in DIT in 2018.

Pathway 5: The PAWG has set aside funds to support a major public art conference to coincide with the opening of the East Quad and Cultural Hub at Grangegorman.

Pathway 6: The PAWG is supporting a range of measures that are leading to lending agreements between artists and institutions, including a pioneering lending scheme led by the HSE for artworks to the Grangegorman Primary Care Centre. Nine artists and a range of their works were selected and were being installed in the building as of end of 2017.

Under this pathway, 2017 also saw the installation of DIT graduate George Warren's 'Green Centaur' in the Greenway Hub. The piece is on loan to DIT from the OPW and the process was facilitated by the PAWG.





Image: Eriugena





VIII

Looking Ahead

Programme III Progress

2018 will see the commencement of construction of the Central and East Quads. This will allow much of the focus of the GDA move to Programme III. This programme includes the Academic Hub, the Energy Centre, the West Quad, along with some other smaller projects. The Agency will work together with DIT to decide on the best way to advance this programme with the resources available. An announcement on Programme III will be ready for mid 2018.

Dublin 7 Educate Together National School

As mentioned earlier in this report, following planning approval in mid 2018 construction will commence in late 2018. This should bring the project to completion in 2020. The GDA is working closely with Grafton Architects to move this project forward.

Residential Care Neighbourhood

The GDA will be announcing the successful design team for the Residential Care Neighbourhood in 2018.

GDA Elections

The term of office of the GDA Board and Consultative Group comes to an end in September 2018. It will therefore be necessary for the Minister for Education and Skills to appoint a new Board and the Agency to run an election process for the local resident nominee to the Board and the two new members of the Consultative Group. This process will begin in June 2018 with the election taking place in late August.





Image: Agency





IX

Disclosures

Freedom of Information

The Agency came under the Freedom of Information Act in 2015. As of the end of 2017, the Agency has processed 12 requests under this Act.

Oireachtas Queries

As per the Code of Practice for the Governance of State Bodies 2016, the Agency has put in place protocols for the provision of information to members of the Oireachtas.

The Agency will report annually on compliance with these protocols and all requests for information and their responses (where appropriate) will be published on our website.

The Agency received one request for information from an Oireachtas member during 2017.

Protected Disclosures Act 2014

As a public body, the Agency is required under section 22 of the Protected Disclosures Act 2014 to publish an annual report in relation to the number of protected disclosures made to it in the preceding year, and the action taken in response to any such protected disclosures.

No protected disclosures were made to the Agency in the period 1 January – 31 December 2017.







X

Financial Statements

CONTENTS	Page
Board Members and Other Information	36-37
Governance Statement	38-47
Statement on Internal Control	48-51
Report of the Comptroller and Auditor General	52-53
Statement of Income and Expenditure and Retained Revenue Reserves	54
Statement of Comprehensive Income	55
Statement of Financial Position	56
Statement of Cash Flows	57
Notes to the Financial Statements	58-74

GRANGEGORMAN DEVELOPMENT AGENCY

BOARD MEMBERS AND OTHER INFORMATION

BOARD MEMBERS:

Mr Oliver Cussen	Chairperson	(re-appointed 9 September 2018)
Mr Gerrard Casey	Chief Executive Officer	
Cllr Janice Boylan		(re-appointed 9 November 2018)
Mr Jim Curran		(re-appointed 9 November 2018)
Ms Elva Duffy BL		(re-appointed 30 November 2018)
Ms Denise Dunphy		(re-appointed 9 November 2018)
Ms Penelope Kenny FCA		(re-appointed 30 November 2018)
Dr Noel O'Connor		(re-appointed 9 November 2018)
Ms Mary Walshe		(appointed 21 Feb 2018 & re-appointed 9 November 2018)
Mr Paul Clegg		(appointed 9 November 2018)
Ms Louise Keegan		(appointed 9 November 2018)
Mr Ciaran McCaffrey		(appointed 30 November 2018)
Prof Terri Scott		(appointed 30 November 2018)
Mr Jack MacGowan		(appointed 30 November 2018)
Mr Gerry O'Neill		(resigned 21 February 2018)
Prof J Owen Lewis		(term concluded 8 September 2018)
Mr Alec Darragh		(term concluded 8 September 2018)
Dr Berna Grist BL		(term concluded 8 September 2018)
Mr Damien Kilgannon		(term concluded 8 September 2018)
Mr John O'Hara		(term concluded 8 September 2018)
Ms Deirdre Prince		(term concluded 8 September 2018)

*On expiration of Board term on 8th September 2018

REGISTERED OFFICE: The Clock Tower
Grangegorman Lower
Dublin 7
D07 XT95

AUDITORS: Comptroller and Auditor General
3A Mayor Street Upper
Dublin 1
Dublin 01 PF72

GRANGEGORMAN DEVELOPMENT AGENCY
BOARD MEMBERS AND OTHER INFORMATION

BANKERS:	Bank of Ireland College Green Dublin 2 D02 VR66	AIB plc 1 Lower Baggot Street Dublin 2 D02 X342
SOLICITORS:	McCann Fitzgerald Riverside One Sir Johns Rogerson's Quay Dublin D02 X576	

Governance Statement and Grangegorman Development Agency Members' Report

Governance

The Grangegorman Development Agency (GDA) was established under the GDA Act 2005 for the purpose of developing the Grangegorman site for the benefit of DIT, HSE and the local community. The Board is accountable to the Minister for Education and Skills and the matters reserved for Board decisions as per its enabling legislation are listed below. Operational management and day to day control is the responsibility of the CEO (Accounting officer under the Act) and the executive team. The CEO acts as a direct liaison between the Board and management of the GDA.

The GDA operates under a Corporate Governance framework that reflects best practice and is aligned with the Strategic and operational needs of our stakeholders and the Grangegorman Development Agency Act 2005.

The Agency consists of 15 members appointed by the Minister for Education and Skills, one of whom is appointed as Chairperson.

Agency Responsibilities

The work and responsibilities of the Agency are set out in the The Grangegorman Development Agency Act 2005.

The aim of the Act is to facilitate the development of the 73 acre Grangegorman site in Dublin as a modern campus for the DIT, to provide the HSE with upgraded primary health and social care facilities and to provide community access /facilities.

The GDA's overall function is to project manage the development in an integrated and sustainable manner. In broad terms, the functions of the Agency are to:

- Accept the Grangegorman site and DIT properties;
- Prepare a strategic plan;
- Decide appropriate procurement strategy;
- Consult with relevant organisations, representative groups and the local community;
- Carry out construction;
- Return properties to DIT/HSE and any other educational body.

Section 33(4) of the Grangegorman Development Agency Act 2005 requires the accounts of the Agency for each financial year to be kept in such a form and manner as may be specified by the Minister and be prepared by the CEO and approved by the Agency as soon as practicable after the end of the financial year to which they relate for submission to the Comptroller and Auditor General for audit.

In preparing the financial statements the Agency is required to:

- select suitable accounting policies and apply them consistently;

GRANGEGORMAN DEVELOPMENT AGENCY

GOVERNANCE STATEMENT

- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including Financial Reporting Standard No. 102, (FRS 102), have been followed subject to any material departures disclosed and explained in the financial statements;
- disclose and explain any material departures from applicable accounting standards;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Agency will continue in business.

The Board confirm it has complied with the above requirements in preparing the financial statements. The Board is also responsible for safeguarding the assets of the Agency and for taking reasonable steps to prevent and detect fraud and other irregularities.

The Agency is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Sections 33 - 36 of the GDA Act 2005.

Matters reserved for the Board

- Approval of the long-term objectives and strategies of the GDA;
- Establishment, terms of reference, membership, procedures and dissolution of Board committees;
- Approval of the annual report and accounts of the GDA;
- Confirm annually to the Minister that the State Body has a system of internal financial control in place;
- Adoption of Strategic Plan (Section 12(4) GDA Act 2005);
- Implementation of adopted strategy through annual planning and budgeting cycle;
- Approval of the annual plan and budget, and formal evaluation of performance by reference to the plan and budget on an annual basis for inclusion in the annual report where appropriate;
- Borrowing by the GDA (Section 15 GDA Act 2005);
- Determination of contract award procedures for GDA Service, Supply and Works Contracts, in line with procurement procedures;
- Review of the GDA's overall corporate governance arrangements and terms of reference of sub committees;
- Approve the risk management framework and monitor its effectiveness. The Board should review material risk incidents and note or approve management's actions, as appropriate;
- Approval of the appointment of and succession planning for, the CEO;
- Determining strategic policy with respect to the prosecution, defence or settlement of litigation;

GRANGEGORMAN DEVELOPMENT AGENCY

GOVERNANCE STATEMENT

- Acquisition and disposal of land, interest in land or any other property subject to the consent of the Minister for Education and Skills (Section 8(2) GDA Act 2005);
- Acquisition, disposal and retirement of assets with an anticipated value at or above a threshold level of €150,000;
- Preparation of superannuation scheme for submission to the Minister for Education and Skills and approval of significant amendments to the scheme (which may require Ministerial approval);
- Responsibility for delegating authority levels, treasury and risk management policies;
- Ensuring compliance with statutory and administrative requirements in relation to the approval of the number, grading, and conditions of appointment of all staff, in line with Department of Finance circulars and sanctions;
- Acquiring shares in limited liability companies to exploit any research, consultancy or development work undertaken by the Agency (Section 9(1) (b) GDA Act 2005);
- Vesting of lands and premises to be occupied by the HSE, the DIT or other educational body, at the completion of the construction phase, into the ownership of the respective authority, institute or other body (Section 9(1) (l) GDA Act 2005);
- Review of its own operation and seek to identify ways of improving its effectiveness and identify if there are gaps in competencies and ways these could be addressed;

Terms of reference are also agreed for each Board sub-committee.

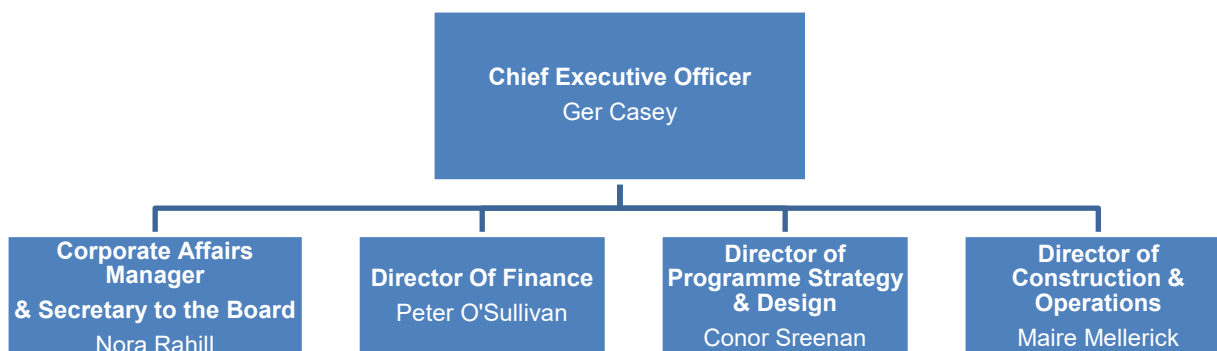
In addition to regular meetings of the Agency members, the CEO holds regular formal meetings with the stakeholders including the Department of Education & Skills, DIT and the HSE.



GRANGEGORMAN DEVELOPMENT AGENCY
GOVERNANCE STATEMENT

Agency Structure

Organisational Structure of the GDA – December 2017



00GG-GDA-ZZ-XX-RP-K-XX-AnnualReport2017-S2-C02

GRANGEGORMAN DEVELOPMENT AGENCY

GOVERNANCE STATEMENT

Agency Structure

The Agency consists of a Chairperson and 14 ordinary members, all of whom are appointed by the Minister for Education & Skills. The Members of the Agency are appointed for period not exceeding three years and meet on a monthly basis (excluding the month of August). The table below details the appointment period for current Members:

Agency Member	Representing	Date Appointed
Mr Oliver Cussen (Chairperson)	Minister for DOES	Re-appointed 9 September 2018
Mr Gerrard Casey (CEO)	Minister for DOES	13 July 2016
Cllr Janice Boylan	City Manager DCC	Re-appointed 9 November 2018
Mr Jim Curran	Minister for Health	Re-appointed 9 November 2018
Ms Elva Duffy BL	Minister for DOES	Re-appointed 30 November 2018
Ms Denise Dunphy	President DIT	Re-appointed 9 November 2018
Ms Penelope Kenny FCA	Minister for DOES	Re-appointed 30 November 2018
Dr Noel O'Connor	President DIT	Re-appointed 9 November 2018
Ms Mary Walshe (2018)	Minister for Health	Re-appointed 9 November 2018
Mr Paul Clegg	City Manager DCC	Appointed 9 November 2018
Ms Louise Keegan	Community	Appointed 9 November 2018
Mr Ciaran McCaffrey	Minister for DOES	Appointed 30 November 2018
Prof Terri Scott	Minister for DOES	Appointed 30 November 2018
Mr Jack MacGowan	Minister for DOES	Appointed 30 November 2018
Mr Gerry O'Neill	Minister for Health	Term concluded 21 February 2018
Prof J Owen Lewis	Minister for DOES	Term concluded 8 September 2018
Mr Alec Darragh	Community	Term concluded 8 September 2018
Dr Berna Grist BL	Minister for DOES	Term concluded 8 September 2018
Mr Damien Kilgannon	Minister for DOES	Term concluded 8 September 2018
Mr John O'Hara	City Manager DCC	Term concluded 8 September 2018
Ms Deirdre Prince	Minister for DOES	Term concluded 8 September 2018

The term of office of the Board expired on 8th September 2018, in accordance with section 17 of the GDA Act 2005. The new Board term will conclude on 8th September 2021.

GRANGEGORMAN DEVELOPMENT AGENCY

GOVERNANCE STATEMENT

The Agency has established four committees, as follows:

1. Audit and Risk Committee: comprises four Agency Members. The role of the Audit and Risk Committee (ARC) is to support the Agency in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular the ARC ensures that the internal control systems, including audit activities, are monitored actively and independently. The ARC reports to the Agency after each meeting, and formally in writing annually.

The Members of the ARC are: Penelope Kenny FCA (Chairperson), Denise Dunphy, John O’Hara and Gerry O’Neill (*Mary Walshe replaced Gerry O’Neill from 21 Feb 2018*). There were 5 meetings of the ARC in 2017.

2. Health & Safety Committee: comprises three Agency Members. The role of the Health & Safety Committee (H&SC) is to monitor and review existing health and safety procedures and provide strategic direction and leadership to ensure the delivery of the Grangegorman project. The H&SC sets out to assist in achieving the GDA vision “Our aim is to adopt a collaborative Health & Safety approach across boundaries”. Recommendations from the committee are submitted to the Board.

The Members of the H&SC are: Damien Kilgannon (Chairperson), Janice Boylan and Deirdre Prince. There were 3 meetings of the H&SC in 2017.

3. Strategy Committee: comprises four Agency Members. The role of the Strategy Committee (SC) is to monitor and review the delivery of the Strategic Plan, in particular items which have the potential to impact on the Planning Scheme or the Strategic Plan; consider and advise on potential opportunities and challenges for the Agency; consider and advise on opportunities or initiatives to promote the project. Report to the Board on issues arising and the strategy options that are available.

The Members of the SC are: Berna Grist BL (Chairperson), Jim Curran, Prof J Owen Lewis and Dr Noel O’Connor. There were 3 meetings of the SC in 2017.

4. Remuneration Committee: comprises five Agency Members. The role of the Remuneration Committee (RC) is to advise the Agency and make recommendations on workforce matters. The RC reports to the Agency after each meeting, and formally in writing annually.

GRANGEGORMAN DEVELOPMENT AGENCY

GOVERNANCE STATEMENT

The Members of the RC are: Dr Noel O'Connor (Chairperson), Jim Curran, Elva Duffy BL, and Damien Kilgannon. There was 1 meeting of the RC in 2017.

New Board Members

The GDA has an induction process for new Board Members. It is designed to ensure they are familiar with the statutory obligations of the Agency and how the Board conducts its business. It includes relevant briefing material, details of the Agency's strategic plans, and also includes a programme of main Board and sub-committee meetings.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Agency and ARC meetings for 2017 is set out below, including the fees and expenses received by each Member:

Board and Board Committee members and meeting attendance in 2017							
	Board	Audit & Risk attendance	Health & Safety	Strategy	Remuner- -ation	Fees € 2017	Expenses € 2017
Number of meetings	11	5	3	3	1		
Mr Oliver Cussen (Chair)	9					8,978	0
Mr Ger Casey	11						
ClIr Janice Boylan	3		2			5,985	
Mr Jim Curran	8			3	1		
Ms Elva Duffy BL	10				1	5,985	
Mr Alec Darragh	9					5,985	
Ms Denise Dunphy	10	5					
Dr Berna Grist BL	10			3 (Chair)		5,985	
Ms Penelope Kenny FCA	10	5				5,985	
Mr Damien Kilgannon	6		2 (Chair)		1		
Prof J Owen Lewis	11			3		5,985	
Dr Noel O'Connor	9			3	1 (Chair)		
Mr John O'Hara	8	3					
Mr Gerry O'Neill	6	5					
Ms Deirdre Prince	10		3			5,985	
Total						50,873	0

Six members of the Agency, Mr Jim Curran, Ms Denise Dunphy, Mr Damien Kilgannon, Dr Noel O'Connor, Mr John O'Hara and Mr Gerry O'Neill did not receive a fee under the One Person One Salary (OPOS) principle. Mr Gerrard Casey, as CEO, did not receive a fee.

Key Personnel Changes

There were no key personnel changes in the year 2017.

GRANGEGORMAN DEVELOPMENT AGENCY

GOVERNANCE STATEMENT

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Agency is responsible for ensuring that the Grangegorman Development Agency has complied with the requirements of the Code. The following disclosures are required by the Code:

Consultancy Costs

Consultancy costs include the cost of external advice to management.

	2017	2016
	€	€
Legal settlement	6,375	0
Legal advice	208,421	325,161
Design consultancy	1,978,856	3,462,882
Professional fees – Project co-ordinators.	5,893	76,285
Financial Advice	31,253	948
Health & Safety Advice	56,410	193,415
Surveys	17,518	245,756
PR & Communications	<u>16,402</u>	<u>0</u>
Total Consultancy Costs	<u>2,321,128</u>	<u>4,304,447</u>
Contract	76,646	400,188
Project Costs	672,933	2,777,286
Current Overheads	130,020	32,431
Capitalised	<u>1,441,529</u>	<u>1,094,542</u>
Total	<u>2,321,128</u>	<u>4,304,447</u>

Legal Costs and Settlements

The legal settlement of €6,375 in 2017 was paid in relation to one minor fall incident. There were no legal settlements in 2016.

GRANGEGORMAN DEVELOPMENT AGENCY

GOVERNANCE STATEMENT

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2017	2016
	€	€
Domestic		
Agency Board Members	0	79
Employees	1,061	4,649
International		
Agency Board Members	0	0
Employees	0	1,175
Total	1,061	5,903

Hospitality Expenditure

The Income and Expenditure Account includes the following hospitality expenditure:

	2017	2016
	€	€
Staff & Board hospitality	2,332	2,107
Client hospitality	0	0
Total	2,332	2,107

Statement of Compliance

The GDA has, since September 2016, reviewed its level of compliance with the new code and has, where necessary, put in place arrangements to ensure compliance. It also has agreed a small number of derogations with the DoES. GDA is reporting in accordance with the enhanced reporting requirements in the new code in the Financial Statements for the year ended 2017.

GRANGEGORMAN DEVELOPMENT AGENCY

GOVERNANCE STATEMENT

Derogations have been agreed on:

- (i) Secretary of the Board: On the basis that that the GDA Act supersedes the Code of Practice and those functions that are typically carried out by a Company Secretary are delegated by the CEO and performed by Corporate Affairs and other Executive Staff. All statutory functions have been undertaken, as per the GDA Act 2005 , by the Chairperson, the Board and the CEO.
- (ii) Periodic Critical Review: derogation until guidelines issued by DPER
- (iii) Conduct of Review: derogation until guidelines issued by DPER
- (iv) Annual Report: Deadline for publication of annual report and financial statements. Deadline extension has been agreed until the later of six months from year end or one month following signing of the Financial Statements by the C&AG.

On behalf of the Members of the Agency:



Mr Oliver Cussen

Chairperson

Date: 19 December 2018



Mr Gerrard Casey

Board Member

Date: 19 December 2018



GRANGEGORMAN DEVELOPMENT AGENCY

STATEMENT ON INTERNAL CONTROL

Scope of Responsibility

On behalf of the Grangegorman Development Agency, I acknowledge the Agency's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The System of Internal Control is designed to manage risk to a tolerable level rather than to eliminate it. The System can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The System of Internal Control, which accords with guidance issued by the Department of Public Expenditure and Reform, has been in place in the Agency for the year ended 31 December 2017 and up to the date of approval of the financial statements.

Capacity to Handle Risk

The Agency has an Audit and Risk Committee ("ARC") comprising four Members of the Agency with financial and audit expertise. The ARC met five times in 2017.

The Agency engages an independent Internal Auditor that operates in accordance with the terms of reference for the ARC and reports to the ARC. An Internal Audit Plan is approved by the ARC and revised annually. The Internal Audit Plan is developed using a risk based approach.

The Agency has set the organisations risk appetite and this is laid out in a Risk Appetite Statement included in its Strategy document. The ARC has developed a Risk Management Policy which sets out the Risk Management Processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within the Agency's Risk Management Policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

STATEMENT ON INTERNAL CONTROL

Risk and Control Framework

The Agency has implemented a Risk Management System which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

Risk management is a standing item on the agenda of both the ARC and the Agency. A Risk Register is in place which identifies the key risks facing the Agency and these have been identified, evaluated and graded according to their significance. The Agency on an annual basis, review all the risks identified on the Risk Register and the management plan for mitigating the identified risks. Risks identified throughout the year are added to the Risk Register on an on-going basis. In addition, the high ranking risks (those rated as amber or red), new risks and changing risks on the Risk Register are reviewed three times a year by the Agency. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The Risk Register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is in place:

- procedures for all key business processes have been documented;
- financial responsibilities have been assigned at management level with corresponding accountability;
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management and the Agency;
- there are systems aimed at ensuring the security of the information and communication technology systems; and
- there are systems in place to safeguard the Agency's assets.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Agency, where relevant, in a timely way. I confirm that the following ongoing monitoring systems are in place:

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies;
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned; and

STATEMENT ON INTERNAL CONTROL

- there are regular reviews by senior management and the Agency of periodic and annual performance and financial reports which indicate performance against budgets and/or forecasts.

Procurement

I confirm that the Agency has procedures in place to ensure compliance with the Public Spending Code and that in 2017 the Agency complied with these procedures.

In terms of performance for the 2017 period the following is noted in relation to the final run out of existing frameworks.

Due to the delay in procuring new framework professional services consultants, a number of the key existing/legacy frameworks have exceeded the originally intended timespan, as well as exceeding the notified values indicated in the original contract notices. The services were in the areas relating to advisory functions to fulfil the Agency's requirements in transport, planning, property and financial consultancy.

In the main the invoice and purchase order activity related to continuation of previous drawdown appointments carried out under the original framework terms and were necessary to provide safeguards in delivery and, in particular, maintain clear channels of responsibility and liability on consultant performance/delivery items.

The invoiced activity in respect of these professional consultancy services in 2017 amounted to some €647k against a total of 24 separate purchase orders. Some of the purchase orders were issued before the expiry of the originally intended framework timespan but the service delivery was spread out beyond the period.

The continued appointments linked to the original frameworks continued with the incumbent suppliers until the appointment of the new framework members in 2018. The expenditure in 2018 amounts to some €205k.

Replacement consultants have now been appointed following public procurement processes in these areas and these will be monitored in accordance with policy and procedure requirements.

Review of Effectiveness

I confirm that the Agency has procedures to monitor the effectiveness of its Risk Management and Control Procedures. The Agency's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the Internal and External Auditors, the Audit and Risk Committee which oversees their work, and the senior management within the Agency responsible for the development and maintenance of the internal financial control framework.

GRANGEGORMAN DEVELOPMENT AGENCY

STATEMENT ON INTERNAL CONTROL

I confirm that the Members of the Agency conducted an annual review of the effectiveness of the Internal Controls for 2017.

Internal Control Issues

No material weaknesses in Internal Control were identified in relation to 2017.

On behalf of the Members of the Agency:



Mr Oliver Cussen

Chairperson

Date: 19 December 2018



Mr Gerrard Casey

Board Member

Date: 19 December 2018



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Grangegorman Development Agency

Opinion on financial statements

I have audited the financial statements of the Grangegorman Development Agency for the year ending 31 December 2017 as required under the provisions of section 31 of the Grangegorman Development Agency Act 2005. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Grangegorman Development Agency at 31 December 2017 and of its income and expenditure for 2017 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion


I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Grangegorman Development Agency and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Grangegorman Development Agency has presented certain other information together with the financial statements. This comprises the annual report, the governance statement and Board members' report and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.


Patricia Sheehan
For and on behalf of the
Comptroller and Auditor General
21 December 2018

Appendix to the report

Responsibilities of Board members

The governance statement and Board members' report sets out the Board members' responsibilities. The Board members are responsible for

- the preparation of financial statements in the form prescribed under section 33 of the Grangegorman Development Agency Act 2005
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 33 of the Grangegorman Development Agency Act 2005 to audit the financial statements of Grangegorman Development Agency and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the Grangegorman Development Agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Grangegorman Development Agency to cease to continue as a going concern.

- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if there are material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if there is any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

GRANGEGORMAN DEVELOPMENT AGENCY

STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES

	Notes	Year ended 31 December 2017 €	Year ended 31 December 2016 €
INCOME			
Income	2	3,773,336	12,612,116
Net deferred funding for retirement benefits	8(c)	163,931	187,495
Other income	3	<u>20,237,253</u>	<u>3,374,621</u>
		24,174,520	16,174,232
Transfer of land & buildings from the Agency	13	(23,472,910)	0
Transfer from / (to) capital account	4	<u>5,272,934</u>	<u>(1,043,151)</u>
		<u>5,974,544</u>	<u>15,131,081</u>
EXPENDITURE			
CONTRACT AND PROJECT COSTS			
Contract costs	5	664,039	7,076,662
Project costs	6	<u>1,681,223</u>	<u>4,159,413</u>
		<u>2,345,262</u>	<u>11,236,075</u>
GROSS CONTRIBUTION			
		<u>3,629,282</u>	<u>3,895,006</u>
GENERAL OVERHEADS			
Staff costs	7	1,371,289	1,226,897
Retirement costs	8(d)	129,336	162,965
Board members' remuneration and expenses	12	50,873	50,967
Establishment costs	9	338,433	406,643
Professional services	10	133,773	52,260
General operating expenses	11	90,071	93,310
Communications & PR		49,707	58,750
Depreciation	13	1,340,111	1,515,857
Audit fees		<u>22,000</u>	<u>18,500</u>
		<u>3,525,593</u>	<u>3,586,149</u>
SURPLUS FOR THE YEAR			
		103,689	308,857
Balance brought forward at 1 January		<u>400,413</u>	<u>91,556</u>
BALANCE CARRIED FORWARD AS AT 31 DECEMBER			
		<u>504,102</u>	<u>400,413</u>


The Statement of Cash Flows and notes 1 to 23 form part of these Financial Statements.

ON BEHALF OF THE BOARD:


Mr Oliver Cussen

Chairperson

Date : 19 December 2018


Mr Gerrard Casey

Board Member

Date : 19 December 2018

GRANGEGORMAN DEVELOPMENT AGENCY

STATEMENT OF COMPREHENSIVE INCOME

	Notes	Year Ended 31 December 2017 €	Year Ended 31 December 2016 €
Surplus for the year		<u>103,689</u>	<u>308,857</u>
Actuarial gain	8(f)	91,000	73,000
Adjustment to retirement benefit funding		<u>(91,000)</u>	<u>(73,000)</u>
Total comprehensive income for the year		<u>103,689</u>	<u>308,857</u>

The Statement of Cash Flows and notes 1 to 23 form part of these Financial Statements.

ON BEHALF OF THE BOARD:



Mr Oliver Cussen

Chairperson

Date: 19 December 2018



Mr Gerrard Casey

Board Member

Date: 19 December 2018

GRANGEGORMAN DEVELOPMENT AGENCY

STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2017 €	31 December 2016 €
FIXED ASSETS			
Property, plant and equipment	13	<u>93,575,646</u>	<u>116,782,740</u>
CURRENT ASSETS			
Work in progress	14	241,369	616,951
Receivables and prepayments	15	238,390	684,161
Cash at bank and in hand		<u>18,433,656</u>	<u>17,443,913</u>
		18,913,415	18,745,025
CURRENT LIABILITIES			
Amounts falling due within one year	16	<u>(4,035,134)</u>	<u>(5,296,795)</u>
NET CURRENT ASSETS			
		<u>14,878,281</u>	<u>13,448,230</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>108,453,927</u>	<u>130,230,970</u>
LONG TERM LIABILITIES			
Amounts falling due after more than one year	17	(17,281,340)	(33,889,138)
Retirement benefit liabilities	8(b)	(1,090,051)	(1,017,120)
Deferred retirement benefit funding	8(b)	<u>1,090,051</u>	<u>1,017,120</u>
TOTAL ASSETS LESS LIABILITIES			
		<u>91,172,587</u>	<u>96,341,832</u>
REPRESENTING			
Retained revenue reserves	18	504,102	400,413
Capital account	4	<u>90,668,485</u>	<u>95,941,419</u>
		<u>91,172,587</u>	<u>96,341,832</u>

The Statement of Cash Flows and notes 1 to 23 form part of these Financial Statements.

ON BEHALF OF THE BOARD:



Mr Oliver Cussen
Chairperson

Date: 19 December 2018



Mr Gerrard Casey
Board Member

Date: 19 December 2018

GRANGEGORMAN DEVELOPMENT AGENCY

STATEMENT OF CASH FLOWS

	Notes	Year ended 31 December 2017 €	Year ended 31 December 2016 €
Cash flows from operating activities			
Operating surplus for the year		103,689	308,857
Depreciation	13	1,340,111	1,515,857
Interest receivable	3	(8,578)	(10,931)
Decrease in work in progress	14	375,582	142,992
Decrease in receivables	15	445,771	239,429
Decrease in payables	16	(1,261,661)	(1,496,038)
Transfer (from) / to capital account	4	(5,272,934)	1,043,151
Transfer of assets to DIT	13	4,149,508	0
Advanced payments on construction activities		<u>2,715,605</u>	<u>3,518,730</u>
Net cash inflow from operating activities		<u>2,587,093</u>	<u>5,262,047</u>
Cash flows from investing activities			
Payments to acquire tangible fixed assets	13	(1,605,928)	(2,664,596)
Interest received	3	<u>8,578</u>	<u>10,931</u>
Net cash flow from investing activities		<u>(1,597,350)</u>	<u>(2,653,665)</u>
Increase in cash and cash equivalents		989,743	2,608,382
Cash and cash equivalents at 1 January		<u>17,443,913</u>	<u>14,835,531</u>
Cash and cash equivalents at 31 December		<u>18,433,656</u>	<u>17,443,913</u>

The Statement of Cash Flows and notes 1 to 23 form part of these Financial Statements.

1. STATEMENT OF ACCOUNTING POLICIES

The Agency's role is to promote the development of the Grangegorman site as a location for education, health and other facilities. Lands at the Grangegorman site were transferred to the Agency from the HSE in accordance with section 13 of the Grangegorman Development Agency Act 2005 on 24th February 2012.

Funding is provided by the Department of Education and Skills, the Health Service Executive (HSE) and Dublin Institute of Technology (DIT), as follows:

- DIT – Funding is provided in relation to the construction of educational facilities. The funding is recognised as a long term creditor and the related assets as tangible fixed assets in the Agency's financial statements, (see Note 13 and Note 17).
- HSE – funds the costs associated with the development of healthcare facilities at the site, (see Note 5).
- Department of Education and Skills provides capital and current funding for the development of the Grangegorman campus and the operational costs of the Agency.

The following accounting policies are applied consistently in dealing with items which are considered material in relation to the Agency's financial statements:

i) BASIS OF ACCOUNTING

The financial statements of the Agency for the year ended 31 December 2017 have been prepared in accordance with FRS102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

The preparation of financial statements in conformity with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Agency's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note ix.

ii) REVENUE RECOGNITION

The Agency receives both current and capital grants from the Department of Education and Skills which are recognised as follows:

- Grants provided to fund current expenditure are accounted for on an accruals basis.
- Grants provided to fund capital development are accounted for on a cash receipts basis.

The Agency carries out construction and development work on behalf of its stakeholders. Where legal title to a building is with a stakeholder and the Agency incurs the associated contract costs, the Agency invoices those costs to the relevant stakeholder. Income is recognised in line with amounts invoiced. On other building projects, income is recognised when the significant risks and rewards of ownership and effective control over the underlying building transfers to the stakeholders.

iii) COST AND ASSET RECOGNITION

The Agency distinguishes between project costs and contract costs.

Project costs

This includes pre and post commencement costs where the costs do not result in the creation of an asset from which the Agency can derive future economic benefit. Such costs are charged to the Income and Expenditure and Retained Revenue Reserves account in the year in which they arise (Note 6).

Project costs include set-up costs for Public Private Partnership (PPP) projects in respect of the development of educational facilities within the Grangegorman site. The agreement with the PPP operator for the design, build, finance and maintain basis when it is signed will be with the Department of Education and Skills in return for unitary charge payments over a 25 year period. Consequently, given the Agency are not the grantor for the purposes of FRS 102 (section 34.12), the Agency's financial statements will not recognise the associated assets and liabilities under the PPP agreement.

Contract costs

This includes expenditure incurred on behalf of third parties (Note 5). These costs are invoiced to third parties in line with the stage of completion of the project. Relevant expenditure and income is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves on the basis of amounts invoiced to the third party. Expenditure incurred which has not been invoiced to the third party is included as work in progress at the year end (Note 14).

Assets in development and construction

Costs related to assets in development and construction are capitalised where, in the opinion of the Board, the related project is likely to be successfully developed and the economic benefits arising from future operations will at least equal the amount of capitalised expenditure incurred to date.

Costs capitalised to assets in development relate to costs incurred in bringing the asset to the stage where it is ready for construction to commence. Costs associated with completing this stage include planning application costs, enabling works and consultative studies. Construction costs relate to costs incurred in bringing the asset to completed construction, (Note 13).

The Agency de-recognise assets when it concludes that effective control of the relevant asset has passed to another entity. In some cases this may pre-date the formal transfer of title to the other entity but where the risks and rewards of ownership may have passed to that entity and/or GDA has entered into agreement to transfer ownership at a future date and as a result no longer has control of the relevant asset.

iv) WORK IN PROGRESS

Work in progress represents the un-invoiced element of contract costs and is stated at cost to the stage of completion of the contract. Provision is made for all known or expected losses on contracts, (Note 14).

v) RETIREMENT BENEFITS

The Agency operates a defined benefit retirement scheme, funded annually on a pay-as-you-go basis from monies provided by the Department of Education and Skills and from contributions deducted from staff salaries. The Agency also operates a Single Public Services Pension Scheme, (“Single Scheme”), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. All members’ contributions are paid over to the Department of Education and Skills and Department of Public Expenditure and Reform.

Retirement benefit costs reflect retirement benefits earned by employees in the period and are shown net of pension contributions which are remitted to the Department of Education and Skills and the Department of Public Expenditure and Reform. An amount corresponding to the retirement charge is recognised as income, to the extent it is recoverable, and offset by grants received in the year to discharge retirement benefit payments.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Department of Education and Skills.

Retirement benefit liabilities represent the present value of future retirement benefit payments earned by staff to date. Deferred retirement benefit funding represents the corresponding asset to be recovered in the future periods from the Department of Education and Skills.

vi) TANGIBLE FIXED ASSETS AND DEPRECIATION

Freehold land, buildings, assets in development and construction, fixtures and office equipment are stated at cost, net of accumulated depreciation and impairment losses. Costs include expenditure that is directly attributable to the acquisition and construction associated with bringing assets into working condition for their intended use.

Freehold land, assets in development and construction are not depreciated. Depreciation of assets in development and construction commences when the asset is substantially complete and ready for its intended use. Full provision is made for any impairment in the value of the asset. Land is not depreciated.

Depreciation is calculated to write off the cost, less estimated residual value, of all other assets as follows:

Public realm, site infrastructure and buildings	2% Straight Line
Fixtures and office equipment	25% Straight Line

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

Fixed Assets are disposed of when the significant risks and rewards of ownership and effective control over the underlying assets are transferred.

vii) CAPITAL ACCOUNT

The Capital Account represents the unamortised amount of income used to purchase tangible fixed assets.

viii) ADVANCE PAYMENTS ON CONSTRUCTION ACTIVITIES

The Agency receives financing from the DIT for the purposes of the construction and development of educational facilities at Grangegorman. DIT provides funding in advance of the Agency making the related payments. The Agency recognises a long term creditor in line with the DIT funding received which will be extinguished on transfer of the completed assets to DIT.

Where the funding is utilised to discharge costs incurred in the acquisition and construction of assets, these costs are recorded as fixed assets in the Statement of Financial Position. When depreciation is charged on these assets, a matching funding amount is credited to the Statement of Income and Expenditure and Retained Revenue Reserves by way of a reduction in the long term creditor amount.

Where the funding is utilised to discharge project costs, such costs are charged to the Statement of Income and Expenditure and Retained Revenue Reserves with the matching funding credited to the Statement of Income and Expenditure and Retained Revenue Reserves, thereby reducing the long term creditor.

ix) CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTIES

The preparation of the financial statements in conformity with generally accepted accounting principles requires the Agency to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. In this regard, the Board Members believe that the critical accounting policies where judgements or estimations are necessarily applied, are summarised below.

Depreciation and residual values

The Board Members have reviewed the asset lives and associated residual values of all fixed asset classes and, in particular, the useful economic life and residual values of land and buildings and fixtures and fittings, and have concluded that asset lives and residual values are appropriate.

Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the retirement benefit and post-retirement plans.

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds
- (ii) future compensation levels, future labour market conditions
- (iii) health care cost trend rates, the rate of medical cost inflation in the relevant regions.

2. INCOME

The Department of Education and Skills (Vote 26) and the Health Service Executive (HSE) made the following funds available to the Agency during the year:

	2017	2016
	€	€
Department of Education and Skills – Current (Subhead C. 14)	2,772,033	3,029,744
Department of Education and Skills – Capital (Subhead D. 4)	374,495	2,532,745
Retirement benefit contributions remitted to DoES / DPER	(37,231)	(27,035)
HSE – Contract costs	<u>664,039</u>	<u>7,076,662</u>
	<u>3,773,336</u>	<u>12,612,116</u>

3. OTHER INCOME

	2017	2016
	€	€
Dublin Institute of Technology	870,291	3,267,241
Dublin Institute of Technology Transfer of Buildings	19,323,407	0
Recoupment of other costs	34,977	96,449
Bank interest	<u>8,578</u>	<u>10,931</u>
	<u>20,237,253</u>	<u>3,374,621</u>

During the year, control over the Greenway Hub, Adaptive Reuse Cluster, (Rathdown House, Glasmanogue, St. Laurences and Bradogue) passed to DIT. The transaction resulted in a recognition of income from DIT and a matching reduction in long term liability to DIT.

This transfer of buildings was reflected within assets disposed of with Fixed Assets (Note 13)

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

4. CAPITAL ACCOUNT	2017	2016
	€	€
Balance at 1 January	<u>95,941,419</u>	<u>94,898,268</u>
Transfer from the Statement of Income and Expenditure and Retained Revenue Reserves:		
- Funds allocated to acquire land and buildings	0	2,167,940
- Funds allocated to assets in development and construction	0	56,280
- Funds allocated to acquire fixed assets	16,880	0
- Disposal of fixed assets to DIT	<u>(4,149,508)</u>	<u>0</u>
	(4,132,628)	2,224,220
- Amortised in line with asset depreciation	<u>(1,140,306)</u>	<u>(1,181,069)</u>
Total movement in the year	<u>(5,272,934)</u>	<u>1,043,151</u>
Balance at 31 December	<u>90,668,485</u>	<u>95,941,419</u>

The capital account balance represents the unamortised amount of income, received from the Department of Education and Skills, used to contribute to the purchase of tangible fixed assets. Owing to the nature in which the Agency is funded and revenue is recognised, a timing delay can arise between the recording of a fixed asset cost and receipt of associated funding.

5. CONTRACT COSTS	2017	2016
	€	€
Contract costs	<u>664,039</u>	<u>7,076,662</u>

Up to 31 December 2017, the Agency had incurred contract costs which had been invoiced to the HSE totalling €33,520,899. Further expenditure of €241,369 has not been charged to the Statement of Income and Expenditure and Retained Revenue Reserves and is included in work in progress. All of these costs relate to contracts with the HSE in respect of the development of healthcare facilities. A breakdown of the costs charged to the Statement of Income and Expenditure and Retained Revenue Reserves is included below:

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

	Opening Balance	2017	Closing Balance
	€	€	€
Legal and professional	3,391,750	76,305	3,468,055
Enabling and construction works	28,554,854	581,786	29,136,640
Fit out and landscaping	804,071	0	804,071
Refurbishment and relocation	58,333	0	58,333
Estate management & maintenance	36,358	5,948	42,306
Sundry	5,214	0	5,214
Project promotion and public relations	<u>6,280</u>	<u>0</u>	<u>6,280</u>
 Total contract costs reimbursed by the HSE at 31 December 2017	 <u>32,856,860</u>	 <u>664,039</u>	 <u>33,520,899</u>

6. PROJECT COSTS

	2017	2016
	€	€
Legal services	121,771	376,569
Design consultancy	451,835	1,948,377
Professional fees – Project co-ordinators.	398,553	453,719
Enabling and construction works	497,945	1,109,839
Consultation, communications and advertising costs	301	42,020
Estate management & maintenance	210,683	228,763
General project overheads	<u>135</u>	<u>126</u>
	<u>1,681,223</u>	<u>4,159,413</u>

Project costs of €1,681,223 (2016: €4,159,413) include €555,642 (2016: €373,345) incurred in connection with ongoing PPP project set up costs in respect of the development of educational facilities within the Grangegorman site.

The Agency are procuring two academic buildings for the Grangegorman campus by way of a PPP process. The Department of Education and Skills will enter into a Project Agreement which will provide the DIT Grangegorman campus with two buildings on a design, build, finance and maintain basis in return for Unitary Charge payments over a 25 year period. Planning permission was applied for and granted by Dublin City Council on 17th July 2015.

The Agency are working with the National Development Finance Agency (NDFA) in this regard. The set up costs of procuring the PPP project are funded by the Department of Education and Skills and are written off as project costs as incurred. The Agency's commitments relating to the set up costs for these PPP projects are included in Note 20 capital commitments. PPP procurement costs include design and legal fees. The tendering process has concluded and a preferred bidder was appointed in February 2015,

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

however a legal challenge was made against the appointment by one of the losing bidders in March 2015. In October 2016, the High Court found in favour of the NDFA. Construction on the project commenced on 28th March 2018.

Up to 31 December 2017, the Agency had incurred total project costs of €29,503,724, which includes €7,268,144 in connection with PPP set up costs and are included in the total non-capitalised costs associated with the development of education and healthcare facilities. A breakdown by major components is set out below:

	€
Masterplan, Strategic Development and Strategic Development Zone (SDZ) planning scheme	8,425,215
Site infrastructure and public realm	417,583
Non capitalised costs associated with the development of education and healthcare facilities	<u>20,660,926</u>
	<u>29,503,724</u>

The legal settlement of €6,375 in 2017 was paid in relation to one minor fall incident. There were no legal settlements in 2016.

7. STAFF COSTS	2017	2016
	€	€
Wages and salaries	744,553	606,467
Seconded & agency staff	505,626	528,741
Employer's PRSI	74,103	61,903
Staff training and recruitment	<u>47,007</u>	<u>29,786</u>
	<u>1,371,289</u>	<u>1,226,897</u>

Number of employees

An average of 12 (2016: 10) staff were directly employed by the Agency during the year.

An average of 7 (2016: 8) staff were employed by way of secondment or through third party service providers during the year.

€35,582 (2016: €29,515) was deducted from staff by way of pension levy and was paid over to the Department of Education and Skills.

Management and staff related hospitality expenses were € Nil (2016: €1,258). Total foreign travel expenditure incurred in respect of the CEO and staff was € Nil, (2016: €1,175).

Employee benefits breakdown*

Range of total employee benefits		Number of employees	
From	To	2017	2016
€20,000 -	€29,999	1	0
€30,000 -	€39,999	1	0
€40,000 -	€49,999	0	1
€50,000 -	€59,999	4	3
€60,000 -	€69,999	4	4
€70,000 -	€79,999	1	1
€80,000 -	€89,999	0	0
€90,000 -	€99,999	1	1

*Applies to staff directly employed by the Agency.

8. RETIREMENT BENEFIT COSTS**a) Retirement Benefit Scheme**

The Agency operates an unfunded defined benefit superannuation scheme for staff. Superannuation entitlements arising under the Scheme are paid out of current income. Employee superannuation contributions are payable to the Department of Education and Skills in respect of the main scheme and to the Department of Public Expenditure and Reform in respect of the Single public sector scheme.

The Scheme is a defined benefit final salary retirement benefit arrangement with benefits and contributions defined by reference to current “model” public sector scheme regulations. The Scheme provides a retirement benefit (eightieths per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse’s and children’s pensions. Normal Retirement Age is a member’s 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Retirement benefit payment (and deferment) increase on a discretionary basis in line with general salary inflation.

With effect from 1 January 2013, new entrants become members of the Single Public Service Retirement Benefit Scheme. This provides career-average revalued earnings related benefits revalued in line with increases in the Consumer Price Index. The Scheme’s minimum retirement age will be linked to the State Pension age.

The results set out below are based on an actuarial valuation of the liabilities in respect of the serving, retired and deferred staff of the Agency as at 31st December 2016.

This valuation was carried out by a qualified independent actuary for the purposes of the accounting standard, FRS 102 – Retirement Benefits. The financial assumptions used to calculate scheme liabilities under FRS 102 are:

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

	2017	2016
Discount rate	1.85%	1.85%
Rate of increase in salaries	2.50%	2.50%
Rate of increase in retirement benefits	2.50%	2.50%
Inflation	1.75%	1.75%

b) Statement of Financial Position Recognition

The amounts recognised in the Statement of Financial Position are as follows:

	2017	2016
	€	€
Present value of defined benefit obligations that are wholly unfunded	1,090,051	1,017,120
Present value of defined benefit obligations that are wholly or partly funded	0	0
Deferred retirement benefit funding	<u>(1,090,051)</u>	<u>(1,017,120)</u>
Net liability recognised in the Statement of Financial Position at 31 December	<u>0</u>	<u>0</u>

c) Net deferred funding for retirement benefits in year

	2017	2016
	€	€
Funding recoverable in respect of current year retirement benefit costs	171,000	190,000
Less: retirement benefit payments	<u>(7,069)</u>	<u>(2,505)</u>
	<u>163,931</u>	<u>187,495</u>

d) Analysis of total retirement benefit costs charged to expenditure

	2017	2016
	€	€
Current service cost	149,000	165,000
Interest cost	22,000	25,000
Employees contributions & refunds	<u>(41,664)</u>	<u>(27,035)</u>
Expenses recognised in the income and expenditure and retained revenue reserves account	<u>129,336</u>	<u>162,965</u>

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

e) Deferred funding liability for retirement benefits

The Agency recognises amounts owing from the state for the unfunded deferred liability for retirement benefits on the basis of a number of past events. These events include the statutory backing for the superannuation scheme, and the policy and practice in relation to funding public service retirement benefits including the annual estimates process. Whilst there is no formal agreement and therefore no guarantee regarding these specific amounts with the Department of Education and Skills, the Agency has no evidence that this funding policy will not continue to progressively meet this amount in accordance with current practice. The deferred funding liability for retirement benefits as at 31 December 2017 amounted to €1,090,051 (31st December 2016 - €1,017,120).

The scheme is a defined benefit final salary retirement benefit arrangement with benefits and contributions defined by reference to current model public sector scheme regulations.

f) Movement in defined benefit obligation

Changes in the present value of the defined benefit obligation are as follows:

	2017	2016
	€	€
Present value of defined benefit obligation at 1st January	1,017,120	902,625
Current service cost	149,000	165,000
Interest cost	22,000	25,000
Benefits paid in the year	(7,069)	(2,505)
Actuarial (gain) / loss	<u>(91,000)</u>	<u>(73,000)</u>
Present value of defined benefit obligation at 31st December	<u>1,090,051</u>	<u>1,017,120</u>

9. ESTABLISHMENT COSTS

	2017	2016
	€	€
Repairs and maintenance	52,049	18,081
Cleaning	22,078	22,997
Rodent and pest control	1,025	1,230
Insurance	47,246	46,869
Rent	15,858	27,099
Rates	0	16,406

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

Light and heat	190,743	254,008
Waste management	828	842
Security	<u>8,606</u>	<u>19,111</u>
	<u>338,433</u>	<u>406,643</u>

10. PROFESSIONAL SERVICES	2017	2016
	€	€
Legal settlement	6,375	0
Legal services	98,745	(1,710)
Accountancy / Financial advisory	8,498	948
Consultancy (including property advisory)	4,146	33,193
Internal Audit fees	5,843	10,854
Pension advisory fee	3,598	3,597
Other Professional fees	<u>6,568</u>	<u>5,378</u>
	<u>133,773</u>	<u>52,260</u>

The legal settlement of €6,375 was paid in relation to one minor fall incident.

11. GENERAL OPERATING COSTS	2017	2016
	€	€
Printing, postage and stationery	22,160	22,209
Telephone	4,000	5,170
Bank charges	709	405
Website and IT expenses	38,235	25,752
Office expenses	5,941	12,622
Meeting expenses	7,427	5,816
Newspapers, journals and reference material	1,106	418
Subscriptions	9,432	15,094
Travel and subsistence	<u>1,061</u>	<u>5,824</u>
	<u>90,071</u>	<u>93,310</u>

12. BOARD MEMBER FEES AND CEO SALARY	2017	2016
	€	€
Chairperson's remuneration	8,978	9,057
Board member fees	<u>41,895</u>	<u>41,910</u>
	<u>50,873</u>	<u>50,967</u>

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

Chief Executive Officer	2017	2016
	€	€
Basic Salary	<u>88,823</u>	<u>90,977</u>
Travel subsistence and professional subscriptions	<u>256</u>	<u>4,479</u>

The CEO is a member of an unfunded defined benefit public sector scheme and his retirement benefits do not extend beyond the standard entitlements in the public sector defined benefit superannuation scheme.

13. PROPERTY, PLANT AND EQUIPMENT

	Land, public realm, site infrastructure and buildings	Assets in development and construction	Fixtures and office equipment	Total
	€	€	€	€
COST				
At 1st January 2017	117,964,427	948,712	308,530	119,221,669
Additions	0	1,589,047	16,880	1,605,927
Disposal	<u>(24,457,442)</u>	<u>0</u>	<u>0</u>	<u>(24,457,442)</u>
At 31st December 2017	<u>93,506,985</u>	<u>2,537,759</u>	<u>325,410</u>	<u>96,370,154</u>
DEPRECIATION				
At 1st January 2017	2,187,992	0	250,937	2,438,929
Charge for the year	1,320,515	0	19,596	1,340,111
Disposals	<u>(984,532)</u>	<u>0</u>	<u>0</u>	<u>(984,532)</u>
At 31st December 2017	<u>2,523,975</u>	<u>0</u>	<u>270,533</u>	<u>2,794,508</u>
NET BOOK VALUE				
At 31st December 2017	<u>90,983,010</u>	<u>2,537,759</u>	<u>54,877</u>	<u>93,575,646</u>
At 31st December 2016	<u>115,776,435</u>	<u>948,712</u>	<u>57,593</u>	<u>116,782,740</u>

During the year, control over the Greenway Hub, Adaptive Reuse Cluster, (Rathdown House, Glasmanogue, St. Laurence's and Bradogue) passed to DIT and is reflected within assets disposed of above.

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

Disposals	Cost	Dep	NBV
Greenway Hub	16,869,093	564,048	16,305,045
Adaptive Reuse (Cluster)	7,588,349	420,484	7,167,865
	<u>24,457,442</u>	<u>984,532</u>	<u>23,472,910</u>

Financed By :

DIT Long Term Account (Note 17)			19,323,402
Transfer from Capital Account (Note 4)			
assets funded by DoES		3,244,508	
land transferred from HSE and revalued on acquisition		<u>905,000</u>	<u>4,149,508</u>
			<u>23,472,910</u>

In accordance with the Grangegorman Development Agency Act 2005, land within the Grangegorman site is to be made available to the Agency for the purposes of building health and educational facilities. In the years 2012 to 2014, approximately 55 acres of land was transferred to the Agency from the HSE for nominal consideration of €20.

The Grangegorman site has a total area of 72 acres of which:

- Approximately 17 acres will be used for health projects and will remain in the ownership of the HSE.
- In total 55 acres are intended to be used for educational and sports projects. One acre of this land was transferred to the DIT in the year 2017.

14. WORK IN PROGRESS	2017	2016
	€	€
Work in progress	<u>241,369</u>	<u>616,951</u>
15. RECEIVABLES AND PREPAYMENTS	2017	2016
Amounts falling due within one year	€	€
Trade receivables	63,164	59,458
Amounts due from the Health Service Executive	0	0
Amounts due from the Dublin Institute of Technology	122,667	171,009
Accrued income	3,500	50,099
Sundry receivables and prepayments	<u>49,059</u>	<u>403,595</u>
	<u>238,390</u>	<u>684,161</u>

All receivable balances are deemed recoverable within one year.

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

16. CURRENT LIABILITIES	2017	2016
Amounts falling due within one year	€	€
Trade payables	600,729	1,202,469
Amounts due to the Dublin Institute of Technology	57,325	0
Professional services withholding tax	131,009	114,386
Value added taxation	54,574	205,278
RCT	6,369	0
Paye / Prsi	33,573	21,214
Retirement benefit contributions	9,222	5,006
Accruals	1,433,001	1,473,596
Deferred income	998,481	353,630
Retentions held on construction operations	540,900	1,749,101
Sundry payables	<u>169,951</u>	<u>172,115</u>
	<u>4,035,134</u>	<u>5,296,795</u>

17. LONG TERM LIABILITIES	2017	2016
Amounts falling due after more than one year	€	€
Advanced payments on construction activities	<u>17,281,340</u>	<u>33,889,138</u>

Dublin Institute of Technology make funds available to the Agency by way of advanced payments in respect of the construction and development of educational facilities at Grangegorman. At 31st December 2017, a total (net of disposals) of €5,254,277 (2016: €22,673,973) has been used to discharge costs incurred in the construction and development of educational facilities, which are included within fixed assets. On transfer of the completed asset to the DIT, the creditor balance will be extinguished.

	2017	2016
	€	€
Balance at 1st January	33,889,138	30,370,408
Advanced in year	3,400,000	6,414,192
Project costs expended in year	(482,289)	(2,598,053)
Transfer of Assets to DIT	(19,323,402)	0
Depreciation	<u>(202,107)</u>	<u>(297,409)</u>
Balance at 31st December	<u>17,281,340</u>	<u>33,889,138</u>
The balance is made up of	2017	2016
	€	€
Funding provided not utilised at year end	12,027,063	11,215,165

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

Cumulative funding used for asset development	<u>5,254,277</u>	<u>22,673,973</u>
Balance at 31st December	<u>17,281,340</u>	<u>33,889,138</u>

The funding provided not utilised at year end is included in Agency's bank balance. As outlined in the accounting policy, the costs of assets constructed are included in tangible assets pending their transfer to the DIT (Note 13).

The transfer to DIT in 2017 (€23.47 million) comprises €19.32 million funded from moneys advanced from DIT and the excess amount €4.15 million has been funded from the Capital account.

18. RETAINED REVENUE RESERVES	2017	2016
	€	€
At 1st January	400,413	91,556
Surplus for year	<u>103,689</u>	<u>308,857</u>
At 31st December	<u>504,102</u>	<u>400,413</u>

Balance on the Statement of Income and Expenditure and Retained Revenue Reserves

Much of the income in the Statement of Income and Expenditure and Retained Revenue Reserves is state grants, which is provided to meet liabilities maturing during the year as opposed to expenditure incurred during the year. Expenditure is recorded on an accruals basis. As a result, the balance on the Income and Expenditure and Retained Revenue Reserves account does not represent normal operating surplus or deficits but is largely attributable to the difference between expenditure on an accruals basis and funding on a cash basis.

19. BOARD MEMBER INTERESTS

The Agency adopted procedures in accordance with guidelines issued by the Department of Finance in relation to the disclosures of interests by Board Members and these procedures have been adhered to during the year. There were no transactions of any significance in the year in relation to the Board's activities in which a Board Member had any beneficial interest.

GRANGEGORMAN DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

20. CAPITAL COMMITMENTS

Details of capital commitments at the accounting date are as follows:

	2017	2016
	€	€
Contracted for but not provided for in the financial statements		
PPP set up costs	1,807,221	1,986,114
Non PPP	<u>3,021,607</u>	<u>2,144,874</u>
	<u>4,828,828</u>	<u>4,130,988</u>

21. ANALYSIS OF CHANGES IN NET FUNDS

	Opening balance €	Cash flows €	Closing balance €
Cash at bank and in hand	<u>17,443,913</u>	<u>989,743</u>	<u>18,433,656</u>
Net funds	<u>17,443,913</u>	<u>989,743</u>	<u>18,433,656</u>

22. RELATED PARTY DISCLOSURES

DIT is a related party by virtue of commonality of certain Board members.

HSE is a related party owing to a number of senior HSE employees being members of the Agency's Board.

There were no related party transactions of any significance in the year other than those disclosed within Notes 5, 12 and 16.

Key management personnel in the Agency consist of the CEO and members of the Board. Total compensation paid to key management personnel, including Board members' fees and expenses and total CEO remuneration, amounted to €139,952, (2016: €146,423).

23. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on 19th December 2018



Mr Oliver Cussen
Chairperson



Mr Gerrard Casey
Board Member



00GG-GDA-ZZ-XX-RP-K-XX-AnnualReport2017-S2-C02





Appendices

Consultative Group

Dept of Education and Skills/Higher Education Authority
Sorcha Carthy

Dept of Environment and Local Government
Mr Stewart Logan

National Transport Authority
Mr Eoin Farrell

DIT
Dr Paul Horan
Ms Melda Slattery

DIT Staff
Ms Leslie Shoemaker
Mr. Noel Gallagher

DIT Students
Mr Boni Odoemene
Ms Mary Scally

DCC Public Representatives
Cllr Nial Ring
Cllr Áine Clancy

HSE Executive
Mr Derek Dockrell

HSE Staff
Mr Donal Cassidy

HSE Service Users Representatives
Mr Barry Hurley
Ms Angela Connolly

Public Representatives
Ms Maureen O' Sullivan TD

Local Residents
Mr Declan McGregor (resigned on 11th September 2017)
Ms Lorna Maguire



Appendices

Agency Staff

Chief Executive – Mr Ger Casey
Director of Finance – Mr Peter O’Sullivan
Director of Construction and Operations – Ms Máire Mellerick
Director of Architecture and Planning – *Vacant*
Corporate Affairs Manager – Ms Nora Rahill
Senior Planner – Vacant
Communications Officer – Mr Ronan Doyle
Communications Assistant – Ms Lori Keeve
Senior Architect/Project Coordinator – Mr Pat O’Sullivan
Senior Conservation Architect/Project Coordinator – Ms Una Sugrue
Senior Architect/Project Coordinator – Mr Conor Sreenan
Senior Engineer/Project Coordinator – Mr Shay Bowman
Senior Engineer/Project Coordinator – Mr Padraic Ballantyne
Health and Safety/Project Coordinator – Mr Dermot Gallagher
Senior Quantity Surveyor/Project Coordinator – Mr Nigel Thompson
Senior Quantity Surveyor/Project Coordinator – Mr Derek Niven
Employment and Training Coordinator – Ms Kathleen McCann
Project Information Manager/Project Coordinator – Mr Robert Moore
Assistant Engineer/Project Coordinator - Mr Gerry McEntagart





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