**PAC-R-2084 Correspondence 3C.1 Meeting 180 28/01/16**

**Public Accounts Committee**

**28 January 2016**

**Briefing Paper**

**Vote 29: Communications, Energy and Natural Resources**

**Eircodes**

**2014 Appropriation Account**

**Eircodes**

Ireland was the only country in the OECD which did not have a national postcode notwithstanding the fact that we faced two unique addressing challenges. Firstly over 35% of Irish addresses are non-unique, which means they shared an address with at least one other property and secondly, unlike other countries, we have no legal form of addressing.

In October 2013, the Government approved the award of a contract to Capita Business Services to develop, rollout and operate the National Postcode system under licence for an initial ten year period. The contract with Capita was signed in December 2013 and the design of Eircode as it then became known was approved in April 2014. Eircode was launched in July 2015 and a unique 7 digit postcode was provided to each of the 2.2 million residential and business addresses in Ireland.

A national information campaign was completed over summer 2015 to inform the public about eircodes. The campaign included advertisements in the national media, including TV, radio and newspapers. At the same time, a Community Outreach Programme was undertaken using networks of community and voluntary organisations. The aim of this programme was to provide information on eircodes and their benefits to people and groups that mainstream communications may not have reached.

Capita, the postcode contractor, has signed up a total of 26 Value Added Resellers who provide a broad spectrum of eircode specialist services to businesses including database cleansing, address lookup and Geo-coding.

Public Sector bodies are supporting the introduction of eircodes and since the launch several of them have started using eircodes in customer engagement and service provision and this process will continue over the coming months.

**2014 Estimates**

Gross expenditure under the Vote in 2014 was €424.743 million, up €31.079m or just under 8% on the 2013 outturn. The 2014 outturn represents a saving of €15.263m or 3.5% of the budget allocation of €440.006 million (including capital carryover).

The savings arose in the following areas:

* Administrative Budget €2.567m:
	+ Pay savings from the Haddington Road Agreement;
	+ Non-Pay savings mainly due to lower than anticipated expenditure on office equipment and external IT services.
* Communications Programme €5.118m: savings mainly due to lower than expected expenditure on the Trading Online Voucher Scheme along with savings under National Broadband Plan.
* Broadcasting Programme €3.838: due to lower than forecasted TV licence receipts.
* Energy Programme €2.606m: savings principally due to an underspend on the Ocean Energy Research programme.
* Natural Resources Programme €1.333m: savings due to reduced Private Mining Compensation payments and delays in property acquisition in the Silvermines rehabilitation project.

**2015 Estimates**

The 2015 Estimate of €423.151m (including capital carryover of €4.6m and supplementary estimate of €4m) was down 3.8% compared to the 2014 Estimate. The decrease is mainly due to once-off additional funding from the Government’s Stimulus Package for the Better Energy and Warmer Home energy efficiency schemes in 2014 not being carried through into 2015.

The Table below shows for comparative purposes the 2014 outturn for Vote 29 as set out in the 2014 Appropriation Accounts and the 2015 provisional outturn for the Vote.

**Vote 29 Communications Energy and Natural Resources 2014 and 2015**

|  |  |  |
| --- | --- | --- |
| **Subhead**  | **2014 Outturn** | **2015 Provisional Outturn** |
| Admin (i) - Salaries, Wages & Allowances | 14,822 | 15,160 |
| Admin (ii) - Travel & Subsistence | 445 | 454 |
| Admin (iii) - Training & Development and incidental Expenses | 559 | 687 |
| Admin (iv) - Postal & Telecom Services | 378 | 361 |
| Admin (v) - Office Equipment & External IT Services | 2,459 | 2,394 |
| Admin (vi) - Office Premises Expenses | 672 | 673 |
| Admin (vii) - Consultancy Services and VFM | 1,829 | 1,822 |
| Admin (viii) - Equipment, Stores & Maintenance | 106 | 269 |
| A.3 - Information & Communications Technology Programme | 31,770 | 13,129 |
| A.4 - Multimedia Developments | 6,123 | 5,785 |
| A.5 - Information Society & eInclusion | 2,144 | 3,375 |
| A.7 - Other Services | - | - |
| B.3 - Grant to RTÉ for Broadcasting Licence Fees | 178,828 | 178,499 |
| B.4 - Payment to An Post | 11,063 | 11,609 |
| B.5 - Deontas i leith Theilifís na Gaeilge | 34,283 | 33,160 |
| B.6 - Broadcasting Fund | 14,156 | 14,665 |
| C.3 - SEAI - Administration & General Expenses | 6,996 | 6,771 |
| C.4 - Sustainable Energy Programmes | 63,802 | 56,005 |
| C.5 - Energy Research Programmes | 10,021 | 7,184 |
| C.7 - Gas Services | 31 | 32 |
| C.8 - Subscriptions to International Organisations | 150 | 171 |
| D.3 - Petroleum Services | 374 | 4,509 |
| D.4 - Mining Services | 1,302 | 917 |
| D.5 - GSI Services | 7,956 | 8,555 |
| D.8 - Ordnance Survey Ireland | 7,315 | 7,000 |
| D.9 - Subscriptions to International Organisations | 120 | 133 |
| E.3 - Inland Fisheries | 27,038 | 26,636 |
| **Total** | **424,743** | **399,955** |