



**TII response to further information requested
during examination of 2016 TII Financial
Statements by Committee of Public Accounts**

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1.0 Costs associated with Judicial Reviews to major road consents and procurements.

Costs Associated with Judicial Reviews			
Scheme Name	Period of Delay	Total Direct Cost (€000)	Delayed Economic Benefits ¹ (€000)
N86 Dingle to Annascaul and Gortbreagogue to Camp	14 Months	200	600
N22 Ballyvourney to Macroom	27 Months	100	19,000 – 22,900
N25 New Ross Bypass	14 Months	150	11,500 – 12,700
N6 Galway City Outer Bypass ²	10 Months (To judgement upholding An Board Pleanála approval)	1950	127,000 - 158,000
	42 (Months to decision of Supreme Court quashing An Board Pleanála decision)		
Service Areas Tranche 2 PPP. Service areas on the M11 Gorey, M6 Athlone and M9 Kilcullen.	The challenge to this service procurement concession resulted in a 20 months delay.	700	550 - 660

Table 1

NOTE 1: The Delayed Economic Benefits are the wider economic costs to society associated with the delay to the realisation of transport user benefits (commuting, business and other trips), safety benefits and capacity for continuing growth in population and employment in the areas served by these projects. The value of the delays are based on the monetisation of benefits undertaken during the economic evaluation of the scheme and are based on present value estimates undertaken at the time. There are other unquantifiable economic costs associated with lost opportunity arising from delays to progressing schemes such as the N6 Galway City Bypass.

NOTE 2: The design costs of developing the N6 Galway City Outer Bypass Scheme which was refused were €15m

2.0 Prioritising major roads capital investments

Capital expenditure on the national road network can be categorised generally as follows:-

- Small Safety Schemes
- Pavement and other asset Renewals
- Larger safety schemes including minor realignments, junction improvements and online upgrades
- Major upgrade and new road schemes

These streams can be further considered under TII's Strategic Priorities, which align with the priorities set out in the Department of Transport, Tourism and Sport (DTTaS) Strategic Investment Framework for Land Transport. The three priorities identified are:

Priority 1: Asset Management, Network Rehabilitation and Network Operations

Priority 2: Minor Works, Safety and Traffic Management Projects

Priority 3: Major Capital Projects

Prioritisation processes are in place and functioning well for safety schemes, pavement renewals, bridge works and minor schemes (projects < €20million) covered under Priority 1 and 2. The identification of schemes and the assessment of same is undertaken with our delivery partners in local authorities and makes use of the various datasets and assessment tools available. For example, for pavement renewals the Pavement Asset Management Systems (PAMS) tool, combines information on traffic volumes, results of annual pavement surveys and other parameters to determine both the condition of national routes and project the requirements for future pavement renewal.

For schemes requiring major capital investment, there are many considerations which can be used to prioritise schemes. In order to ensure that decisions on the progression of schemes address the areas of greatest need, it is necessary to define the issues which will be considered. The process described here focusses on Priority 3 Major Capital Investments i.e. >€20m. Section 2.3 provides more detail surrounding the identification of major road projects.

DTTaS has identified key criteria which must be taking into consideration when developing any transport projects or programmes. (Common Appraisal Framework for Transport Projects and Programmes, March 2016)¹. The DTTaS document further refines the requirements of the Public Spending Code, (Dept of Public Expenditure & Reform, 2013)² which sets out the rules for all public expenditure. The approach identified in the Common Appraisal Framework is further refined in the TII Project Appraisal Guidelines for National Roads.³ (Reference Appendix A for links to the documents.)

The approach taken in this document is consistent with the Public Spending Code and Common Appraisal Framework requirements.

2.1. Function of the National Road Network

In considering any prioritisation of schemes it is necessary to understand the function of the National Road Network. The function of the national road network is encapsulated in TII's mission, namely, *"to provide high quality transport infrastructure and services, delivering a better quality of life and supporting economic growth."* This is further reflected

¹ DTTaS Common Appraisal Framework <http://www.DTTaS.ie/corporate/english/appraisal>

² DPER Public Spending Code <http://publicspendingcode.per.gov.ie/>

³ TII Project Appraisal Guidelines for National Roads <http://www.tiipublications.ie/library/PE-PAG-02009-01.pdf>

in elements of our vision “to ensure that Ireland’s national road and light rail infrastructure is safe, sustainable and resilient, delivering better accessibility and mobility for people and goods.”

The national road network is made up of the National Primary and National Secondary Road Network. The National Primary Network provides transport links between the major urban centres with the National Secondary Network typically providing links between smaller communities and to the National Primary Network. In all cases the function of the road network is to provide effective and efficient transport offering connectivity between communities, access to essential goods and services and access to local, regional national and international markets.

Based on the above, the function of the national road network can be affected by a wide range of policy issues and decisions including spatial planning, economic stimuli and environmental controls. In considering investment in the national road network a multi-faceted approach is required which gives consideration to a wide spectrum of issues.

2.2. The Need for Prioritisation

In considering the need for prioritisation is necessary to understand the life cycle of a road scheme up to coming into operation. The design and development of major roads projects typically takes between eight and thirteen years. As part of project governance, TII has developed project management⁴ and project appraisal systems for use on major projects. A key feature of these systems is the decision points or “gates” where a decision is made to proceed or otherwise with the investment. In each case the decision is revisited after additional preparatory work has improved the information available and before further funds are committed to the project. **Figure 1** gives an overview of the project appraisal and management system used by TII.

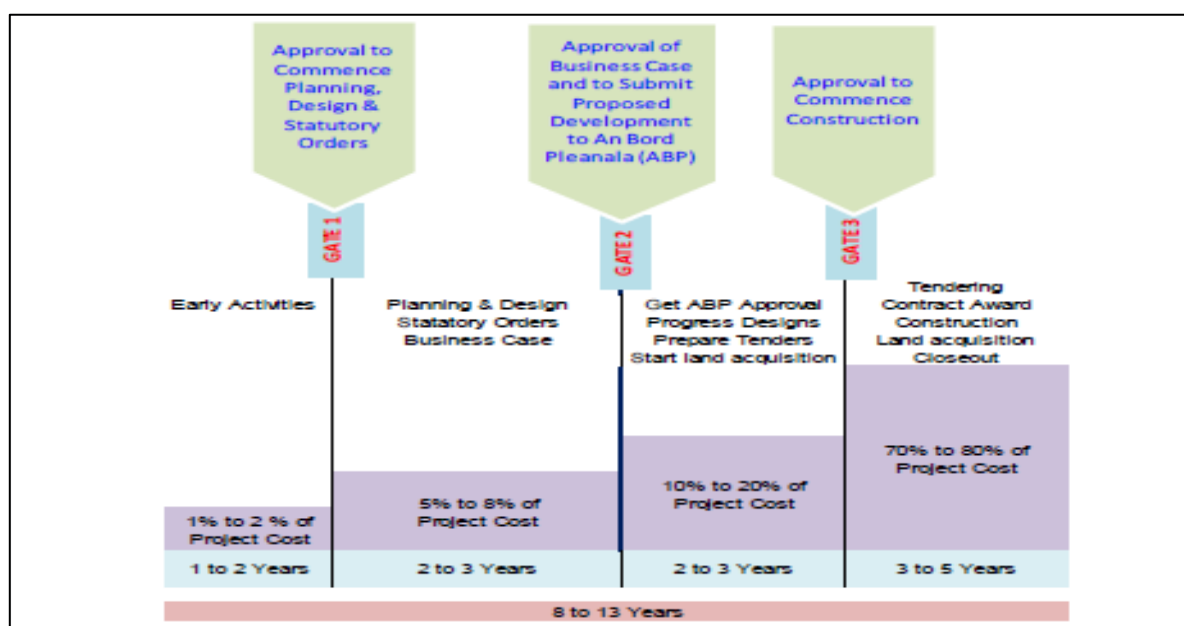


Figure 1: Life cycle of the development of a roads scheme

Figure 1 demonstrates the long lead time from the identification of a road investment to completion of construction. Capital costs are incurred at each stage of the process, from initial investigations and designs, through land acquisition, to construction and engineering work in the final phase. Although the bulk of the cost is incurred in the final construction phase, it is not possible to reach this phase unless some capital funding is available for the project a number of years earlier. This is a key feature of road investment that needs to be taken into account in the long term planning projects. For this reason it is considered appropriate that a tiered approach is applied to identification and prioritisation of Capital Expenditure on Major Projects.

⁴ TII Project Management Guidelines <http://www.tiipublications.ie/library/PE-PMG-02041-01.pdf>

2.3. Planning a pipeline of future projects

The process leading to Gate 1 is concerned with the identification of a pipeline of future projects. At Gate 1 it is necessary to determine whether a project should be progressed to the stage of stakeholder and public consultation, which creates an expectation that a particular route will be progressed. At this stage of the process the identification of projects is primarily founded upon problem definition and the potential for a road scheme to address a problem rather than the use of 'weightings'. For major schemes (i.e. >€20m), road projects often address a range of issues. In this regard the application of a weighting to a particular issue may create a bias to a particular type of project.

For example, in developing the pipeline for major projects to be included in the emerging ten year Capital Investment Plan, TII has identified projects which have potential to achieve a number of the priorities as set out in DTTaS Strategic Investment Framework for Land Transport. These priorities are:

- a) **Complete missing links and address safety critical issues** (maximise the return on the investment in the national road network by completing linkages in the network);
- b) **Provide access to poorly served regions** Address integration and peripherally issues (as well as capacity);
- c) **Provide access for large-scale employment;**
- d) **Improve connections to key seaport and airports;**
- e) **Support identified national and region spatial planning priorities**, e.g. National Planning Framework, Regional Spatial and Economic Strategies, etc.; and,
- f) **Enhance the efficiency of the** existing network, e.g. existing and future traffic volumes and capacity ratios
- g) **Ten T Directive**

In addition, consideration was given to projects that might assist in mitigating the impacts of BREXIT. Along with these priorities, TII used data from its network of Traffic Monitoring Units and its National Transport Model to determine current and future traffic conditions.

This pipeline of projects will be brought forward through the appraisal process where more detailed consideration of the criteria will be undertaken which will be made at Gate 2 when the decision to bring a scheme forward to planning is being made.

The decision as to whether a project is viable or not is made on a case by case basis using the processes and gates set out in the TII Project Management and Project Appraisal Guidelines. Therefore the need for prioritisation occurs when comparing these projects with each other against a backdrop of a limited fiscal envelope and multi-annual funding profiles for capital expenditure.

2.4. Major Scheme Prioritisation

TII applies a policy-based approach to major scheme prioritisation, which is in turn grounded in the Department of Transport, Tourism and Sport's Common Appraisal Framework for Transport Projects and Programmes and the Public Spending Code published by DPER.

Application of this process allows the identification of preferred investment options, to bring the best schemes through the planning process and ultimately to invest in order to deliver the best return for the public.

The prioritisation of individual schemes, leading ultimately to decisions as to which schemes to progress through planning, statutory approval and ultimately to construction, is a complex task.

Building on the requirements of the Public Spending Code and DTTaS Common Appraisal Framework, TII has developed detailed Project Appraisal Guidelines which describe the processes and detailed methodologies required for the appraisal of projects and programmes. This in turn informs the prioritisation of projects and programmes. In accordance with the Common Appraisal Framework, this document recommends the use of Multi-Criteria Analysis (MCA) and sets out primary criteria for consideration, namely:

- Environment
- Safety
- Economy
- Accessibility and Social Inclusion.
- Integration (with Transport polices and other Government policies)

There are then a number of factors to be taken into account in the final determination of delivery and sequencing. These include, but not limited to, the following requirements:-

- to ensure that the project delivery programme fits the funding profile available to TII;
- to have regard to specific Ministerial directions as provided for under the Roads Act;
- to have regard to Government Policy as set out in planning and investment frameworks;
- to react to external events such as legal challenges, delayed construction or funding changes;
- to have a mix of projects in terms of scale so as to provide the maximum flexibility to react to the quantum and profiling of funding made available; and
- To ensure that benefits exceed costs by targeting bottlenecks, improving reliability and safety of journeys and to improving sections to obtain the additional benefit from completing the upgrade of national roads.

It is worth noting that the determination is an ongoing process, which requires regular updating to take account of changing circumstances.

The following is an example of the issues which may be considered under the five primary criteria in tabular form.

Criterion	Sub-Criteria	Key considerations
Environment	Air Quality and Climate Noise and Vibration Landscape and Visual (including light) Biodiversity – Flora and Fauna Waste Soils and Geology Hydrology Hydrogeology Architectural Heritage Archaeological and Cultural Heritage Non-agricultural properties Agriculture	Seek to assess the potential impact on environmental impacts and reduce negative effects

Criterion	Sub-Criteria	Key considerations
Safety	Collision Reduction Security	Assess how the proposed scheme will improve road safety
Economy	Efficiency and Effectiveness Wider Economic Impacts Transport Quality and Reliability Funding Impacts	Cost benefit analysis of the scheme include wider impacts
Accessibility & Social Inclusion	Deprived Geographical Areas Vulnerable Groups	Impact on low income groups, non-car owners, people with disability
Integration	Transport Integration Land Use Integration Geographical Integration Other Government Policy Integration	Ensuring the scheme addresses policy issues

Table 2

2.5. Details of Criteria

The following sections set out further detail on these five primary factors and their various sub-categories and how they are utilised in the assessment process.

The Environment Criterion

This criterion is further divided into the following sub-criteria:

- Air quality;
- Noise and vibration;
- Landscape and visual quality;
- Biodiversity;
- Cultural heritage;
- Land use;
- Water resources; and
- Other environmental impacts.

Each of the above sub-criteria is assessed to an appropriate degree according to the stage of development of the project, including up to the level of an Environmental Impact Statement for those projects at the preliminary design stage. Likely residual environmental impacts are generally assessed and rated. As discussed under the economy criterion, greenhouse gas emissions are assessed on a monetised basis and are counted within the BCR calculation.

The Safety Criterion

This criterion is further divided into the following sub-criteria:

Accident reductions: This criterion considers how the proposed scheme will contribute to safety benefits.

Security: considers the suitability of the project to the safety of non-motorised users such as pedestrians and cyclists.

Safety policies: considers the alignment of the projects with the Road Safety Strategy and Road Safety Infrastructure Directive

The Economy Criterion

This criterion is further divided into the following sub-criteria:

Transport effectiveness and efficiency (TEE): this accounts for the monetised benefits (and dis-benefits) from travel time savings and vehicle operating costs. Private sector provider impacts (revenue from user charges, operating costs, investment costs and subvention) are also considered under this sub-criterion. The TEE benefits are a main component of the monetised benefits of a project and are included in the Benefit to Cost Ratio (BCR) calculation. This BCR factor is one of the key value for money indicators. The BCR calculation also includes the monetised benefits from reductions in accidents and changes in emissions of greenhouse gases;

Other economic impacts: Road projects may have impacts that are not represented by the transport efficiency and effectiveness benefits described above. These include impacts on competition in the economy, agglomeration or clustering of economic activity, inward investment, improved labour supply and urban regeneration. These issues are considered and assessed under this criterion; and

Funding impacts: this criterion considers such items as the availability of non-Exchequer funds for the project and the impacts of the project costs on the funding envelope available to TII.

Greenhouse gas emissions are considered in the project appraisal process as a monetised benefit (or dis-benefit in the case of projects that lead to an increase in emissions) using the carbon equivalent cost as instructed by the Department of Transport, Tourism and Sport. The change in emissions is assessed relative to the 'Do Minimum' option, which typically would involve not proceeding with the project but instead only carrying out maintenance and perhaps localised minor improvements to the existing link. The monetised benefit (or dis-benefit) of the change in emissions is calculated using standard cost benefit analysis software and is used in the BCR calculation.

The Accessibility & Social Inclusion Criterion

This criterion is further divided into the following sub-criteria:

Vulnerable groups: this sub-criterion is assessed on a case by case basis and evaluates the extent to which a project can improve access to services and opportunities to vulnerable groups; and

Deprived geographic areas: this is assessed on the basis of whether an area where the project is located is within either a CLÁR or RAPID area.

Peripheral Regions: Rural communities and peripheral regions which have the potential to become isolated resulting in greater social exclusion.

In assessments under this category the following factors would be taken into account:

- The extent to which the project gives access to vital social infrastructure such as schools and hospitals;
- The extent to which the project improves access to job opportunities for lower income groups;
- The extent to which the project accommodates public transport, which is more widely used by people with disability and on low incomes;
- The extent to which the project improves accessibility generally for people in socially deprived areas, particularly CLÁR and RAPID areas; and
- The distribution of the benefits of the road project by income group and by the vulnerable groups identified above, where data are available to calculate the distribution of benefits.

The Integration Criterion

This criterion is further divided into the following sub-criteria:

Transport integration: This assesses the extent to which the project integrates with the wider transport network. Under this criterion projects score higher if they: complete a route; provide access to national ports or national airports for connections to the rest of the world; provide access to Northern Ireland; facilitate public transport access or walking and cycling integration.

Land use integration: This assesses the extent to which the project integrates with land use strategies and objectives plus regional and local use plans.

Geographical integration: This criterion evaluates the level of geographical integration contributed by the project.

Government policy integration: Assesses the degree of impact of the project in terms of general Government policies, including economic, tourism, and national spatial planning priorities, e.g. national planning frameworks.

3.0 Appraisal of Safety

Under the 1993 Roads Act (as amended) it is the general duty of TII to secure the provision of a safe and efficient network of national roads. In undertaking this duty TII develop a programme of Major and Minor Road schemes which comprise a range of schemes including small safety initiatives, realignment of short sections of routes upgrade of roads to a higher standard and provision of new roads.

In carrying out its functions under the EU Road Infrastructure Safety Management Directive (transposed under SI 472 of 2011), TII compiles Network Safety Rankings for the entire national road network which identifies accidents clusters. These safety rankings are compiled using collision and incident data provided by the Road Safety Authority, An Garda Síochána, TII Motorway Maintenance and Renewals Contractors and Local Authorities. Details of this process can be found in TII Publication GE-STY-01022 Network Safety Rankings (www.tiipublications.ie).

In making the case for any expenditure of public funds on road schemes, TII appraise schemes on the basis of the Common Appraisal Framework using the follow criteria.

- Environment;
- Safety;
- Economy;
- Accessibility and Social Inclusion; and
- Integration (with Transport polices and other Government policies).

Within the appraisal of National Roads Schemes these criteria are considered equally.

Furthermore, the CAF states, that ‘transport sector proposals often have a significant impact in terms of improving the safety record of transport infrastructure. Transport policy has a specific focus on the reduction of collisions, and project design in roads and public transport emphasises accident reduction. Higher capacity roads, and especially motorways, tend to be safer as a result of the segregation of traffic flows and a reduction in the number of road accesses.’

As such, CAF recommends a quantitative assessment of the safety criteria and provides various parameter values to aid the same. With respect to parameter values for road specific projects, the CAF provides estimates based on the Road Safety Authority’s Road Accident Facts arriving at monetary values for collisions of varying levels of severity. CAF provides monetary values for severities ranging from damage to vehicles only to fatal collisions (see **Figure 1**). The CAF also provides guidance on how future collision values are to be treated.

TII updated its Project Appraisal Guidelines (PAG) in October 2016 to take account of the update in the CAF guidance and parameters. All of the CAF safety appraisal parameters were adopted by TII and can be found in PE-PAG-02030: *Project Appraisal Guidelines for National Roads Unit 6.11 - National Parameter Values Sheet*.

3.1. Calculating Safety Benefits

TII has developed an appraisal tool named COBALT-Ireland to ensure consistency in terms of safety appraisal across all TII schemes. COBALT-Ireland is an adaption of the UK Department for Transport COBALT (Cost and Benefit to Accidents – Light Touch) computer program. This program assesses and quantifies the change in the number of collisions and casualties as a direct result of the introduction of a new road scheme.

Guidance on the application of COBALT Ireland is available in PE-PAG-02023: Project Appraisal Guidelines for National Roads Unit 6.4 - Guidance on using COBALT.

The COBALT-Ireland methodology relates the traffic on a road (measured by vehicle-kilometres) to the number of collisions for that road type via the application of a historical collision rate per million vehicle-kilometres travelled. Standard collision rates (and casualty rates) for different road types are provided in PAG Unit 6.11. These are historical collision rates for various road types developed off the Road Safety Authority collision database at a national level. However, local collision data (if available) can be used in place of national values for selected links where such data is considered to be reliable.

COBALT-Ireland outputs gives the total costs of collisions on the study network over the appraisal period for the 'Without-Scheme' and 'With-Scheme' forecasts, and the total economic benefit of the scheme. The total economic benefit is the total 'With-Scheme' cost subtracted from the total 'Without-Scheme' cost.

In addition the following data is also provided:

- Total number of collisions over the appraisal period for the 'Without- Scheme' and 'With-Scheme' forecasts, with the difference between the two;
- The number of fatal, serious and slight casualties over the appraisal period for the "Without-Scheme' and "With-Scheme' forecasts, along with the difference between the forecasts for each severity level;
- The number and cost of collisions for each link in the network.

The appraisal of national road schemes therefore considers the safety benefit in monetary terms as part of a standard cost benefit analysis and also as a separate criteria considering the frequency and severity of collisions. **Figure 2** overleaf sets out the value of road collisions by severity and cost.

Table A.21: Average Value of Prevention of Road Collisions by Severity and Element of Cost, € (2011 Prices & 2011 Values)

Collision Severity	Casualty related costs			Collision related costs			Total
	Lost output	Human costs	Medical & Ambulance	Police cost	Damage to property	Insurance & admin	
Fatal	701,881	1,338,656	1,205	21,521	13,952	375	2,077,589
Serious	27,041	186,012	16,382	2,519	6,225	233	238,412
Slight	2,858	13,617	1,212	653	3,713	142	22,053
Damage only	-	-	-	42	2,346	67	2,456

Table A.22: Collision Costs by Type of Collision, 2011

Accident Type	Value (€000)
Fatal	2310.5
Serious Injury	331.4
Slight Injury	31.1
Damage only	2.5

Figure 2: Extract from DTTaS Common Appraisal Framework showing costs related to collisions

3.2. Project Appraisal Guidelines for National Roads Projects (For further information)

(www.tiipublications.ie)

TII Publication Number	TII Publication Title
PE-PAG-02009	PAG for National Roads Unit 1.0 - Introduction
PE-PAG-02010	PAG for National Roads Unit 2.0 - Project Appraisal Deliverables
PE-PAG-02011	PAG for National Roads Unit 2.1 - Project Appraisal Plan
PE-PAG-02012	PAG for National Roads Unit 3.0 - Project Brief
PE-PAG-02013	PAG for National Roads Unit 4.0 - Consideration of Alternatives and Options
PE-PAG-02014	PAG for National Roads Unit 5.0 - Transport Modelling Overview
PE-PAG-02015	PAG for National Roads Unit 5.1 - Construction of Transport Models
PE-PAG-02016	PAG for National Roads Unit 5.2 - Data Collection
PE-PAG-02017	PAG for National Roads Unit 5.3 - Travel Demand Projections
PE-PAG-02018	PAG for National Roads Unit 5.4 - Transport Modelling Report
PE-PAG-02019	PAG for National Roads Unit 6.0 - Cost Benefit Analysis Overview
PE-PAG-02020	PAG for National Roads Unit 6.1 - Guidance on conducting CBA
PE-PAG-02021	PAG for National Roads Unit 6.2 - Preparation of Scheme Costs
PE-PAG-02022	PAG for National Roads Unit 6.3 - Guidance on using TUBA
PE-PAG-02023	PAG for National Roads Unit 6.4 - Guidance on using COBALT
PE-PAG-02024	PAG Unit for National Roads 6.5 - TUBA & COBALT Sample Input Files
PE-PAG-02025	PAG for National Roads Unit 6.6 - CBA Audit Checklist
PE-PAG-02026	PAG for National Roads Unit 6.7 - CBA Report
PE-PAG-02027	PAG for National Roads Unit 6.8 - Appraisal of Motorway Service Areas
PE-PAG-02028	PAG for National Roads Unit 6.9 - Wider Impacts
PE-PAG-02029	PAG for National Roads Unit 6.10 - Reliability and Quality
PE-PAG-02030	PAG for National Roads Unit 6.11 - National Parameter Values Sheet
PE-PAG-02031	PAG for National Roads Unit 7.0 - Multi Criteria Analysis
PE-PAG-02032	PAG for National Roads Unit 7.1 - Project Appraisal Balance Sheet
PE-PAG-02033	PAG for National Roads Unit 8.0 - Business Case
PE-PAG-02034	PAG for National Roads Unit 9.0 - Post Project Review
PE-PAG-02035	PAG for National Roads Unit 12.0 - Minor Projects (€5m to €20m)
PE-PAG-02036	PAG for National Roads Unit 13.0 - Pedestrian and Cyclist Facilities
PE-PAG-02037	PAG for National Roads Unit 14.0 - Minor Projects (€0.5m to €5m)
PE-PAG-02038	PAG for National Roads Unit 16.0 - Estimating AADT on National Roads
PE-PAG-02039	PAG for National Roads Unit 16.1 - Expansion Factors for Short Period Traffic Counts

Table 3

4.0 Land Goodwill Payments

Goodwill payments were introduced for the first time in an agreement entered into by the Department of the Environment and Local Government and the National Roads Authority with the Irish Farmers' Association in December 2001. The primary purpose of the agreement was to establish additional arrangements, supplementary to those provided in legislation, to enable the NRA (now TII) and local authorities, efficiently and cost effectively, deliver the national roads development programme. The agreement was procured to avoid disruption to national road projects planning and work on environmental impact assessment.

The 2001 agreement and a revised agreement in February 2016 applies to land which is not the subject of planning permission or zoned for open space, commercial, residential, industrial or recreational purposes and the goodwill provision applies only to land which qualifies to have the terms of the agreement applied to it. The payment was introduced in 2001 at a rate of €5,000 per acre and payment was discontinued in 2012 due to the economic downturn. The payment was reintroduced in the 2016 agreement at a rate of €3,000 per acre.

Payment of goodwill is dependent on a landowner, on receipt of at least 14 days written notice of the date on which agents of TII or local authorities intend to enter on the land, allowing early access to facilitate investigative works being carried out. Also, in the event that a landowner obstructs or prevents the speedy and efficient undertaking of the roads construction programme and does not desist following receipt of notice, he/she is disentitled from claiming the benefits of the goodwill payment. It is considered that the goodwill provision has been of significant benefit in ensuring access to land for investigative and construction work and for avoiding delays which would inevitably lead to claims from contractors of significant monetary value.

Payment of goodwill has also been made since December 2001 in some very rare cases where land which qualified was purchased through voluntary agreement rather than through the Compulsory Purchase Order (CPO) procedures. This would have typically occurred in very limited cases such as for local safety or improvement schemes involving a limited number of landowners, where the area of land to be acquired was not extensive and there was limited severance to the holding.

The amount paid during 2016 for the schemes listed below, where land acquisition was made under CPO procedures, was €2.965m. The breakdown of these payments is set out in **Table 4 hereunder**.

County	Roads Project	Goodwill Payments made (€000)
Cork	Ballyvourney - Macroom	229
Donegal	Dungloe - Glenties	272
Galway	Moycullen Bypass	50
Kerry	Tralee – An Daingean	76
Mayo	Westport – Turlough	1,137
	Westport - Mulranny	46
Roscommon	Ballaghaderreen By Pass	3
Sligo	Collooney - Castlebaldwin	997
Wexford	Enniscorthy By Pass	155
Total		2,965

Table 4

4.1. Breakdown of Goodwill Payments by major project to end of 2016.

The following table outlines the total land payments paid on each of the listed major roads project during the land purchase phase up to end of 2016. A separate figure is provided for the goodwill payment element.

Table 5

Local Authority	Major Roads Project	Total Land Cost to 31st Dec 2016 (€000)	Goodwill Payment included (€000)
Cavan County Council	Belturbet Bypass	€10,520	€736
Clare County Council	Ennis By-Pass (bypass Clarecastle Barefield)	€44,998	€785
Cork County Council	Mitchelstown-Fermoy (bypasses Mitchelstown)	€30,989	€2,088
	Mitchelstown Relief Road	€8,320	€259
	Ballyvourney to Macroom (bypasses Macroom)	€13,231	€1,616
	Ballincollig By-Pass	€58,641	€764
	Fermoy-Watergrasshill	€32,926	€1,736
Donegal County Council	Mountcharles to Inver	€5,5130	€351
	Dungloe to Glenties	€6,010	€767
	Ballyshannon/Bundoran By-Pass	€21,758	€473
	Mountaintop to Illistrin	€6,228	€121
Galway County Council	Galway/Ballinasloe (bypasses Ballinasloe Loughrea & Oranmore)	€174,458	€7,189
	Loughrea Bypass	€12,174	€134
	Tuam By-Pass	€10,052	€422
	Moycullen Bypass	€7,345	€308
	Gort to Tuam	€110,939	€5,415
	Gort - Crusheen (bypasses Gort & Crusheen)	€59,245	€2,680
	Athlone/Ballinasloe	€42,568	€2,213
Kerry County Council	Castleisland/Abbeyfeale	€4,480	€655
	Castleisland By-Pass	€7,284	€375
	Tralee to An Daingean	€2,297	€206
	Tralee By-Pass	€21,680	€949
Kildare County Council	Kilcullen to Carlow (bypasses Castledermot)	€90,159	€3,450
	Carlow By-Pass	€51,578	€2,303

Local Authority	Major Roads Project	Total Land Cost to 31st Dec 2016 (€000)	Goodwill Payment included (€000)
	Monasterevin By-Pass (Heath/Mayfield)	€22,758	€1,927
Kilkenny County Council	Cullahill to Cashel (bypasses Durrow Cullahill Urlingford Horse & Jockey)	€65,992	€3,997
	Waterford to Knocktopher (bypasses Mullinavat)	€44,581	€2,809
	Carlow to Knocktopher (bypasses Paulstown Gowran & Thomastown)	€103,242	€4,728
	Kilkenny Ring Road	€6,838	€158
Laois County Council	Castletown/Nenagh (bypasses Borris in Ossory Moneygall & Toomyvara)	€70,159	€3,134
	Portlaoise to Cullahill/Castletown	€74,659	€4,617
Leitrim County Council	Dromod to Roosky	€8,584	€1,072
Limerick County Council	Limerick SRR Phase 1	€9,443	€148
	Nenagh/Limerick	€65,201	€3,277
	Limerick Tunnel Scheme	€66,994	€918
Longford County Council	N5/N4 Longford By-Pass	€1,910	€326
	Edgeworthstown By-Pass	€4,969	€56
Louth County Council	N.I. Border/Dundalk	€16,228	€1,132
	Ardee By-Pass (N52)	€4,604	€302
	Dundalk Western By-Pass	€8,641	€278
Mayo County Council	Charlestown By-Pass	€12,340	€1,632
	Westport to Turlough	€15,528	€1,323
	Westport to Mulranny	€7,105	€586
	Ballina - Bohola - Phase 1 (Carrowntreila)	€4,206	€233
Meath County Council	Clonee to North of Kells Scheme (bypass Dunshaughlin Navan Kells)	€118,393	€7,324
	Ashbourne By-Pass/M50 Junction	€40,381	€1,724
Monaghan County Council	Monaghan Town By-Pass	€9,357	€202

Local Authority	Major Roads Project	Total Land Cost to 31st Dec 2016 (€000)	Goodwill Payment included (€000)
	Carrickmacross Bypass	€12,312	€799
	Castleblaney By-Pass	€19,667	€910
Offaly County Council	N52 Tullamore By-Pass	€39,117	€845
Roscommon County Council	Ballaghaderreen By-Pass	€8,454	€1,506
Sligo County Council	Collooney to Castlebaldwin	€12,608	€1,877
South Tipperary County Council	Cashel/Mitchelstown	€97,474	€4,542
	Cashel By-Pass	€9,065	€1,045
Waterford City Council	Waterford City By-Pass	€50,734	€3,188
Waterford County Council	Kinsalebeg	€2,047	€105
Westmeath County Council	McNeads Bridge/Kinnegad	€3,172	€304
	Kinnegad/Kilbeggan (bypass Rochfortbridge Tyrrellspass)	€37,996	€2,400
	Kilbeggan/Athlone (bypasses Kilbeggan & Moate)	€55,406	€2,500
	Carrick Bridge to Clonfad	€4,240	€492
	Kinnegad-Enfield Bypass	€46,636	€4,210
	The Downs Grade-Separation	€1,690	€127
Wexford County Council	Gorey to Enniscorthy (incls Enniscorthy Bypass)	€46,550	€4,332
	Arklow/Gorey By-Pass (bypasses Gorey)	€59,947	€2,270
	New Ross By-Pass	€17,712	€1,347
Wicklow County Council	Arklow/Rathnew	€32,394	€1,886
	Rathnew/Ashford By-Pass (NTM'Kennedy)	€26,703	€1,035
TOTALS		€2,199,465	€113,644

5.0 VAT Appeal in connection with the M50 and Dublin Tunnel Tolls

Public Account Committee Briefing Note – VAT Appeal in connection with the M50 and Dublin Tunnel Tolls

Transport Infrastructure Ireland (TII) operates, using service providers it has procured through public tender competitions, two toll points on the national roads network: the M50 toll and the Dublin Tunnel toll. Prior to the commencement of tolling at the Dublin Tunnel (January 2007) and tolling on the M50 (August 2008), TII sought and received confirmation from the Revenue Commissioners (Revenue) that VAT was not applicable in respect of toll facilities operated by TII. Accordingly, the tolls as originally charged did not contain any element in respect of VAT.

Subsequently, in May 2010, Revenue revised its position on whether tolls charged by TII should be subject to VAT and directed that TII include an element in respect of VAT in tolls charged in respect of the M50 and the Dublin Tunnel with effect from 1st July 2010. TII disagreed with Revenue's revised position and took steps to challenge it by appealing to the Appeal Commissioners. However, TII, nevertheless, complied with Revenue's direction and commenced issuing invoices in respect of the tolls which showed an amount representing VAT (i.e. a VAT invoice).

However, rather than increasing the toll by the amount of the VAT, and thereby ensure that the net position of TII remained unchanged (which was a possible option), TII took the decision not to increase the amount of the tolls, pending the resolution of the VAT appeal and to absorb the VAT cost itself.

While the process has taken longer than originally anticipated, including a reference to and a decision of the Court of Justice of the European Union (CJEU), the outcome of the process is that Revenue notified TII on 28th February 2017 that TII should no longer include an amount in respect of VAT in tolls collected by TII on the M50 and Dublin Tunnel. Accordingly, as of 1st April 2017, invoices for tolls charged at the M50 and Dublin Tunnel no longer show an element representing VAT. This means that the position as prevailed prior to the original Revenue direction in 2010 applies once more. In other words, there has been no re-characterisation by TII of any amount paid by it on foot of the Revenue direction in 2010. Such amounts were paid by TII, and the cost of such amounts was not passed on to road users. Consequently, there is no entitlement on the part of road users to payment of any amount in respect of VAT recorded as part of the M50 eFlow tolls and Dublin Tunnel tolls in the period between 1st July 2010 and 31st March 2017.

As a matter of the Roads Act and the bye-laws applicable to each road, the toll which is chargeable (i.e., M50, the "Applicable Toll" and Dublin Tunnel, the "Appropriate Toll") does not change whether VAT is payable or not. Therefore, road users are not entitled to a refund as the toll payable over the period was and is the amount charged and was not impacted by Revenue's direction in 2010 that TII account for VAT on tolls collected by TII.

Now that Revenue has withdrawn its direction that TII account for VAT on the M50 and Dublin Tunnel tolls, business road users no longer have the opportunity to claim an input credit from Revenue in respect of such tolls which showed an amount representing VAT on invoices between 1st July 2010 and 31st March 2017. In other words, business users travelling through the M50 toll or Dublin Tunnel toll are back in the same situation that pertained prior to 1st July 2010.

Following the ruling of the CJEU on 19th January 2017, Revenue took some time to consider the implications of the CJEU ruling including obtaining and considering legal advice. In this regard it should be noted that the

CJEU ruling was not determinative of the appeal but answered questions of Community Law in connection with VAT referred to it by the Appeal Commissioners. Revenue were not available to meet TII until July 2017.

Revenue and TII met on 25th July 2017 and it was agreed that Revenue and the Authority would explore options that may lead to a settlement of the VAT appeal. Having gained an understanding of Revenue's position as regards documentation that would be acceptable to it for the purposes of considering a refund, TII compiled documentation, without prejudice to its appeal, on hundreds of millions of toll transactions. The documentation requested by Revenue was issued to Revenue on the 16th November 2017.

A settlement between Revenue and TII is subject to both sides reaching an agreement through negotiations. Accordingly, the timescale for achieving a settlement (if one can be agreed) is uncertain, although both sides are seeking to secure an agreed settlement. In the event that Revenue and TII do not agree a settlement then the appeal would most likely be referred back to the Tax Appeals Commission (formerly the Appeal Commissioners) for determination and the timescale for such a determination is uncertain.

As of 1st April 2017, TII is no longer required to account for VAT on tolls on the M50 and Dublin Tunnel and consequently the monies allocated to cover TII absorbing VAT in 2017 have been reallocated to national roads projects. Any monies refunded to TII in relation to VAT paid by it over the period 1st July 2010 and 31st March 2017 will be allocated to necessary national roads safety, asset management and improvement projects that were not undertaken due to VAT being absorbed by TII over a period of more than seven years.

6.0 Management of Invasive Plant Species (Japanese Knotweed)

The topic of the management programme designed to deal with Invasive Alien Plant Species (IAPS) and associated expenditure was raised by the Committee. This programme, which was initiated by Transport Infrastructure Ireland, is aimed at managing invasive knotweed and other non-native invasive plant species on the national road network and its interactions with regional roads. The project involves collaboration with Department of Transport, Tourism and Sport (DTTAS).

Following a tender process which included market consultation and pre-qualification, TII established a framework of 15 contractors qualified to manage invasive alien plant species (IAPS) in August 2016. Thereafter, 11 local authorities, with the assistance of TII, created 15 call-off contracts for the management of IAPS on national roads in what have been termed '**Priority 1**' counties (See Map overleaf). These call-off contracts require the eradication of specified IAPS with repeated treatments, every autumn, over a four-year period. The contractors are required to communicate with adjacent landowner, carry out surveys, reporting and signing Japanese knotweed infestations.

To date, all the Year 1 works and services, including Year 1 treatment and surveying, have been completed

Management of IAPS in 2017

In 2017, TII continues to assist its local authority partners in administering the four-year call-off contracts for the treatment of IAPS on national roads in the **Priority 1** counties.

Contracts were awarded in 2017 on national roads in the **Galway and Kerry** which were not included in the scope of the 2016 call-off contracts.

Work commenced on the **Priority 2** counties (See Map) i.e. all remaining counties excluding the four Dublin local authorities, Cavan and Offaly.

- Roscommon County Council has awarded a call-off contract for the management of IAPS on national roads in Counties Roscommon, Leitrim and Longford;
- Westmeath County Council plans to award a call-off contract in respect of Counties Westmeath, Meath, Louth and Monaghan; and,
- Kildare County Council plans to award a call-off contract in respect of Counties Kildare, Wicklow, Carlow, Laois and Kilkenny⁵.

These contracts include a requirement to survey IAPS on selected regional roads within the relevant **Priority 2** counties in order to facilitate future efforts to manage IAPS on such roads.

In 2017, TII is establishing and maintaining a centralised Geographical Information System database to assist in the management of IAPS on national and regional roads across Ireland into the long-term. This database records details on IAPS infestations, treatment and regrowth. Data in respect of the regional road network is being received by TII from Local Authorities, pursuant to Circular RW 2/2017 issued by DTTAS.

TII is ensuring appropriate governance, compliance in the management of IAPS and ensuring value for money is achieved in the contracts. TII estimates that the allocation to Local Authorities over the four years of the programme will be of the order of €5.5 million.

Treatment success rates of greater than 80% was observed in some priority 1 counties after the first year of treatment.

⁵ Section 85 agreements were put in place



7.0 TII Road Safety –Meetings with Road Safety Authority

It is internationally recognised that the four main elements to improving road safety are Education, Enforcement, Engineering and Evaluation. The primary public bodies which TII engages with in the achievement of the common goal in reducing road injuries and fatalities in Ireland are the Road Safety Authority (RSA), An Garda Síochána (AGS) and Local Authorities.

With a view to improving road safety on national roads, TII has developed excellent and collaborative relationships with both RSA and AGS, and indeed our Local Authority partners, on implementing a wide variety of road safety actions.

TII meets with RSA and AGS on a regular basis to discuss the completeness of collision data at the Collision Data Group Meeting, a long established forum. TII continually updates and analyses the collision data related to road traffic accidents which have been reported to AGS. There is a daily flow of collision data to TII and this is used for several purposes.

Firstly, TII analyses this data to identify High Collision locations across the national road network and then implements road safety improvements at these locations with its Local Authority partners. Secondly, TII use this information to identify sections of the road with a poor safety record. Collision data is used to appraise national road schemes and to develop Business Cases for major national road projects. This is outlined in more detail Section 3 of this document.

TII is responsible for eight actions in the Government’s Road Safety Strategy (2013-2017) and reports on progress to the RSA four times a year. Last year the RSA carried out their mid-term review of the strategy and TII provided input into this review.

TII collaborates with RSA in highlighting issues such as road safety outside schools in rural areas and TII also suggests topics where education campaigns could assist in improving road safety.

Finally, TII attends the Ministerial Committee on Road Safety, where the Minister for Transport, Tourism and Sport brings the many stakeholders together to review progress on delivering the Road Safety Strategy.

Date	Attendees	Location of Meeting	Details
16/09/2015	TII, RSA, GISC, AGS	Bow Street, Dublin	Collision Data Group meeting, co-chaired by AGS and RSA
19/10/2015	TII & RSA	TII, Dublin	Introducing TII post-merger
11/11/2015	TII, RSA, GISC, AGS	RSA Office, Ballina	Collision Data Group meeting, co-chaired by AGS and RSA
19/11/2015	Minister with RSA, AGS, TII , Justice , AG and Others	Leinster House	Ministerial Committee on Road Safety
11/01/2016	RSA, TII, AGS and Others	Dublin Castle	Road safety strategy meeting
09/02/2016	TII & RSA	RSA Office, Ballina	Road safety strategy meeting
13/04/2016	TII, RSA, GISC, AGS	Bow Street, Dublin	Collision Data Group meeting, co-chaired by AGS and RSA
16/06/2016	Minister with RSA, AGS, TII , Justice , AG and Others	Leinster House	Road Safety Strategy Stakeholder Meeting
27/06/2016	Minister with RSA, AGS, TII , Justice , AG and Others	Leinster House	Ministerial Committee on Road Safety
03/10/2016	TII & RSA	Dublin	Road safety strategy meeting
12/10/2016	TII, RSA, GISC, AGS	Bow Street, Dublin	Collision Data Group meeting, co-chaired by AGS and RSA

Date	Attendees	Location of Meeting	Details
20/10/2016	TII, RSA, AGS	tele conference	Mapping collisions
03/11/2016	TII, RSA, DTTaS	tele conference	Road safety strategy meeting
21/11/2016	Minister with RSA, AGS, TII , Justice , AG and Others	Leinster House	Ministerial Committee on Road Safety
25/01/2017	RSA & TII	TII, Dublin	Meeting re TII collision data.
11/01/2017	RSA/NTA & TII	TII, Dublin	Meeting to discuss road safety for schools in rural areas
12/01/2017	Minister with RSA, AGS, TII , Justice , AG and Others	Leinster House	Ministerial Committee on Road Safety
15/02/2017	TII, RSA, GISC, AGS	TII, Dublin	Collision Data Group meeting, co-chaired by AGS and RSA
22/02/2017	RSA/NTA & TII	TII, Dublin	Meeting to discuss road safety for schools in rural areas
27/03/2017	Minister with RSA, AGS, TII , Justice , AG and Others	Leinster House	Ministerial Committee on Road Safety
22/05/2017	Minister with RSA, AGS, TII , Justice , AG and Others	Leinster House	Ministerial Committee on Road Safety
18/07/2017	DTTaS, RSA, TII, AGS and Others	TII, Dublin	Meeting to discuss road safety for schools in rural areas
24/07/2017	Minister with RSA, AGS, TII , Justice , AG and Others	Leinster House	Ministerial Committee on Road Safety
27/07/2017	TII, RSA, GISC, AGS	Bow Street, Dublin	Collision Data Group meeting, co-chaired by AGS and RSA
02/08/2017	TII, RSA, GISC, AGS	TII, Dublin	Collision Data Group meeting, co-chaired by AGS and RSA
10/10/2017	TII, RSA and GISC	Castlebar, Mayo	Collision Data Group meeting, co-chaired by AGS and RSA
06/11/2017	Minister with RSA, AGS, TII , Justice , AG and Others	Leinster House	Ministerial Committee on Road Safety