



Ms. Sarah Cremin
Committee Secretariat,
Committee of Public Accounts,
Leinster House,
Dublin 2.

07 April 2022

Your Ref: S063 PAC33

Dear Ms. Cremin,

Further to your letter of 22nd November last please find enclosed information as requested in relation to:

1. confirmation if the terms of proposed leases of Garda properties are sufficiently attractive to encourage investment in their refurbishment.
2. an information note providing details of OPW's work in relation to securing a new HQ for the Office of the Data Protection Commission including the options considered and any associated analyses.

Some of the information contained in the Cost Effectiveness Appraisal report in relation to the offices for the Data Protection Commission is considered commercially sensitive and accordingly a redacted version of the report is enclosed.

Yours sincerely,

A handwritten signature in black ink that reads "Maurice Buckley".

Maurice Buckley
Chairman

Public Accounts Committee Ref: S0630 PAC33

Query 2: an information note providing details of OPW's work in relation to securing a new HQ for the Office of the Data Protection Commission including the options considered and any associated analyses.

The Office of the Data Protection Commission (DPC) is currently accommodated in Portarlington, Co. Laois (under the 2003 decentralisation program) and in two locations in Dublin, 21 Fitzwilliam Square and the 3rd Floor Trinity Point. The Office of Public Works (OPW) has entered into an Agreement for Lease in respect of a building at 6 Pembroke Row in Dublin 2 which will meet the long term accommodation requirements for the DPC in Dublin.

Background:

In December 2016, the DPC requested the OPW to provide additional office accommodation in Dublin to meet the requirements of its increasing staff numbers. As it was not possible to meet their requirements from within the existing office portfolio, it was acknowledged in August 2017 that a new single office location for the DPC in Dublin would be required. This new office would also accommodate staff from 21 Fitzwilliam Square, which would then be available for other State uses.

Interim accommodation was provided to the DPC on the third floor of Trinity Point in October 2018. The OPW actively engaged with Senior DPC Management with a view to securing a permanent single Dublin property solution capable of accommodating the growing staff numbers in Dublin.

As the DPC is a regulatory body, with both a national and international remit, their accommodation requirements were underpinned by a number of key factors which posed specific challenges in the context of identifying suitable options available on the market. These factors included the need to be independent, and seen to be independent by the organisations being regulated and easy access to Government and other Regulatory bodies.

Following a full market search for potential options by the OPW a number of buildings were identified. Twelve of the buildings identified were considered to have a realistic chance of meeting the needs of the DPC due to size, energy performance ratings and accessibility.

Following further discussion with the DPC, this number of buildings was further narrowed down to four properties, which were considered capable of meeting all the DPC's criteria.

The criteria and weightings that were used to mark the individual buildings were agreed between OPW and the DPC, and a Multi-Criteria Analysis (MCA) exercise was carried out on the four shortlisted options.

A building on St. Stephen's Green scored the highest under the MCA and discussions were entered into with the owners. However, this did not proceed as the Landlord was not prepared to consider a partial letting and, due to the nature of the work carried out by the DPC, it was not possible at that time to identify another compatible co-tenant for any area not required for the DPC.

As a result of this, the DPC reviewed the options identified in the market search and Pembroke Row was added to the shortlist. It had originally been discounted due to its low profile location compared to other options. However, given that the size of the building meant that the issue of sharing with another occupant did not arise, it was agreed to include it in the MCA.

Given the passage of time since the original market search had been conducted, and the fact that a number of properties identified were no longer on the market, a further search of the market was carried out. This search did not identify any additional properties that met the criteria for the shortlist. Pembroke Row was subsequently included in a revised MCA with the original options identified and it emerged as the highest ranking available option.

The OPW entered into negotiations with the Landlord and Heads of Terms on a lease of the property were agreed in December 2019. Following the outbreak of the Covid 19 Pandemic the OPW reengaged with the Landlord and secured enhanced terms. The exact nature of these additional terms are commercially sensitive but the OPW is satisfied that the terms negotiated are considered fair and reasonable and represent value for money to the State.

An independent Cost Effective Appraisal (CEA) on the proposed property at 6 Pembroke Row was carried out on behalf of the OPW by Irida Consulting Limited in March 2020 and is enclosed for the Committee. Some of the information has been redacted as it is considered commercially sensitive.

Over the course of 2020 and 2021, the OPW and the DPC engaged with DPER and approval to take the lease on this property was issued to the DPC by DPER in May 2021.

Following receipt of DPER sanction an Agreement for Lease (AFL) was executed by the OPW and the Landlord. Detailed design of the tenant CAT B fitout for the DPC is progressing.

Public Accounts Committee - Ref: S0630 PAC33

Query 1: Confirmation if the terms of proposed leases of Garda properties are sufficiently attractive to encourage investment in their refurbishment.

Response:

When agreeing to the lease of any property, including former Garda stations, the OPW discusses all factors with the lessee to ensure the proposed lease is appropriate and mutually agreeable. The OPW is guided by the provisions of *DPER Circular 11/2015: Protocols for the Transfer and Sharing of State Property Assets*. In such transactions, the OPW and the lessee are very mindful of all necessary governance arrangements in addition to the need to ensure that the property, if possible, is brought back into use. The leases are for nominal consideration, provided they are used for community purposes.

The OPW wrote to 12 local authorities in May 2021, to give them the option to lease or purchase 24 of the then 37 remaining former Garda station properties. The OPW also advised them of the Town and Village Renewal Scheme funding that is available from the Department of Community and Rural Development to improve the landscape in towns and villages around the country.

At the time, six local authorities responded with an expression of interest and Heads of Terms issued with a view to progressing leases through the Office of the Chief State Solicitor. The terms of the leases allow for a nominal rent and scope for local authorities to apply for the relevant funding for investment; as well as containing clauses permitting a sub-lease to local community groups, if required.

The option of purchasing the properties is also open to local authorities under *DPER Circular 11/2015: Protocols for the Transfer and Sharing of State Property Assets*. This option has been exercised by a number of local authorities and other State bodies, following their assessment of the future potential of former Garda station properties.

Where that potential is not identified, the OPW will move to dispose of the property on the open market in order to reduce costs and to generate income for the Exchequer.

Background

The OPW primarily acts on behalf of its clients (other State Departments/Agencies) and seeks to provide suitable accommodation solutions that allows its clients deliver their services.

The property portfolio is very diverse and includes office accommodation for all Government Departments, the property estate for An Garda Síochána and numerous properties for many State Agencies. The portfolio also houses specialised spaces such as public offices, laboratories, cultural institutions, warehouses, heritage properties, visitor centres and sites.

In any major portfolio, there will always be a certain level of vacant properties. These vacancies arise for a variety of reasons - including the Government decision in 2012/2013 to rationalise Garda stations around the country. At that time, 139 Garda properties were returned to the OPW to determine future use or disposal.

The OPW, like other State bodies, is obliged to follow central Government policies and protocols on the disposal of surplus properties. The approach to managing vacant properties is firstly, to establish if the property is required for alternative State use, including the potential for it to be re-purposed, either for Government Departments or for the wider public service. As a matter of policy, no property or site is disposed of until there is certainty that there is no alternative State use for that property. The OPW, as a matter of course, consults with Local Authorities, the Land Development Agency, Health Service Executive, the Department of Education and other State bodies in advance of any decision on the future of a property.

Secondly, if no State use is identified, the OPW then considers, depending on prevailing market conditions, if open market disposal is a viable option. Prior to disposing of a property, the OPW may re-evaluate its potential and decide whether there may be a benefit to retaining a strategic property or site for future use or development. In this specific context, the OPW must take a long-term view on the potential future utility of such properties rather than seeking short-term commercial gain.

Thirdly, the OPW may consider community involvement, subject to a detailed submission that demonstrates that the community or voluntary group seeking to use the property has the means to insure, maintain and manage it in order to reduce costs to the Exchequer.



Cost Effectiveness Appraisal for the Office of Public Works

Office Space Lease in Pembroke Row, Dublin 2



Irida Consulting Limited

March 1 2020

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Introduction

Irida Consulting Limited is pleased to present this report of the Cost Effectiveness Appraisal (CEA) of the proposed relocation of the Data Protection Commission (DPC) offices from its current offices in Dublin to a single office premise in Pembroke Row, Dublin 2.

In carrying out a Cost Effectiveness Appraisal, consideration of a counter-factual should be included. However, as is demonstrated in this report, extensive searches and evaluations have been undertaken by the OPW in a fast moving property market. There is an imperative to provide office space for the DPC to house additional staff that are currently being recruited. While a number of potential options have been identified and reviewed over a lengthy period, the pace of the office market is such that alternative premises that were identified are now no longer available. Therefore, we have taken the approach of evaluating this proposed office acquisition by way of a value-for-money comparison with the lowest cost alternative that was identified, although it is no longer available. In the current market circumstances, further delay is likely to exacerbate the difficulties being encountered in the search, and therefore a timely decision is required if the new staff of the DPC are to be accommodated. The alternative will be to house staff in serviced offices, which would have substantial cost implications.

This Cost Effectiveness Appraisal assesses the strategy underpinning the proposal, the constraints under which the OPW is operating at this time and the costs of the proposed option. The suitability of the proposed offices will be assessed on the basis of providing value-for-money to the State, with the costs measured on a Net Present Value basis.

The Cost Effectiveness Appraisal methodology and approach used herein is designed to meet the needs of the Departments of Finance and Public Expenditure and Reform and take into account the guidelines published in respect of the Public Spending Code.

In carrying out this Cost Effectiveness Appraisal, we have been greatly assisted by the staff of the OPW and DPC. We wish to thank all those who assisted us during this review.

Executive Summary

Strategic Context

A key task in the OPW Statement of Strategy 2017 – 2020 is the proactive management of the property estate in the care of the Commissioners of Public Works, and the management of the office accommodation portfolio through appropriate strategic acquisitions, disposals and leases that are in line with the long-term portfolio strategy.

The Data Protection Act 2018 established the Data Protection Commission (DPC) - previously the Office of the Data Protection Commissioner. The DPC is the national authority responsible for monitoring the application of the new EU General Data Protection Regulation (GDPR). The DPC has seen a significant increase in its activities since the introduction of the GDPR in May 2018.

The DPC interacts with the many high profile multi-national enterprises that have based their international headquarters in Ireland – enterprises which the State is keen to retain – and it should have offices that reflect the State's commitment to providing a professional organisation that holds a substantial level of international respect; from both enterprise and other regulators. Recognition should also be given to the increasingly prominent role of the DPC at EU and global level.

The Data Protection Commission requires additional office space in the very near future to house staff increases that have been approved by Government and for which resources for 2020 have been committed.

Key considerations underpinning the DPC office needs include:

- The DPC should be seen as independent, so therefore sharing a large office building with other tenants, some of whom could be regulated or be under investigation by the DPC could give rise to perceptions of insufficient independence.
- The DPC needs to be regarded nationally and internationally as a credible organisation. Credibility is dependent on not only demonstrating leading edge professionalism, but also giving the technology sector, other regulators, the media and the public a strong perception that it is both credible and professional. Providing appropriate office accommodation is a key element in this.
- The DPC needs continuous access to Government, other Regulators and the technology sector. It requires a location in the Central Business District of the Capital City. Recruitment of professional proficient staff in areas including legal matters, technology, etc. would be significantly more difficult to carry out in a location remote from Dublin.

- At present, the DPC is located in three office premises that do not provide for an effective and efficient organisation. There are no clear divisions amongst the operating units of the DPC. Therefore, multiple offices would simply give rise to an ineffective and inefficient organisation. It is possible to retain the Portarlington office without serious implications, provided the remainder of the organisation is in one location.

The proposed office lease meets with and supports both the OPW and DPC strategies.

Options being appraised

To date, the OPW has carried out extensive market searches and evaluations regarding the availability and suitability of prospective offices for the DPC. These searches are described in Chapter 2 following. The conclusion from those evaluations is that the proposed offices in Pembroke Row, Dublin 2 meet the DPC criteria. At present, while other potential offices were identified, these are no longer available and so no suitable alternative remains in the market.

Conclusion from the Evaluation

The finding of this appraisal, shown in detail in Chapter 4, is that the proposed lease of Pembroke Row provides excellent value-for-money when compared to alternatives that were identified, but are no longer available. No other alternative(s) can be found at this time. We therefore conclude that the proposed offices do provide good value for money. Over a 20-year timescale, the relevant NPV of costs are:

NPV - Pembroke Row	€36,846,349
NPV - Lowest cost alternative	€37,885,033

Some non-financial considerations supporting the Pembroke Row option are as follows:

1. The proposed relocation aligns closely with the OPW mission and objective of providing a portfolio of modern, fit-for-purpose offices for public servants;
2. Pembroke Row is a stand-alone office, whereas the alternative is a shared office. A stand-alone office is preferred as it demonstrates a significantly greater sense of independence for the DPC.
3. The new premises are in an excellent location close to the centre of Dublin and readily accessible to key stakeholders;
4. The timescale for delivery of the Pembroke Row option is good from the perspective of lease expiry in Trinity Point;
5. The proposed offices are adjacent to excellent public transport links and provide reasonable parking and cycling facilities;
6. The building caters for projected space needs; and
7. The building meets or exceeds current and future legislation, building regulations and energy consumption best practice.

Risk

We review the project risks in chapter 5. In our view, a key risk from both a financial and reputational viewpoint is that the proposed building will not be ready when required. To address this, we recommend that the OPW assumes a strong project management role that would include monitoring all construction, logistics and industrial relations aspects of the intended relocations.

1 Strategic Rationale

1.1 The OPW Strategy

The Mission of the Office of Public Works is to use its experience and expertise to fulfil its role and responsibilities with effective, sustainable and innovative services to the public and to its clients, with competence, dedication, professionalism and integrity.

While always having been associated with public buildings and property, and the provision, maintenance and care thereof, the OPW has continuously had a number of related but distinct roles and responsibilities. Today the OPW is responsible for a number of areas, including;

- Ownership and stewardship of the State property portfolio,
- The acquisition, maintenance, and disposal of lands and property for use by the State;
- The provision of accommodation for the civil service, and
- The delivery of property-related services to central Government Departments and Offices;

There are four strategic priorities outlined in the OPW Statement of Strategy 2017 – 2020. A key priority of the OPW is in Estate Portfolio Management. The vision of its Estate Portfolio Management practice is to maximise the efficient use and value of the State property portfolio.

A key objective of Estate Portfolio Management is to manage the property estate in the care of the Commissioners of Public Works in a proactive manner, and to manage the office accommodation portfolio through appropriate strategic acquisitions, disposals and leases in line with the OPW's long-term portfolio strategy.

A further objective of note is to support the Action Plan for Energy Efficiency in the Public Sector by ensuring buildings within the portfolio managed by the OPW comply with all relevant revised building regulations and efficiency targets as appropriate.

The proposed development of the OPW portfolio evaluated herein fits with its key strategic objectives. The main factors driving the proposal are:

1. As described in the next section of this chapter the Data Protection Commission is experiencing substantial staff growth commensurate with its increased activities – both in terms of its areas of responsibility and its volume of activity.

2. The current office facilities in Dublin are located across two locations that leads to substantial inefficiencies and time lost in work/activities involving staff from the two locations.
3. Given the DPC interaction with the high profile multi-national enterprises that have based their headquarters in Ireland – enterprises which the State is keen to retain – the DPC must have offices that reflect the State’s commitment to providing a professional organisation that has a substantial level of international respect; from both enterprise and other regulators.

Central Statistics Office data on public sector employment show that since the end of 2017, civil service employment numbers have grown steadily by 1,300 staff or 3.2%. While this growth appears modest, it suggests a need to provide a modest expansion in space availability. Lead times for securing office space - whether built by the State or leased – can be quite long and a low vacancy rate can limit flexibility severely.

In such times, opportunities that arise merit detailed consideration.

1.2 The Office of the Data Protection Commission (DPC)

The Data Protection Act 2018 became law on 25 May 2018 and established a new Data Protection Commission (DPC). This new Commission, which was previously the Office of the Data Protection Commissioner, is the national independent authority with responsibility for monitoring the application of the new EU General Data Protection Regulation (GDPR) and upholding the EU fundamental right of the individual to have their personal data protected.

The DPC has seen a significant increase in its activities since the introduction of the GDPR in May 2018.

The core functions of the DPC under the GDPR and the 2018 Act include:

1. Handling complaints from individuals on potential infringements of their data protection rights. In 2019, 9,842 complaints were received, which represented a 139% increase over the number received in 2018. This in turn, is a significant increase over the number of complaints received in 2017, which was “pre-GDPR”, and complaints were 2,642 in total.
2. The second function of the Data Protection Commission is to carry out inquiries and investigations regarding potential infringements of data protection legislation and to enforce the law as required using corrective measures and, now, administrative fines. There are currently 70 statutory inquiries open – 21 involving multinational technology companies and 49 non-cross border inquiries, including 32 inquiries into surveillance of citizens by the state sector. There are also two pre-GDPR investigations underway. It is anticipated that the outcome of many of these investigations will be appealed by the organisations involved.
3. The third function of the DPC is to promote awareness among organisations and the public of the risks, rules, safeguards and rights in the processing of personal data. More than 48,000 contacts by email, telephone, post and web forms were received through the DPC’s information and assessment unit in 2019. With more awareness

of data protection issues generally, this large volume is expected to continue to grow as people look to exercise their data protection rights.

In addition to this workload, there is significant media interest in DPC activities, given the number of high profile multinational technology companies with European headquarters in Ireland. The Communications Unit engages extensively with both national and international media and receives a large volume of media queries and interview requests on a weekly basis on a range of issues.

The DPC received 1,420 general consultation queries during 2019. Through active and meaningful engagement with both public and private sector organisations, the DPC delivers on its remit to raise awareness and understanding of organisations of their responsibilities to be compliant with data protection legislation.

4. The DPC's fourth core function is co-operating with data protection authorities in other EU member states on issues such as complaints and alleged infringements involving multinationals. Regular European Data Protection Board meetings were attended in Brussels by DPC staff in 2019. EU data protection authorities use a shared IT platform to transfer and exchange information on cases, and 457 cases on this IMI platform were assigned to the Irish DPC in accordance with the rules of the one-stop shop in 2019.
5. The fifth function of the DPC is to assess breach notifications from organisations that now have a mandatory obligation under the GDPR to report to the DPC and to ensure mitigation actions have been taken. A total of 6,257 valid data breaches were notified in the 2019 calendar year, which represents a significant increase over 2018. Each of these breach notifications was individually assessed and engagement with the reporting organisation took place, giving the DPC an opportunity to make recommendations on procedural and security mitigation measures to be put in place.

The funding of the DPC by Government has increased significantly in recent years, from €1.7 million in 2013 to €16.9 million in 2020. Additional funding allocated for 2020 is for staff only and will allow the DPC to recruit an additional 35 staff this year, bringing staff numbers from 85 at the end of 2017 to 175 by the end of 2020 – the current staff complement is 140. Further staff growth will be required over the coming years to enable the DPC to deal with its increased workloads and functions as detailed above.

At EU level, GDPR vastly increases obligations on organisations and provides for additional and stronger enumerated rights for individuals. In particular, the DPC's role under GDPR has become an increasingly prominent one in Europe as a lead supervisory authority for the regulation of many global technology and social media companies that have located their European headquarters in Ireland. Allied to this, a new E-Privacy Regulation, currently being negotiated at EU level, will also vest responsibility in the DPC for overseeing a range of matters specifically relating to privacy and data protection in the electronic communications sector.

In light of the significantly increased levels of workload and responsibility for the DPC, it is imperative that the functions of the office are neither impaired nor prejudiced by any shortcomings, either real or perceived, which might be associated with the physical office provision.

2 The Proposed Project and Option Appraisal

2.1 Background to the Proposal

The Data Protection Commission currently employs 140 staff and occupies three offices with a total floor area of 1,723.58 sq. m. (18,552 sq. ft.) in Dublin and Portarlinton as follows:

1. Portarlinton Office.

Lease Term.: Held under a 20 Year lease from the 1st December 2006.
 Rent review: 1/12/2021
 Yearly Rent: €73,500.00
 Size: 457.88 sq. m. (4,929 sq. ft. net usable)
 Staff 30
 Area use 15.26 sq. m. per staff member

2. Trinity Point. Dublin 2.

Lease Term.: Held under a 10 Year assigned lease from the 1st April 2012.
 Lease end: 31/03/2022
 Rent: €522,266.64 plus VAT per annum.
 Service charge: €70,736 plus VAT per annum
 Size: 823.62 sq. m. (8,866 sq. ft. net usable)
 Staff 80
 Area use 10.29 sq. m. per staff member

3. 21 Fitzwilliam Square.

State Owned.
 Size: 442.081sq. m. (Net Let)
 Staff 30
 Area use 14.74 sq. m. per staff member

In overall terms, these offices provide 12.31 sq. m. per current staff member on average, which is the “norm” for public service office space when account is taken of the needs for meeting room space, canteen and other facilities such as toilets, storage, etc. However, the offices at Trinity Point have a much greater occupancy density and cannot accept any more staff – in fact, the issue is one of insufficient floor space as things stand. Fitzwilliam Square is an old building and does not have a room layout conducive to achieving the desired levels of occupancy and it is not possible to add further staff here.

In short, the current offices are fully occupied – overcrowded would be a more appropriate description.

Key considerations in respect of providing accommodation for the DPC are seen as follows:

1. Single or Multiple Offices

A commitment has been made to retain the existing offices in Portarlinton. This means the retention of the current level of staff and the current functions at this office. These offices are not a standard type of office; they are on the first floor of a two-storey premises in which a convenience store occupies the ground floor.

These offices are held on a lease that expires in December 2026, and it is anticipated that a renewal of this lease will be sought. Consideration will be given to the extent to which the offices will need refurbishment at that time, and this will require careful consideration as it is considered unlikely that decant space will be available to allow the building to be vacated – even for a short period. While there will be some inefficiencies from operating from more than one office, the lower costs of the Portarlinton office outweigh the costs of such inefficiencies. However, it would not be feasible to consider relocating the entire offices of the DPC outside of Dublin, given the nature of its interaction with Government Departments, the Houses of the Oireachtas, professional services firms, corporate entities and the public as well as its need to employ technically proficient professional staff.

It follows therefore that while the Portarlinton offices will be retained, a Dublin location is essential. The organisation structure of the DPC has seven Deputy Commissioners reporting to the Commissioner. Their areas of responsibility are:

- Head of Legal is an advisory role in the DPC, who also represents the Data Protection Commission at Plenary and subgroup meetings of the EDPB and is the Data Protection Commission's representative for the Key Provisions and Administrative Fines subgroups. In addition, the Head of Legal also oversees issues in relation to children's policy; and oversees a large number of cross-border processing investigations into multinational companies.
- Head of Information and Assessment, National Complaints and National Inquiries functions within the DPC.
- Head of Data Protection Commission's Regulatory Consultation, Multinational Supervision and Guidance, Technology Leadership and Policy Development functions.
- Head of Communications and Media, Finance, Procurement, Corporate Services, Governance and Risk and Staffing and Training Units. Also a member of the DPC's Audit and Risk Committee.
- Head of Cross-Border Breach Inquiries, National Breach Inquiries, Cross-Border Complaint Handling, Cross-Border Inquiries, Electronic Marketing Complaint Investigations, Special Investigations and Prosecutions
- Head of Complaint handling and Inquiries relating to Access Requests (National), Cross Border Access Request cases and other cases where DPC is a concerned supervisory authority, Breach notifications and assessment, Breach complaint handling, International transfers including consideration of applications for Binding Corporate Rules, Law Enforcement complaints and Inquiries and EU Database supervision.

- Head of the DPC’s international-facing activities, with a particular focus on our engagement with other Data Protection Authorities and the DPC’s Regulatory Strategy initiative. Also responsible for establishing a new IT function at the DPC, with an initial focus on the DPC’s IT Strategy for its own internal systems and infrastructure.

None of these functions, or group of functions, has the level of separation that would allow an “independent” type function/group to be located remotely from the Head Office. Consequently, it must be considered appropriate, if not essential, for the DPC’s Dublin-based staff to be housed in a single premise in Dublin.

Expansion at the current offices is not an option; hence, a relocation to new premises is the only available option. This is opportune as the lease of Trinity Hall expires at the end of March 2022.

2. DPC Space Requirement

As noted previously, additional funding allocated for 2020 allows the DPC to recruit an additional 35 staff this year, bringing staff numbers from 85 at the end of 2017 to 175 by the end of 2020 – the current staff complement is 140.

However, further staff growth will be required over the coming years to enable the DPC to deal with its increased workloads and functions. It is anticipated that there will be two types of additional workloads that cannot be quantified at this time. These are:

1. The regulation and enforcement workload. As noted previously that 9,842 complaints were received in 2019, which represented a 139% increase over the number received in 2018. This was a significant increase over the 2,642 complaints received in 2017, which was the “pre-GDPR” era. It is not possible to forecast future levels of complaints, but there is no evidence of their levelling off or falling at present. In addition, the new E-Privacy Regulation, currently being negotiated at EU level is likely to lead to a further enforcement workload that is not possible to estimate at this time.
2. Additional roles and responsibilities arising from the need to develop regulation and enforcement activities in line with the on-going developments and increased volumes in the areas of data acquisition, use, storage and management in future years.

A space provision of 2,100 sq. m. would just provide sufficient accommodation to accommodate the 2020 projected staff numbers of the DPC, or 175 people. In this context, searching for premises that could accommodate 200 people and provide sufficient meeting room space, seminar rooms and supporting facilities such as canteens and toilets is not, in our view, excessive.

3. Development of Office Options

The working specification for new offices for the DPC is simply to accommodate 200 people in an efficient office environment in the Dublin Central Business District under a 20-year lease with a break clause for 15 years. Options would be ranked in terms of energy efficiency, access to public transport, etc. Given the nature of the DPC’s interaction with State agencies, multi-national corporations and other regulators, modern offices should be sought.

The market environment for this level of space is very competitive at present. Independent reports show that demand for office space in Dublin continued to thrive up to Q3 of 2019 (the

latest quarter for which data are available). Some 38% of the year-to-date take up of 113,900 sq. m. is attributed to technology firms. Availability in the CBD has fallen to 2.9%. This low level of availability and continuing demand has led to continued high levels of construction activity with some 429,050 sq. m. under construction in the CBD. Of this, some 62% is pre-let and reserved, which limits choice.

A trawl was carried out to identify the fullest possible range of options. This focused on properties of between 25,000 and 30,000 sq. ft. (2,300 sq. m. to 2,800 sq. m.) in Dublin 1, 2 and 4 with its “own door”.

Key considerations underpinning the trawl were to identify offices that would match the non-financial criteria that are important to the DPC.

Independence: A key element in any Regulator’s role is not only that the Regulator should be seen as independent, but should also not provide any perception that it is not independent. For this reason, sharing a large office building with other tenants, some of whom could be regulated by the DPC could give rise to perceptions, and indeed allegations, of insufficient independence. Given that 38% of office take up in Dublin is attributed to firms in the technology sector, the potential for being co-located in a large office with a technology firm is substantial. This sharing of building concern is not limited to technology firms, but similar concerns could be expressed about businesses about which complaints of data mismanagement could be registered, such as financial services. The Regulator should also be seen to be independent of political influences.

Credibility: The following is an excerpt from an article in the New York Times of May 17, 2018 profiling the new Data Protection Commissioner “...*the reality is that her agency subsists on an annual budget of 7.5 million euros, equivalent to \$9 million. That’s roughly as much revenue as the companies she oversees generate over all in 10 minutes. Facebook, which also owns WhatsApp and Instagram, has hundreds of people globally working on data protection regulation alone, including lawyers and privacy experts hired in Dublin.*” To any Regulator, credibility is dependent on not only demonstrating leading edge professionalism, but also giving the technology sector, other regulators and the public a strong perception that it is credible and professional. Providing appropriate office accommodation is a key element in this.

Access to Government, other Regulators and the technology sector: These considerations require a location in the Central Business District of the Capital City. The list of stakeholders is not confined to these alone, but includes a wide range of professional firms and advisers. In addition, recruitment of professional proficient staff in areas including legal matters; technology, etc. would be significantly more difficult to carry out in a location remote from Dublin.

This initial trawl carried out by the OPW identified 38 properties; however, very few of them met the criteria as set out. The following were evaluated in detail.

	RECOMMENDATION RANKING	1	
	Demise	Total: 7,017 sq m (75,535 sq. ft.) / 8 car parking spaces / 38 bicycle spaces / proposal is based off a take of 38,674 sq. ft. (pt. gr, 1 st – 4 th flrs)	
	Specification	Third generation building	
	Extent of works	To be delivered to full Cat A (L/I) works - Full Cat B (T/t) fit out required	
	Current estimated delivery date for landlord practical completion	Practical completion estimated for Q3 2019 (does not allow for tenant fit-out works)	
	Initial High level Architectural Observations	Satisfactory	
	Initial High Level M&E observations	Satisfactory	
	Rent	Offices – ‘	€50 psf on a 15 year term / €60 psf on a ten year term (ex vat insurance charge etc),
		Cars -	€4,000 per car space
		Bicycles –	No charge ‘
		S/C	TBC
	VAT / no VAT	VAT on rent to be charged by Landlord	
	Term*	<ul style="list-style-type: none"> - 15 years with no break / 10 years subj to 24 month penalty if not renewed for an additional ten years on 24 months notice - 9 month rent free period on 15 year term / 3 months on ten year term. - Rent to be reviewed every 5 years upwards / downwards 	

	BER Cert	LEED GOLDv4 / BER A3
Pros	<ul style="list-style-type: none"> • Smaller floorplates which might suit specific requirements of the DPC in terms of layout / organisational structure • Flexibility in terms of available space with potential to co-locate with smaller clients. • Very competitive rental proposal • Good profile onto [REDACTED] • No apparent issues from an architectural or mechanical & electrical point of view. • Proposed lease terms tenant friendly 	
Cons	<ul style="list-style-type: none"> • Multi-tenanted building which means that OPW have no control over what other tenants might take up occupation in the rest of the building • Location, while city centre, is a good walk from LUAS, DART, etc. 	

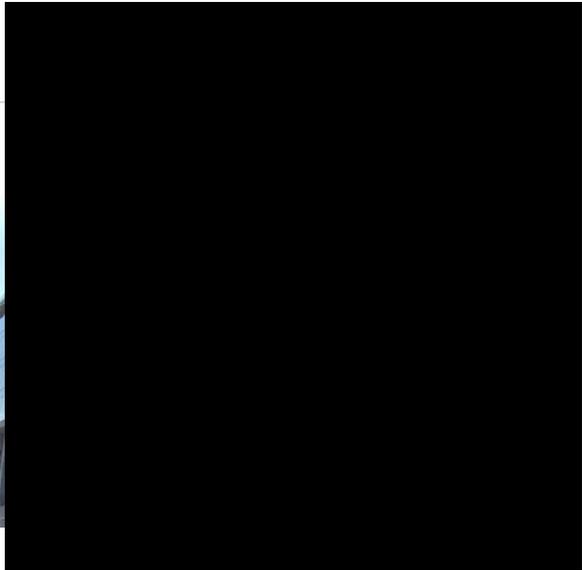
[REDACTED]

	RECOMMENDATION RANKING	2
[REDACTED]	Demise	Total: 61,820 (sq ft.) / 20 car parking spaces / 83 bicycle spaces
[REDACTED]	Specification	Fourth generation building
[REDACTED]	Extent of works required	To be delivered to full Cat A (L/I) works - Full Cat B (T/t) fit out required
[REDACTED]	Current estimated delivery date for landlord practical completion	Practical completion estimated for May 2020 (does not allow for tenant fit-out works)
[REDACTED]	Initial High level Architectural Observations	Satisfactory
[REDACTED]	Initial High Level M&E observations	Car park utilises car lifts, otherwise, satisfactory

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	Initial terms offered	Offices – €60 psf on a 15 year term / €62 psf on ten year term (ex vat , insurance charge etc) / Cars – €4,000 pcs Bicycles - No mention S/C - not applicable on an entire take
	VAT / no VAT	VAT on rent to be charged by Landlord
	Term*	- 10 OR 15 years - 9 months rent free on 10 year term / 6 month rent free on 15 year term. - Rent to be reviewed every five years
	BER Cert / NZEB	NZEB / BER A3 / LEED PLATINUM (TARGETED)
Pros	<ul style="list-style-type: none"> • Brand new building • Prime location • Excellent profile 	
Cons	<ul style="list-style-type: none"> • Building size exceeds requirement and the landlord is not willing to offer part only of the building to market. Currently do not have a suitable requirement from within the portfolio to co-share this building. • Prime rent • Whilst architecturally this building appears to tick the technical boxes, its design could impinge on levels of natural daylight on the floors. • Previous experience with car lifts suggest that they are extremely problematic and that buildings which rely on them should be avoided. • Initial proposed lease terms not very tenant friendly (subject to negotiation) 	

	RECOMMENDATION RANKING	2								
	Demise	Total: 40,201 sq. ft. / 18 car parking spaces / 160 bicycle spaces (for entire building)								
	Specification	(Early) Third generation building								
	Extent of works	Existing tenant layout in place – Landlord intends to install new LED lighting, new carpets and redecoration of all surfaces								
	Current estimated length of works programme	Improvement programme due for completion October 2019 (third floor to be ready Jan 2019)								
	Initial High level Architectural Observations	Technical documentation awaited – note fit-out is c. twelve to fifteen years old.								
	Initial High level M&E Observations	Satisfactory								
	Rent	<table border="1"> <tr> <td>Offices -</td> <td>€57.50 psf (ex vat insurance charge etc)</td> </tr> <tr> <td>Cars –</td> <td>€4,500 pcs</td> </tr> <tr> <td>Bicycles -</td> <td>No mention</td> </tr> <tr> <td>S/C -</td> <td>€6.54 psf</td> </tr> </table>	Offices -	€57.50 psf (ex vat insurance charge etc)	Cars –	€4,500 pcs	Bicycles -	No mention	S/C -	€6.54 psf
	Offices -	€57.50 psf (ex vat insurance charge etc)								
	Cars –	€4,500 pcs								
	Bicycles -	No mention								
S/C -	€6.54 psf									
VAT / no VAT	VAT on rent to be charged by Landlord									
Term*	<ul style="list-style-type: none"> - 15 years with no break - 6 month rent free period. - Rent to be reviewed every five years, upwards / downwards 									
	BER Cert	Targeting a B1 Currently BREEAM rated Good								

OPW Cost Effectiveness Appraisal

Pros	<ul style="list-style-type: none"> • The building is fully fitted out and theoretically will be ready for occupation in October 2019. • Good location • Has potential to create own entrance, subject to planning and landlord's consent
Cons	<ul style="list-style-type: none"> • The fit-out is already between twelve to fifteen years old, as opposed to gaining the benefit of a brand new fit-out from day one elsewhere – may require substantial intervention to accommodate DPC brief at cost. • The M&E review is positive. However, it highlights that the services are twelve years old and would most likely need to be replaced within the next five to ten years at the tenant's cost. • The building is targeting a B1 rating. The State, under SI426/2014, is mandated to only take A3 + buildings, subject to a number of caveats. More information is awaited in relation to establishing performance differentials between the different ratings. • The building is built around a central glazed atrium. This means that the internal office accommodation is visible from different floors within the building which could have privacy implications. Whilst this may be managed by furniture layout / window manifestations, such solutions could impinge on light and is subject to landlord's consent. • Multi-tenanted building which means that OPW have no control over what other tenants might take up occupation in the rest of the building • Initial rental proposal quite high

	RECOMMENDATION RANKING	4
	Demise	Total: 4,389.96 (47,243 sq. ft.) / 16 car parking spaces / 72 bsmnt bike spaces / 18 gr flr level bike spaces
	Specification	Refurb to third generation with brand new extension.
	Extent of works	To be delivered to full Cat A (L/I) works - Full Cat B (T/t) fit out required
	Current estimated delivery date for landlord practical completion	Practical completion estimated for 31 st October 2019 (does not allow for tenant fit-out works)
	Initial High level Architectural Observations	Satisfactory
	Initial High Level M&E observations	Poor

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	Rent	Offices – Cars - Bicycles - S/C-	€59 psf (ex vat , insurance charge, etc.) €4,000 per car space €250 per bike space € 7.85 psf estimated
	VAT / no VAT	VAT on rent and service charge to be charged by Landlord	
	Term*	<ul style="list-style-type: none"> - 15 years with no break - 9 month rent free period if entire is taken / 6 months if a smaller area is taken – see below. - Rent to be reviewed every five years, upwards / downwards 	
	BER Cert	NZEB / LEED GOLD / BER A3 TARGETED	
Pros	<ul style="list-style-type: none"> • Well located building with good profile • NZEB targeted in line with EU environmental legislation • Stand alone building of sufficient size to meet DPC brief and also accommodate a number of smaller client requirements / potential expansion of DPC into the future • Two smaller “takes are also on offer – 3,471 sq. m and 3,181 sq. m. 		
Cons	<ul style="list-style-type: none"> • The serious concern on this building is around the size of the voids being provided at ceiling and floor level through which mechanical and electrical services will run, with particular regard as to the difficulties this would present in relation to their ongoing repair and maintenance over the lifetime of the lease • Floor to ceilings heights lower than in other options. • Initial rental proposal quite high given non-Dublin 2 CBD location • Initial proposed lease terms onerous on the Commissioners (subject to negotiation) 		

It was intended that the four properties referred to above should undergo a full appraisal. However, when the OPW were undertaking this, it was decided to omit the [REDACTED] property, given concerns around Mechanical & Electrical matters and location. However, a property at 6, Pembroke Row was identified as available and potentially suitable. Therefore, this property was added to the list for detailed appraisal.

This appraisal is now shown below. However, reflecting the comments made earlier on the availability of properties on the market, three of the offices that were evaluated in detail are no longer available, as noted on the appraisal details.

PORTFOLIO PLANNERS ASSESSMENT MATRIX OF ACCOMMODATION OPTIONS - INITIAL MATRIX STRUCTURE AND CRITERIA RANKINGS FOR DPC REQUIREMENT

BUILDING REQUIREMENT

DEPARTMENT/AGENCY	DPC
DATE REQUIRED BY	ASAP
SPACE REQUIREMENT(sq. ft.)	FOR 220 PEOPLE
OTHER REQUIREMENTS	External Meeting Room Suite (including Conference Room / Oral Hearing Room, adjacent meeting rooms for use as witness rooms / incident rooms & support facilities Internal meeting rooms / breakout areas for staff on each floors & a suite of commissioner office for up to three commissioners. Secure evidence storage rooms, media room, tech lab

SUMMARY

BUILDING NO.	ADDRESS	DERIVED SCORE	COMMENT	RANKING
[REDACTED]	[REDACTED]	624	THIS BUILDING IS NO LONGER AVAILABLE	2
[REDACTED]	[REDACTED]	674	THIS BUILDING IS NO LONGER AVAILABLE	1
[REDACTED]	[REDACTED]	541	THIS BUILDING IS NO LONGER AVAILABLE	4
Building 4	6 Pembroke Row, D2	607	Available	3

RECOMMENDATION

RECOMMENDATION	
ASSESSED BY	Alex Dunne & Pdraig O Shea OPW, Marita Kinsella, Siobhan Cleary & Alan O'Grady DPC
DATE	28.02.2019 , 5.03.2019 & 13.03.19, 22.08.19

CRITERIA*	DETAILS	SCORING (out of 10)	WEIGHTING	DERIVED SCORE	COMMENT
BUILDING 1	[REDACTED]				
LOCATION		6	12	72	Awarded 6/10 as this property is not located at the heart of Dublin's central business district. Its location on [REDACTED] is some distance from, and therefore, less well served by public transport infrastructure and amenities. Following on-site visit to the property on 20 Feb 2019, DPC noted that the building will be immediately surrounded by a significant number of mid-size technology companies. DPC has a significant concern that this location, in such close proximity to a number of multi-national technology companies, may be presented in the international media as DPC being 'too close' to the technology sector, and technology organisations for which the DPC is the lead supervisory authority.
PROFILE		8	11	88	Awarded 8/10. The building has a prominent entrance and is visually significant, in and of itself. Marks have been deducted due to the building's prominence and profile in the context of its surrounding streetscape with low footfall and passing traffic.
COST PER SQ. FOOT.*		7	10	70	Based on the space on the lower floors we initially awarded 10/10 as this is the cheapest priced property at €50 / sq. ft. However on inspection of the property it was felt for security reasons that the top 4 floors would be sought. The agents submitted a price of €59.50 per sq.ft. for these upper floors. OPW has advised (14 Feb) that the service charge on this property is €6.94/sq. ft. (though this may be subject to change.)

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TIMESCALE		8	9	72	Awarded 8/10 on the basis that it is the second of the three properties to become available for occupation. Based on information currently (Mar 2019) available from the agent to OPW, it is estimated that this property will be available for client fit-out by Q4 2019. Allowing a 9 months fitout period, it is estimated that the earliest this property would be available for occupation is Sept 2020.
SIZE - SQ.FT.		10	8	80	Awarded 10/10 as the building meets the DPC's minimum space requirement and has capacity to allow for DPC expansion.
ENVIRONMENTAL RANKINGS		10	7	70	Awarded 10/10 as an A3 rating quoted.
CO-LOCATION PROVISION		7	6	42	Awarded 7/10 on the basis that the OPW will not take a lease on the entire building and therefore the DPC will have no input into decisions regarding other co-tenants. The DPC is concerned that co-location in a multi-tenancy building with organisations regulated by the DPC may impact on the DPC's perceived independence and in particular, the potential reputational damage of being located in a building with organisations that may be the subject of DPC complaints / investigations. Due to the larger size of this building relative to the DPC's requirement, there is a potentially greater risk of more than one co-tenant.
ARCHITECTURAL ASSESSMENT		10	5	50	Awarded 10/10 based on the OPW's Property summary. DPC noted at the on-site visit that the floors currently on offer are significantly overlooked by neighbouring buildings. Terms were sought for the upper floors 5 -8 for security reasons.
M&E ASSESSMENT		10	4	40	Awarded 10/10 on the basis of the OPW's assessment.
LEGAL CONSIDERATIONS (terms on offer)		10	3	30	Awarded 10/10 on the basis of the OPW's comment in the Property Summary that the initial lease terms are 'tenant friendly'
PARKING AVAILABILITY		10	1	10	Awarded 10/10 on the basis of the DPC's requirements.
Total Score				624	

BUILDING 2					
LOCATION		10	12	120	Awarded 10/10 as the property is located at the heart of Dublin's central business district [REDACTED] headquarters of a number of Government Departments and equivalent governmental regulatory bodies. It is important that the DPC is positioned at the heart of government and regulation in Ireland in order to convey DPC's role as a national and international regulatory body and Ireland's commitment to effective data protection regulation. Served by good public transport links incl. Luas, Dublin Bus and good range of amenities.
PROFILE		10	11	110	Awarded 10/10 as the property has a prominent entrance and is visually significant on an important thoroughfare in Dublin city centre. The building's profile and prominence would maintain the DPC's public profile as an international regulator. The building is also a new build with a modern and impactful frontage.
COST PER SQ. FOOT.**		7	10	70	Awarded 7/10. The quoting rent is reflective of both the quality of the building and the prime CBD location.
TIMESCALE		7	9	63	Awarded 7/10 on the basis that it is the last of the three properties to become available for occupation. OPW has been advised that, as of Mar 2019, the landlord's practical completion date is June 2020. Early access to commence fit-out works may be possible circa March 2020, which would potentially enable the property to be available for occupation circa Dec 2020.
SIZE - SQ.FT.		10	8	80	Awarded 10/10 as the building meets the DPC's minimum space requirement and has capacity to allow for DPC expansion.
ENVIRONMENTAL RANKINGS		10	7	70	Awarded 10/10 as it is A3 BER rated.
CO-LOCATION PROVISION		8	6	48	Awarded 8/10 on the basis that due to the slightly smaller size of this building relative to the DPC's requirement, there is a slightly lesser risk of more than one co-tenant.

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ARCHITECTURAL ASSESSMENT		8	5	40	Awarded 8/10 based on potential impact on levels of natural light from the design.
M&E ASSESSMENT		9	4	36	Awarded 9/10. Marked down due to the requirement of a car lift in this building.
LEGAL CONSIDERATIONS (terms on offer)		9	3	27	Awarded 9/10 on the basis of the OPW's comment in the Property Summary that the initial lease terms were 'not very tenant friendly'.
PARKING AVAILABILITY		10	1	10	Awarded 10/10 on the basis of the DPC's requirements.
Total Score				674	

****Note: The current quoting rent is reflective of a take of part only. As of 5 Mar 2019, an improvement on this rate may be achievable if OPW were to take the entire building.**

BUILDING 3					
LOCATION		9	12	108	Awarded 9/10 as it is well located in Dublin's central business district, and is proximate to the headquarters of a number of Government Departments and equivalent regulators.
PROFILE		8	11	88	Awarded 8/10 as the building is visually significant and part of a prominent development on that street.
COST PER SQ. FOOT.		8	10	80	The quoted rent is at the higher end considering it is a 14/15 year old building. However, that fact it is currently fitted out scores positively. It should be noted that the fit-out may not meet DPC requirements and therefore may require intervention at a cost.
TIMESCALE		10	9	90	Awarded 10/10 on the basis that this building will be partially ready by Q4 2019. (Third floor to be ready Jan 19) However due to the particular requirements of the DPC, intervention to the fitout will be required. Such intervention will most likely bring the occupation date past Q4 2019, as it currently stands, it is the first of the three properties to become available for occupation.

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SIZE - SQ.FT.		10	8	80	Awarded 10/10 as the building meets the DPC's minimum space requirement and has capacity to allow for DPC expansion.
ENVIRONMENTAL RANKINGS		0	7	0	Awarded 0/10. Marks are deducted because OPW advises that the landlord is targeting a B1 BER rating and full documentation was not presented by the landlord for review to date.
CO-LOCATION PROVISION		5	6	30	Awarded 5/10 on the basis that the OPW will not take a lease on the entire building and therefore the DPC will have no input into decisions regarding other co-tenants. The building is multi-tenanted with tenants already in situ that the DPC may find challenging in terms of maintaining the DPC's reputation and perceived independence.
ARCHITECTURAL ASSESSMENT		0	5	0	Awarded 0/10 Insufficient architectural information provided by the landlord to the OPW to facilitate meaningful assessment.
M&E ASSESSMENT		7	4	28	Awarded 7/10 Initial M&E assessment is positive, however score marked down due to the age of the building & the M&E equipment.
LEGAL CONSIDERATIONS (terms on offer)		9	3	27	Awarded 9/10 on the basis that the terms were adequate.
PARKING AVAILABILITY		10	1	10	Awarded 10/10 on the basis of the DPC's requirements.
Total Score				541	

BUILDING 4	6 Pembroke Row				
LOCATION		8	12	96	Awarded 8/10 as it is well located in Dublin's central business district, and is proximate to the headquarters of a number of Government Departments and equivalent regulators. Marked down as it is located close to Linked-In HQ.
PROFILE		6	11	66	Awarded 6/10 as Pembroke Row is a narrow street off Baggot Street. However, the building itself will have a strong profile onto the Street and will have visibility onto Baggot Street.

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COST PER SQ. FOOT.		9	10	90	The rental proposal is within market norms for its location.
TIMESCALE		8	9	72	Awarded 8/10 on the basis that this building will be delivered to L/I PC by by Q3 2020 but that this time frame will allow early access to dovetail landlord & tenant fit-outs.
SIZE - SQ.FT.		8	8	64	Awarded 8/10 as the building meets the DPC's minimum space requirement and has capacity to allow for DPC expansion in the foreseeable future.
ENVIRONMENTAL RANKINGS		10	7	70	Awarded 10/10 as it is A3 BER rated.
CO-LOCATION PROVISION		10	6	60	Awarded 10/10 on the basis that all though there is no co location provision in this building it provides for a standalone own door solution that is a requirement of the end user. i.e it facilitates DPC's reputation and perceived independence and thus scores a 10.
ARCHITECTURAL ASSESSMENT		5	5	25	Awarded 5/10 - generally satisfactory although the floorplates are somewhat narrow to the top of the building and a planning condition pertaining to the 5th floor is currently under review which could impact in the usage and occupancy numbers of the building.
M&E ASSESSMENT		6	4	24	Awarded 6/10 Initial M&E assessment is positive, however A/C system is VRF rather than fan coil AND A CAR LIFT IS REQUIRED FOR ACCESS TO THE BASEMENT CAR SPACES.. To note - there may be an opportunity to upgrade this system in which case the score would be marked up.
LEGAL CONSIDERATIONS (terms on offer)		10	3	30	Awarded 10/10 on the basis that the terms were favourable.
PARKING AVAILABILITY		10	1	10	Awarded 10/10 on the basis of the DPC's requirements.
Total Score				607	

* Note - the "ABILITY TO MEET THE BRIEF" criteria was not ranked on the basis that all the options can meet the brief satisfactorily. The other criteria serve to flesh out the ability to meet the brief

Reasoning behind criteria ranking:**Location**

Location of a new DPC head office is the highest ranking property assessment criterion.

By virtue of GDPR, the DPC has become a regulator with an EU-wide remit responsible for regulating a large number of global multi-national organisations that have located their European head offices in Ireland. The DPC's capability to act as an EU-wide regulator continues to be the subject of continued negative coverage in the international media by virtue of the location of the DPC's head office.

It is important that the location of the DPC's new head office reflects the gravitas of the DPC's regulatory functions and international role, the Government's commitment to data protection and emphasises internationally the DPC's 'equivalence' to other data protection authorities.

Profile

Profile of a new DPC head office is the second-highest ranking property assessment criterion. In this context, profile means prominence and visibility on the streetscape, projecting the building as significant visually.

The DPC has become one of the most prominent data protection authorities in the world, as lead European supervisory authority for a significant proportion of large global multi-national organisations.

It is important that a DPC head office is a visually-striking building in an area with significant footfall, which emphasises internationally that the DPC is an important and highly-valued agency doing important and significant work to regulate major corporations on behalf of EU citizens.

Cost per sq. ft.

The cost per sq ft is of significant importance from a VFM point of view - this is particularly relevant where there is significant difference in the terms on offer on various options.

Timescale

The client is under significant pressure in relation to accommodating a growing staff cohort. The timelines around the delivery of the various options are therefore extremely pertinent, as projected time lines might have an influence on whether additional "bridging accommodation" - perhaps to be sourced at cost - is required or not as the case may be.

Size

Each of the options shortlisted have the capacity to deliver the current requirement. However, given the client and the strong likelihood of further growth in their sphere of operations (eg under new ePrivacy Regulation), it has been considered prudent to consider a take of space in excess of the current requirement to allow for scaling up of the operation. The buildings will be assessed on their capacity to deliver on this scaling - for instance is the space on offer too big/not big enough etc, particularly in the context of costs and potential other clients who might co-locate initially but be moved subsequently to allow for DPC expansion?

Environmental Rankings

Each of the options will be assessed against their environmental credentials, in line with statutory obligations around same.

Co-location Provision

There has been some discussion around the ability of the client to co-locate. The client's preference is to be in an own-door location. Failing that, sharing with other public bodies is possible, subject to caveats around same. Sharing with the market in a multi-tenanted building is the least favoured option

In light of the DPC's unique role as a regulator of all businesses, government departments, agencies etc that process personal data (ie all organisations), co-location is an important issue for the DPC. It is important that the DPC's new head office is not co-located in such a way that it impacts on the national and international public perception of the DPC's independence. Consequently, the DPC's preference is to have a head office in an 'own-door' location. However, acknowledging the challenge of this in the current market, sharing with other public bodies is possible (subject to caveats around same) is the next best option. Sharing in a multi-tenanted building is the least favoured option.

Architectural Assessment

Each of the options has had an initial review from an architectural perspective and has been judged adequate. Based on the brief, some options might be better suited to the particular layout requirements of the client / potential other opportunities, perhaps re, say access which might be available / some may be considered to have better levels of natural daylight etc.

M&E Assessment

Each of the options have had an initial review of M&E. It is recognised that all buildings will be fully fitted from an M&E perspective, hence the lower ranking.

Legal Considerations (Terms on Offer)

This criterion relates to the terms on offer from a landlord. For instance - the availability of collateral warranties. This is given a ranking of three as

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in general terms, the terms on offer from most landlords will not differ significantly.

Parking

In all options there is parking availability - it is noted that this particular client does not have a complement of "travelling officers" and we therefore assumed that parking will not be a priority for staff.

2.2 Review of the Options

The detailed review of these potential office developments shown above was carried out by the OPW in late 2019. However, almost immediately after the completion of this review, three of the offices were taken up by other parties, leaving Pembroke Row as the only available remaining option. The scoring in summary form was as follows:

Table 2.1 Summary of OPW Evaluation

FACTOR	WEIGHT	[REDACTED]			
Location	12	6	10	9	8
Profile	11	8	10	8	6
Cost per unit area	10	7	7	8	9
Timescale	9	8	7	10	8
Size	8	10	10	10	8
Environmental Considerations	7	10	10	0	10
Co-Location Provision	6	7	8	5	10
Architectural Assessment	5	10	8	0	5
M & E Assessment	4	10	9	7	6
Legal Considerations	3	10	9	9	10
Parking Availability	1	10	10	10	10
Total		624	674	541	607

PR – Pembroke Row

The OPW assessment was based on consideration of eleven factors that were weighted to reflect their relative importance and an allocation to each of the eleven contenders a score under each factor. These are standard factors used by the OPW for all of its evaluations. The scores for each factor were multiplied by the weighting and then added to provide an overall score for each of the developments. The development with the highest score was considered the preferred option at that time. The rationale behind the scores is included in the OPW workings.

The order is as shown in table 2.1; i.e. [REDACTED] followed by [REDACTED] [REDACTED] Pembroke Row – in that order.

We tested the outcome using some variations of the weightings and found that:

- If the weighting for Cost per unit area was increased from 10 to 40, [REDACTED] was still the highest score; but the Pembroke Row development rose to second place;
- If the weighting of the first three factors were each doubled, i.e. Location increasing from 12 to 24, etc.; [REDACTED] remained the highest score; but the Pembroke Row development rose to second place, marginally above [REDACTED]

We conclude that while Pembroke Row was not the highest score, a greater weighting on the most heavily weighted factors could increase its position from third to second. The Pembroke Row offices were marked down on account of their proximity to LinkedIn, though the office has its own door and this mitigates the proximity to LinkedIn to an acceptable level.

A further markdown was a result of these offices not having a presence on a main street, though the offices are judged as having a strong profile and being visible from a main street.

While not the highest scoring option, the Pembroke Row offices were nonetheless considered suitable for the DPC.

2.3 PPP Considerations

Given the total value of the project, consideration was given to whether a PPP would be a viable method of acquisition of the premises. It was concluded that this option should not be pursued for the following reasons:

- The Net present Value of the leasehold over 20 years is greater than €20 million, therefore a reference to the NDFA¹ is required under the Public Spending Code;
- However, it is noted that the construction costs of an office of this size are large relative to the operating and maintenance costs; and therefore it is not apparent how a PPP approach, as opposed to a conventional procurement, could deliver added value;
- The project has no opportunity to generate incremental third party income. The client does not generate revenues;
- Given the absence of revenues, it is not apparent how any risk transfer from the public to the private sector could be achieved in this project;
- There is no requirement for specific skills or expertise that do not exist within the OPW specifically, or the public sector in general; and
- It is not apparent how improvements could be generated in aspects such as funding costs or operating cost efficiencies. The provider of the PPP would obviously seek to make some profit from the arrangement, as well as cover its up-front legal and advisory costs. Given that there is no third party income, the profit and the other costs would in practice, be recovered from the State. It is not apparent how any efficiency benefits could be generated to offset these costs to the State.

Consequently, further consideration of the PPP approach was not deemed appropriate.

2.4 OPW Proposal

Based on its evaluations to date, OPW now wishes to complete a Cost Effectiveness Appraisal to enable it to reach a decision regarding the securing of office premises for the DPC.

¹ *The Public Spending Code: B. Expenditure under Consideration; Approvals Required and Scale of Appraisal; B-03*

3 Approach to the Appraisal

3.1 Rationale for Cost Effectiveness Analysis

Document B-03 of The Public Spending Code, Expenditure under Consideration; Approvals Required and Scale of Appraisal discusses Cost Benefit Appraisals and Cost Effectiveness Appraisals and says:

Cost-Benefit Analysis

The general principle of cost-benefit analysis (CBA) is to assess whether or not the social and economic benefits associated with a project are greater than its social and economic costs.

Cost-Effectiveness Analysis

Cost-effectiveness analysis (CEA) compares the costs of different ways of achieving a particular objective. A choice can then be made as to which of these options (which all achieve the same or similar ends) is preferable. Cost-benefit and Cost-effectiveness analysis are very similar. Ideally, cost-benefit analysis would always be undertaken. However, there are situations where significant costs or benefits associated with a project cannot be quantified or valued, and where this occurs cost effectiveness analysis may have to be relied on. CEA is employed to determine the least cost way of determining the project objective.

In this case, we are of the view that:

The OPW is considering different approaches to achieving the same objective; i.e. providing modern efficient office accommodation to a number of civil servants and staff of State agencies;

1. The provision of office space does not, of itself, generate any substantive incremental economic benefit to the State. For example, it is widely regarded that construction employment in the Dublin region is currently at full capacity and therefore the economic value of employment on a construction project in Dublin at this time is close to zero because it is not seen as “additional” – in other words, the building workers are likely to be employed on alternative projects.
2. The economic benefits accruing to an area of Dublin from relocating a number of civil servants there is also not “additional” from the State’s perspective.
3. There may be some benefits from moving premises, such as improved customer service or improved customer access. There may also be reduced staff travel times,

which can be valued, but again, in our view these would be of relatively low “additional” value. We consider that any such benefits in this appraisal are negligible.

4. The key benefits are likely to be more efficient use of office space and reduced operating costs in lower energy use buildings.

In conclusion, the OPW is seeking to determine the best value-for-money approach to achieving its objective of providing office space for public servants and achieving best value for its portfolio management approach. In that case, we conclude that a CEA is the more appropriate appraisal approach.

3.2 Stages in a CEA

There are seven standard steps in both the CBA and CEA, so the basic approach is similar. It is just that the information required in a CEA is generally financial and not economic measures.

The steps are:

1. Define the objective; which in this case is to provide office accommodation at the most effective cost, taking all relevant factors and a “whole-of-life” cost approach;
2. Explore the options available, taking account of constraints, such as the expiry of leases in existing buildings. Consideration must also be given to the needs of the planned occupier.
3. Quantify the costs of viable options. If staying in the existing buildings as they are at present is not viable, or if the buildings are at the end of their lives; then refurbishing them is an option. In this case, all the costs of refurbishment, including decanting staff, finding alternative accommodation and transferring files and office equipment should be included. Future costs for all options should include all building operating costs, including utilities, energy, maintenance, etc.
4. Based on our recent experience, the current preference is to include cost inflation when projecting future costs rather than to project costs on a constant price basis. The time scale for the evaluation shall be the length of the lease the OPW intends to enter into.
5. Where public money is being used – whether capital or current expenditure – it should be subjected to an uplift of 30% to reflect its “shadow price.” The costs to be considered are building related costs only. Staff costs should not be a consideration, as the move is not likely to impact on the staffing levels of the tenant Departments/agencies.
6. Appraise the options using an NPV valuation. The discount rate to be used is 5%.
7. Identify the risks associated with each viable option.
8. Decide on a preferred option. This will be the best value-for-money option.
9. Make a recommendation to the Sanctioning Authority

Our overall approach is to take all existing guidelines as described in the Public Spending Code and requirements as the starting point, and to depart from their principles and recommendations only:

1. Where a justifiable case requires us to do so;
2. Where no reference is made in existing guidelines to factors pertinent to this specific project and its appraisal;
3. Where we undertake or identify considerations that challenge the suitability and comprehensiveness of existing guidance or assist in the production of a more logical and rounded appraisal generally; and
4. Where we feel the guidelines may not fully capture all potential benefits, and in consequence underestimate them relative to costs.

We will clearly identify any occasion on which we depart from the principles of the Code.

4 Cost Effectiveness Appraisal

4.1 Basis for the CEA

This is a Cost Effectiveness Appraisal (CEA) of the proposed relocation of the Data Protection Commission. It is proposed that the Office will vacate its current locations in Trinity Point and Fitzwilliam Square and relocate to a single office development in Pembroke Row.

The OPW has carried out an extensive market search and evaluation exercise in seeking suitable offices for the DPC. This is described in detail previously. The conclusion from these evaluations is that the remaining suitable option for offices for the DPC is in Pembroke Row in Dublin 2.

The option of using redeveloped State Owned lands was considered; but no suitable developments are currently in progress in proximity to the client-desired locations. Land acquisition and construction costs, even for buildings of the scale required are not in the current OPW Multi-Annual Capital Projections. For this reason, the use of redeveloped State owned lands is not an option.

Consideration was given to a PPP approach, but this has been discounted for reasons given earlier.

4.2 Options to be Evaluated

For the purpose of this Cost Effectiveness Appraisal, we therefore consider that the following options, in summary, may exist:

1. For the DPC to remain in its current space in its current locations, and add new offices to house the newly recruited staff;
2. For the Office to occupy an expanded space in its current Dublin location; and
3. To relocate to an office located in Pembroke Row, Dublin 2.

In our view, Option 1 is not a genuine option. Merely adding an additional office to the existing complement of offices would mean that the DPC would be operating out of four separate premises, which would not be at all suitable for any organisation where co-ordination between the different units/activities is essential.

Furthermore, the lease on Trinity Point expires at the end of March 2022, and while a renewal may be possible, it is not certain at this time that it will be, or that the lease could, or indeed, would be renewed on satisfactory terms. This consideration increases the risk associated with merely adding additional offices.

This uncertainty regarding a renewal of the lease in Trinity Point makes one question whether option 2 is in any way a realistic one. Furthermore, it may be that no additional space would become available in the period to March 2022; hence, the pursuit of this option presents an unacceptable level of risk.

Of the options presented above, Option3, location in Pembroke Row is the only realistic option.

4.3 Appraisal

4.3.1 Constraints

We have noted previously the constraint regarding the potential to use State-owned land for an office development to suit the needs identified.

We considered the list of potential constraints shown in B-01 of the Public Spending Code and found no other constraints that require to be considered.

4.3.2 The Options under Consideration

For the purpose of a Cost Effectiveness Appraisal, a range of options should ideally be available and the “do nothing” or “do the minimum” option should provide a counterfactual. It had been intended to carry out this form of appraisal by reference to the alternative offices identified and evacuated by the OPW. However, none of these alternatives is available at this time and no other premise has been identified as a potential alternative. We conclude therefore that:

- The “do nothing” or “do the minimum” options are not realistic options; and
- No other realistic option is available at this time, nor is there a reasonable likelihood that one will become available in the timescale within which the office is to be acquired.

We therefore conclude that to carry out a CEA, a comparison of the cost of the Pembroke Row offices with the costs of the other alternatives should be carried out.

We therefore compare the costs for Pembroke Row to those of the office premises at ■■■■■ the lowest cost alternative.

4.3.3 The Proposal

The offices at Pembroke Row comprises a semi-detached “own door” building on a redeveloped site. The net internal space totals 2,562 sq. m. spread over six floors over a basement car park. There are nine car spaces and 36 bicycle spaces.

Elements of the specification for the building include:

- Finished to Cat A standard;
- LED lighting
- VRV Air Conditioning System, and

- Two passenger lifts.

The proposed lease terms are:

- An overall rent of €559.73 per sq. m.
- €4,000 per annum per car parking space, with no charge for bicycles;
- Nine months rent-free in year 1;
- Lease term of 20 years with a break option in year 12. This fits with public policy, which is not to have break clauses greater than 12 years in a lease². A three-month rent-free period is provided if the break option is not taken. We include this rebate in year 12.
- Rent reviews every five years; and
- Full repair and insurance liability on the part of the tenant.

Acquiring this building will be in keeping with Commissioners long-term strategy of having a modern, energy efficient portfolio.

The building has good access to public transport, being close to the LUAS (15 minutes' walk), the DART (15 minutes' walk), close to Dublin Bike stations and on or very close to several bus routes.

Fit-out costs are provided for at █████ million, excluding VAT. This is based on current OPW estimates of cost.

4.3.4 The Counterfactual

The rent proposed for the █████ offices were €538.20 per sq. m. plus €4,000 per car parking space per annum. There would be no charge for bicycle spaces. The rent proposed is for a 15-year term; a higher rent of €645.83 per sq. m. was proposed for a 10-year term. Given that the DPC would be occupying part of the office building, a service charge will be levied to cover common areas of the building. The estimated figure provided is €6.54 per sq. m. (€70.40 per sq. m.) per annum.

A rent-free period of nine months would be standard and the specification of the finished building in regards to energy consumption and efficiency would be similar to that of Pembroke Row. However, this option does not provide an “own door” element.

The size of the offices are different, therefore to make a truly valid comparison, we apply the costs per sq. m. of the █████ offices to the floor area of the Pembroke Row offices and we also provide for a similar number of car parking spaces.

² DPER Circular 17/2016 Policy for Property Acquisition and for Disposal of Surplus Property

4.3.5 Other Considerations

We provide for VAT in all case at two rates. Rent and Service Charges are charged at 23% while construction works and maintenance and repair costs incur VAT at a composite rate of 15%. The latter services comprise both construction related activities as well as services. Construction incurs VAT at 13.5% while services are at 23%. In our experience, a composite rate of 15% is a reasonably accurate overall figure to use and is applied to both options, so the outcome will not be affected.

One key difference between the premises is that the Pembroke Row offices will not incur Service Charges. These charges are levied in shared offices to cover the costs of common areas. In the case of Pembroke Row, the OPW will arrange for services such as lift maintenance, etc. and thus the OPW will incur these costs. These costs will be incurred at a marginal cost to the OPW as it already has similar arrangements in respect of many other offices in Dublin. We estimated the cost to the OPW at █████ per sq. m.

We have not included the costs of the Portarlinton offices in this evaluation as it will be incurred in both options and would therefore make no difference. Further, the timing of the two options are similar, so no provision for additional temporary offices is provided. The current Trinity Point lease will continue under both options, so that has not been included either, as it affects both options to a similar extent.

4.3.6 Term of the Appraisal

Our approach is to evaluate both options over a period of 20 years, which is the proposed term of lease of the Pembroke Row office.

4.3.7 Option Review and Appraisal

- **The Pembroke Row Option**

Table 4.1 below shows the projected costs for the Pembroke Row offices for the first 6 years. The full 20-year projection is shown in Appendix 1.

Table 4.1 Pembroke Row Costs Years 1 to 6

Year	1	2	3	4	5	6
Rent	358,507	1,434,028	1,434,028	1,434,028	1,434,028	1,507,178
Fit-out	██████					
Car/bicycle charges	36,000	36,000	36,000	36,000	36,000	37,836
Service Charges	90,177	90,177	90,177	90,177	90,177	94,777
Maintenance & repairs	71,701	143,403	215,104	286,806	286,806	286,806
Tax expenditure	671,188	372,078	382,833	393,588	393,588	411,471
Less Tax Benefit	-671,188	-372,078	-382,833	-393,588	-393,588	-411,471
Costs with shadow price included	5,552,671	2,214,691	2,307,903	2,401,114	2,401,114	2,504,576
NPV - Pembroke Row	€36,846,349					

The basis for this projection is:

1. The rents and other costs are as outlined previously. VAT is shown as “Tax Expenditure” and as the relevant VAT is paid to the Exchequer as the works are being carried out, it is not a cost to the State. We therefore show a balancing “Tax Benefit”.
2. The rent is paid at initial levels for five year. It is assumed that in each rent review a real increase of 1% per annum will be included – i.e. rent will increase at 1% per annum over the standard rate of inflation. A similar assumption is made for the other option.
3. A “free rent” period of nine months is offered and this is taken in year 1.
4. Service charges are not levied by the owners of the property and these are incurred by the OPW.
5. Maintenance works that are the tenants’ responsibility are assumed to grow from low levels in year 1 and reach “standard” levels for a building of this type over four years.
6. A shadow price of 30% is added to the total costs.

The Net Present Value of this option over 20 years is €36.85 million.

- [REDACTED]

Table 4.2 shows the projected costs for the [REDACTED] option for six years. The 20-year projected costs are shown in Appendix 1.

Table 4.2 [REDACTED] Projected Costs

Year	1	2	3	4	5	6
Rent	344,714	1,378,856	1,378,856	1,378,856	1,378,856	1,449,191
Fit-out	[REDACTED]					
Car/bicycle charges	36,000	36,000	36,000	36,000	36,000	37,836
Service Charges	180,354	180,354	180,354	180,354	180,354	189,554
Maintenance & repairs	71,701	143,403	215,104	286,806	286,806	286,806
Tax expenditure	697,036	388,409	399,164	409,919	409,919	428,635
Less Tax Benefit	-697,036	-388,409	-399,164	-409,919	-409,919	-428,635
Costs with shadow price included	5,651,971	2,260,197	2,353,408	2,446,620	2,446,620	2,552,403
NPV - Lowest cost alternative	€37,885,033					

The basis for this projection in terms of treatment of VAT, inflation, etc., is similar to that of the Pembroke Row option.

The outcomes for each year over the 20-year period are shown in Appendix 1 later.

The Net Present Value of this option over 20 years is €37.89 million.

4.3.8 Findings and Assumption Testing

The finding of the appraisal shown is that the proposed option, the lease of the Pembroke office is the more cost effective option, by a margin of €1.04 million over the 20-year evaluation period.

Rent Cost Inflation

If, for example, rent cost inflation were to be 2% per annum, instead of the projected 1%, the ranking of the options would be unchanged. The difference between the options would widen marginally to €1.11 million from €1.04 million over the 20-year evaluation period.

Other Considerations

The two buildings considered herein have the same building ratings and consequently we have no basis to say that one would provide any greater efficiencies in energy use, etc. compared to the other. Similarly, we have no basis for claiming any greater efficiencies in maintenance costs for plant, equipment etc. for which the tenants will be responsible.

4.4 Non-financial Considerations

Some non-financial considerations supporting the Pembroke Row option are as follows:

1. The proposed relocation aligns closely with the OPW mission and objective of providing a portfolio of modern, fit-for-purpose offices for public servants;
2. The new premises are in an excellent location close to the centre of Dublin and readily accessible to key users, including Government, Government Departments, technology companies and a wide range of stakeholders, including the public;
3. The timescale for delivery of the Pembroke Row option is good from the perspective of lease expiry in Trinity Point. The OPW will potentially have the option of renewing this lease or discarding it when the expiry occurs in March 2022;
4. The proposed offices are adjacent to excellent public transport links as well as providing reasonable parking and cycling facilities;
5. The building closely matches projected space needs;
6. The building is a stand-alone office; and
7. The proposed building meets or exceeds current and future legislation, building regulations and energy consumption best practice.

4.5 Conclusion

The conclusion from the options appraised above is that the proposed lease of the Pembroke Row offices offers excellent value-for-money when compared against other potential office locations.

Given this consideration, together with the non-monetary advantages of the proposed relocation, we conclude that taking up the Pembroke Row lease is the preferred route.

5 Risk Assessment

5.1 Risk Areas

There are two key risk areas associated with this project, namely strategic risk and operational risk.

Strategic risk falls into two categories, the risk of inaction, i.e. doing nothing and the risk of implementation.

Operational risk covers the consequences of either the projected costs being higher than planned or the benefits being less than projected.

Each of these is addressed below.

5.2 Strategic Risk – Do Nothing

From both a national perspective and from the OPW perspective, doing nothing is not acceptable. The DPC needs additional space for its staff and this has to be provided and should be provided at an acceptable cost

5.3 Implementation Risk

With careful planning and co-operation, various buildings can be vacated and the relocation to the new offices be carried out without undermining the ability of DPC to continue its current activities to any significant extent.

Project risk includes unforeseen issues such as delays to fit-out. Cost overruns and other issues that may arise when working on the fit-out may occur.

Sound, well-planned project management and a proper risk analysis prior to commencing works are key to a successful project.

Key Risks

- Resources will not be available to enable the OPW to deliver the project.
The project is being undertaken in cognisance of the OPW future resource availability, and while this remains a risk, the project is being advanced on the basis that the necessary resources will be available.

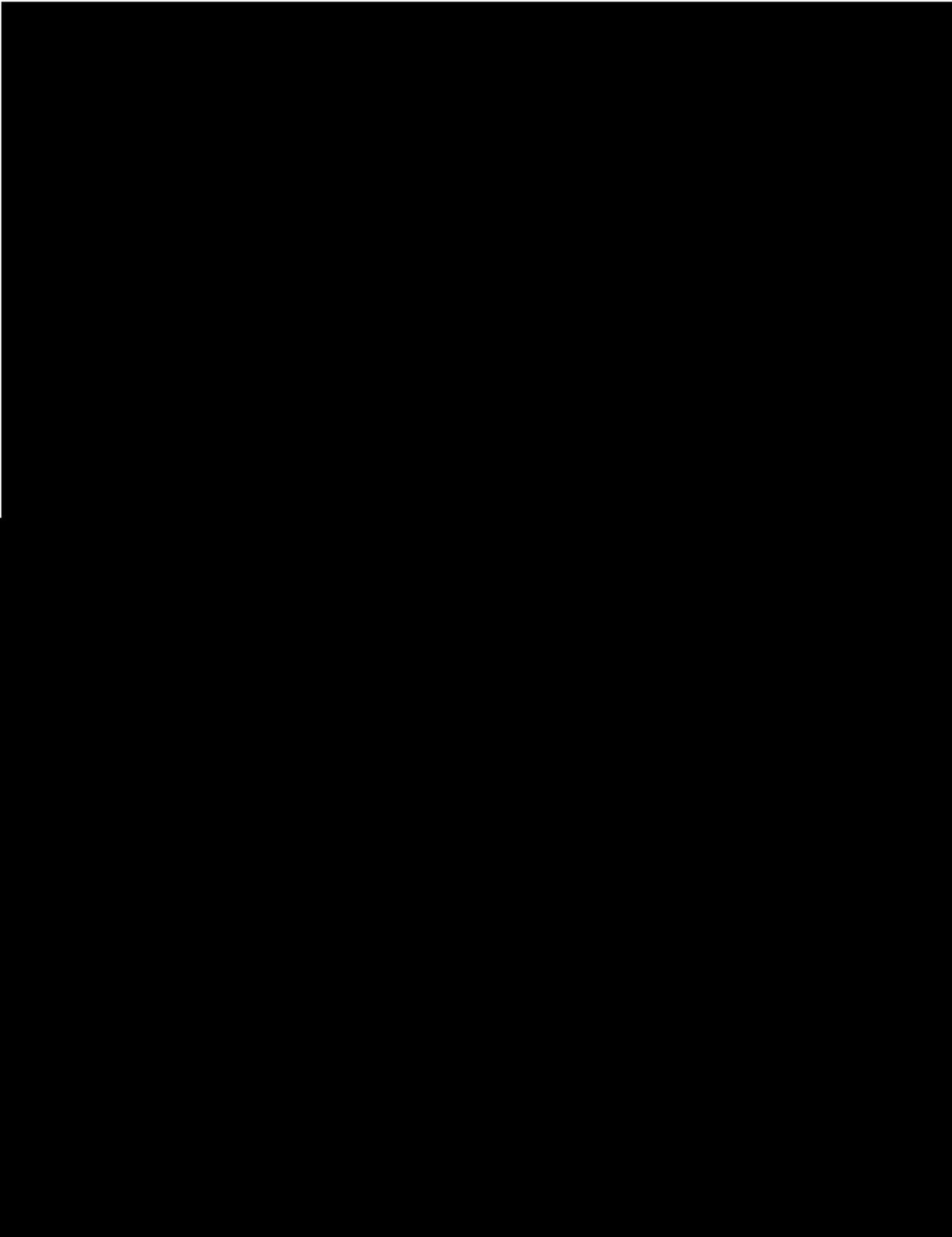
- OPW will not be able to meet the timeframes as set out in the Heads of Terms.
OPW appreciates the urgency of this case to the potential occupants. Proper planning should mitigate this risk

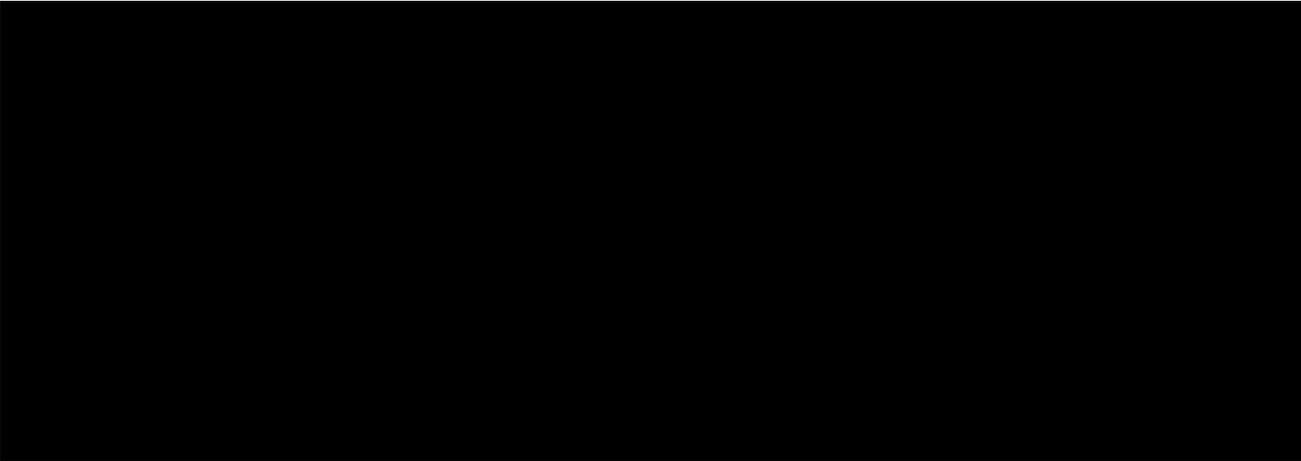
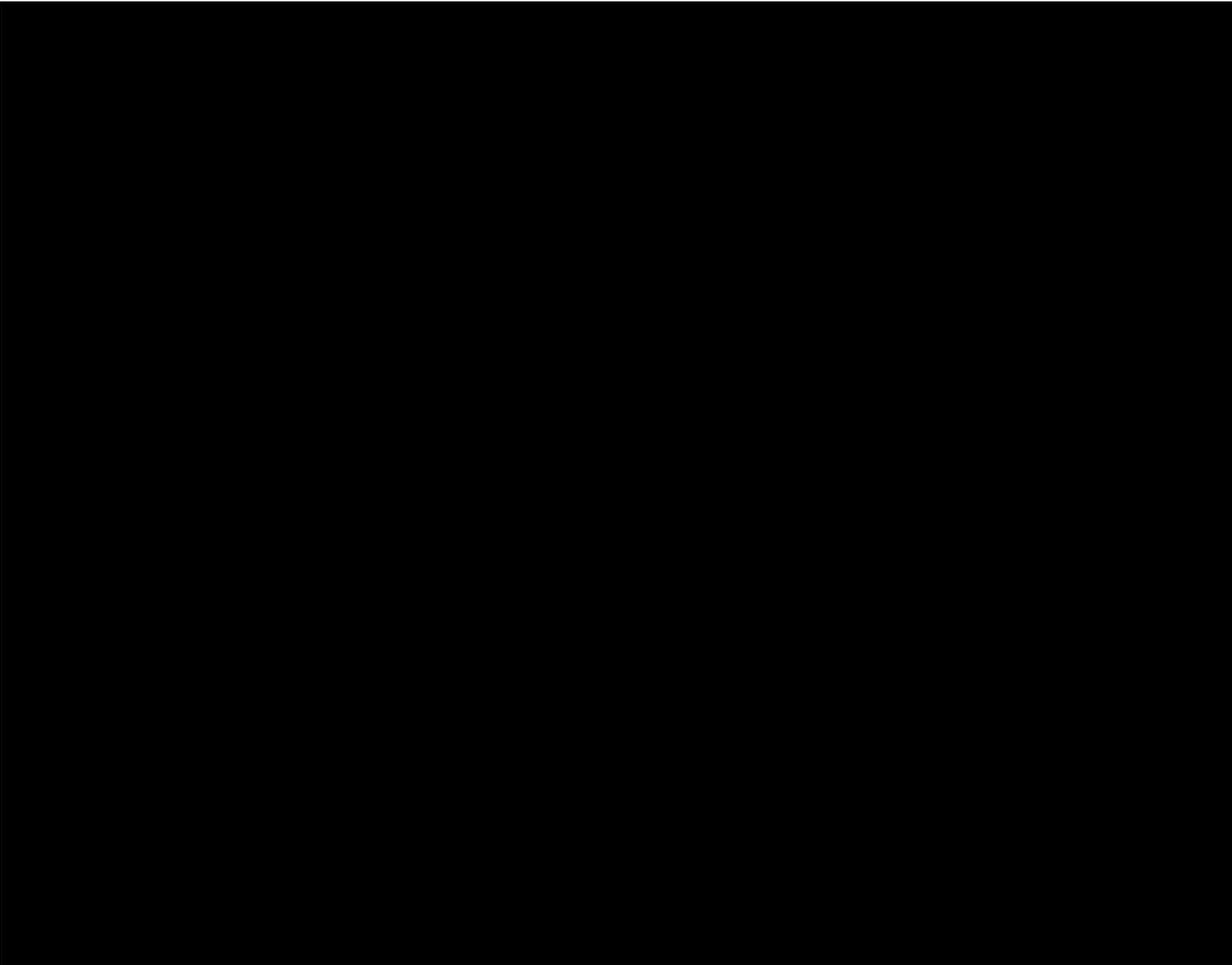
- Proposed tenants will not be ready to move when the premises are available for occupancy.
Again, with proper planning, this risk should be minimal.

- Project Delays
Project delays can have many implications, such as an inability to vacate other buildings at appropriate times; increased costs; extended tenant fit-out times and so forth. The potential for delays exists in all the options and the key mitigating action is the preparation of alternatives and contingency plans to offset as far as possible the impact of any delays.

Appendix 1

Appraisal Model





Appendix 2

Media Coverage

Irish Data Commissioner To Punish Facebook Once It Gets Dial Up Working

April 5, 2018 - [BREAKING NEWS](#), [LOCAL NEWS](#)



THE IRISH Data Commissioner's office has been a hive of activity in recent days trying to grapple with the fallout from the misuse of Facebook users' data by Cambridge Analytica among other firms, which now includes 45,000 Irish users.

With leading tech giants making Ireland home to its European and Middle Eastern operations many privacy experts view the Irish Data Commissioner, who's office is next to a Centra in Portarlinton, as the gatekeeper to billions of people's privacy and is being relied upon to bring Facebook to task over its failures and abdication of responsibilities to its users.

However, given the state of rural broadband in Ireland, the Irish Data Commissioner long reverted back to a dial up connection for a more reliable if slower internet connection which would explain why it failed to follow up on a warning it delivered to Facebook seven years ago informing the Silicon Valley supremos that developers could exploit its users' information.

"Hang on there now, just wait a second and she'll be full steam ahead," explained an IT professional tending to the Data Commissioner's sole PC which is shared between several staff members, as the unmistakable screech of a dial up internet connection blared through everyone's ears.

"A robust defence of people's right to have their data handled correctly and within the law will be sent via email to Facebook once Sharon is finished using the PC," remarked one staff member as they observed their colleague make a get well soon card for their cat using Clip Art.

Such is the respect the Irish Data Commissioner is treated with by multi-national tech firms based in Ireland, a prompt response is not expected. However, print out versions of the email are already proving a popular alternative to toilet paper with senior management at the companies.

New Privacy Rules Could Make This Woman One of Tech's Most Important Regulators

With Europe's sweeping new data privacy law, Ireland is in the middle of a standoff between regulators and tech companies.

Helen Dixon, Ireland's data protection commissioner, will soon gain vast new authority to investigate and fine an array of technology giants with regional headquarters in Ireland. Credit...Paulo Nunes dos Santos for The New York Times

By Adam Satariano

May 16, 2018

DUBLIN — If Mark Zuckerberg doesn't know who Helen Dixon is, he will soon.

From an unassuming townhouse in the Irish capital, Ms. Dixon, the country's data protection commissioner, leads an agency that was once a bureaucratic backwater. Employees share offices and have few of the perks available in Facebook's building nearby: The main free amenities here are water, coffee and tea.

Yet Ms. Dixon will soon gain vast new authority to investigate and fine Facebook, as well as an array of other technology giants with regional headquarters in Ireland. Amid increased concerns over online privacy, a sweeping new European privacy law could make her one of the world's most consequential regulators.

She is eager to test her newfound power. But the question remains whether her tiny agency is able — or willing — to stand up to tech behemoths of Silicon Valley.

“There's a wave coming toward us that we need to push back against,” Ms. Dixon, who spent the first 10 years of her career working for tech companies, said in an interview.

Europe's new [General Data Protection Regulation](#) is seen by experts as the world's most aggressive set of internet privacy rules. It is expected to come into force on May 25, and it will give more than 500 million people living in the European Union the right to keep companies from collecting personal data, or to have it deleted. Regulators like Ms. Dixon will be able to fine companies up to 4 percent of global revenue — equivalent to about \$1.6 billion for Facebook.

The privacy law highlights broader skepticism of Silicon Valley in Europe, where regulators have punished companies for [violating tax and antitrust laws](#), not doing enough to [stop the spread of hate speech](#) and misinformation online, and intrusively [gobbling up data on consumers](#).

Ireland in particular is taking center stage in the wide-ranging battle. The country is the European headquarters for data-hungry companies including Airbnb, Apple, Facebook, Google, Twitter and Microsoft, which owns LinkedIn.

If companies do not comply with the law, Ms. Dixon said, “they will suffer consequences.”

But for all the tough talk, the reality is that her agency subsists on an annual budget of 7.5 million euros, equivalent to \$9 million. That’s roughly as much revenue as the companies she oversees generate over all in 10 minutes. Facebook, which also owns WhatsApp and Instagram, has hundreds of people globally working on data protection regulation alone, including lawyers and privacy experts hired in Dublin.

The data protection office was once an afterthought. During an effort by the Irish government to move less-critical agencies out of Dublin, it was relocated in 2006 50 miles west to a town called Portlino, population 8,368. Its power was so limited that it could not publicize investigations.

Ms. Dixon, whose father was an army officer and mother a schoolteacher, grew up in a small town in central Ireland before moving to Dublin for university. She worked for companies including the business software firm Citrix Systems before moving into government. She later received a postgraduate diploma in computer science.

Fittingly for her current position, Ms. Dixon guards her privacy. She will not share her age, other than saying she is in her “40s,” and she has become more careful with data since taking the job. She does not use Facebook or Instagram (though she does [have a LinkedIn profile](#)).

Since taking over in 2014, Ms. Dixon has successfully lobbied for more funding and got the headquarters put back in Dublin. A move to a bigger office is in the works. She has hired lawyers, investigators and engineers. The staff will total 140 this year, up from 30 when she joined, with plans to reach 200 in the next few years, if budget increases are approved.

But if data privacy is truly a priority globally, Ms. Dixon said, more resources are needed. Her office is actually among the better funded privacy agencies globally, but is still a minnow compared with, say, Ireland’s financial services regulator, which has a budget about 40 times greater.

“The question for governments is, how much enforcement do we want to do, how seriously do we want to take the risk to our fundamental rights and freedoms in this area?” said Ms. Dixon, carrying a bound copy of the new law. “We need the funding and resources commensurate with the level of importance. This office would suggest it should be far more highly resourced.”



Amid increased concerns over online privacy, a sweeping new European privacy law could make Ms. Dixon one of the world's most consequential regulators. Credit...Sean and Yvette for The Washington Post

Budgetary constraints are not new to regulators overseeing powerful industries. But privacy groups worry that without strong oversight, the European rules, years in the making, will do little to crimp the power of Silicon Valley.

There is evidence those concerns are well founded. In a [Reuters survey](#) of privacy regulators in 24 European Union countries, 17 said they did not have the needed funding or legal powers to enforce data protection regulation. Ireland did not participate in the survey.

Ms. Dixon must also contend with skepticism among privacy advocates, stemming largely from Ireland's history of lax oversight of the technology industry.

Her predecessors are faulted for not taking earlier action against Facebook, even when complaints were filed years ago about data-mining practices similar to those eventually used by the political consulting firm Cambridge Analytica. The European Commission in 2016 also [ordered Ireland to recoup about \\$15.6 billion](#) in unpaid taxes from Apple. (The decision is being appealed.)

"The culture has to be changed," said [Max Schrems](#), a Austria-based lawyer and online privacy advocate who filed the earlier complaints against Facebook. "You can have the best law, but if nobody enforces it, then you're not going to go anywhere."

Advocates of the new law say it is already having a positive impact and that oversight is spread out. A new European Data Protection Board will help coordinate investigations and pool resources across European Union countries, giving regulators outside Ireland the ability to bring action. The data protection regulation also allows private groups to recruit consumers into class-action-style complaints — not as common in Europe as the United States — that could result in sizable damages against businesses.

A looming question, however, is how much people really care. Ms. Dixon cited [Facebook's most recent financial report](#), which showed growing user numbers, revenue and profit, despite [the Cambridge Analytica scandal](#).

“We should be acting as data protection authorities in the name of data subjects, but you often as a regulator in this space have the feeling that you’re not mandated by the general public,” she said. “Either they don’t care or they actively oppose what we’re doing.”

Representatives from the technology industry have made regular visits to the converted 18th-century Georgian home used by Ms. Dixon’s team. Aware that a public backlash is putting pressure on regulators to rein in Silicon Valley, Facebook and others have been courting Ms. Dixon, putting forward their case that their data protection policies comply with the new European law.

“We’ve really leapt into explaining what we’ve done and the thinking that’s gone into that,” said Stephen Deadman, Facebook’s global deputy chief privacy officer. “I’ve got faith and confidence that the way Helen Dixon’s office will perform its function will be true to the spirit and requirements of G.D.P.R., rather than being blown around by whatever is happening in the media.”

Google and Twitter declined to comment.

Even with limited resources, Ms. Dixon is studying her adversaries. When [Mr. Zuckerberg testified before Congress](#) last month, she stayed up late at home despite the time difference to watch as the Facebook chief executive answered questions.

Asked if she had a message for him and other tech executives, she said they should expect her to use her new powers “to the fullest.”

Follow Adam Satariano on Twitter: @satariano

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