

Nenagh Historic & Cultural Quarter



- Preliminary Business Case -

prepared for

Tipperary County Council

by

CHL Consulting Company Ltd.

June, 2023

CHL

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Vers6/smcm/12.06.23

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Nenagh Historic & Cultural Quarter Preliminary Business Plan

Executive Summary

- 1) Nenagh occupies a strategic position within Ireland's Hidden Heartlands that it has, as yet, to fully exploit. Located in proximity to several historic sites and to Lough Derg, it possesses significant heritage sites that have the potential to deliver a unique and compelling cultural experience for visitors and to enhance the town for residents.
- 2) The town currently attracts modest tourist numbers. It is recognised that a key gap in its current offering is the provision of a high quality, immersive visitor attraction that will meet the needs of the key audience segments for Ireland's Hidden Heartlands (IHH). The visitor experience proposition identified to fill this gap is the creation of a dynamic new Historic and Cultural Quarter in Nenagh.
- 3) Demonstrating its importance, the Nenagh Historic and Cultural Quarter project is promoted and supported in a series of relevant plans and policies for Nenagh, the Lough Derg area and County Tipperary. These include the *Tipperary County Development Plan 2022-2028*, the *Regional Tourism Development Strategy 2023-27 for Ireland's Hidden Heartlands*, the *Lough Derg Visitor Experience Development Plan 2020-2024* and the *Tipperary Transforming Tourism Product Development Plan 2020-2030*.
- 4) It is also notable that the *Town Centre First: A Policy Approach for Irish Towns*, prepared by the Department of Housing, Local Government and Heritage and the Department of Rural and Community Development, first published in February 2022, specifically highlights the importance of heritage-led regeneration in creating "*viable, vibrant and attractive locations for people to live, work and visit*". Both the EU and the OECD have reported that urban regeneration, led by investment in local heritage, cultural, and historic resources, represents a growing trend in reimagining urban spaces across many countries.

- 5) The proposed project will maximise the potential of the Historic and Cultural Quarter (NHCQ) and its contribution to Nenagh as a successful and sustainable visitor destination. The Quarter is located in the centre of Nenagh and comprises a number of historic buildings set around Banba Square. The principal landmark buildings are the Castle and Gaol. It is proposed that the visitor experiences offered at these two sites be significantly upgraded. The project also includes extensive improvements to the public realm at Banba Square and the adjoining streets which will greatly enhance Nenagh as a destination and promote the economic and social regeneration of the town. In addition to its heritage and cultural assets, Nenagh is an historic market town which offers potential for the development and integration of food into a wider tourism offer through a variety of retail and dining experiences.

- 6) Based on extensive research and the outputs of stakeholder consultations, workshops and survey conducted during the first phase of this project, four overarching themes were identified as having the greatest potential for Nenagh's Historic & Cultural Quarter. Following market testing in Ireland and in overseas, it was decided to proceed with the theme of '800 years of Nenagh's history', as evidenced in its buildings, streetscapes, people, stories and traditions. The initial concept has been further elaborated by visitor experience designers, Event, drawing on unique approaches to interpretation and storytelling in order to distinguish the project from more traditional approaches taken at comparator destinations in Ireland.

- 7) The market research and analysis found that the proposed project can be expected to have a significant positive impact on tourism to Nenagh. The number of paid admissions to the Gaol and Castle is projected to increase to 70,000 a year over the first 7 years of project operations. This represents a substantial increase over current annual visitor flows to the Castle and Gaol of less than 20,000. The paid admission number does not include local residents and visitors who visit the outdoor areas of NHCQ that are free to access and/or attend events held there.

- 8) Apart from the Castle, the key elements of Nenagh's Historic & Cultural Quarter – the Gaol, Tourist Information Office and Arts Centre, and Banba Square - are owned and managed by Tipperary County Council (TCC). A genealogy and heritage centre in the Governor's House at the Gaol is managed by North Tipperary Genealogy & Heritage Services CLG. This company was established by North Tipperary County Council in 2004 and is now effectively a subsidiary of Tipperary County Council. The most efficient approach to the future operation of NHCQ would be to expand the role of this company to take overall responsibility for the operation and promotion of NHCQ. The company would continue to provide guide services at the Castle in cooperation with the Office of Public Works and Department of Housing, Local Government & Heritage.

- 9) The capital costs of the project, including building restoration, the installation of new visitor experiences in the Gaol and Castle, and extensive public realm enhancement works, are estimated at €26.3m. This figure includes professional fees, VAT and inflation to January 2024. 80% of the capital budget will be sought from the Rural Regeneration and Development Fund. The balance will be funded directly by Tipperary County Council.

- 10) The projected operating performance indicates that the project will reach close to breakeven in Year 4 of operations and move into a modest annual surplus from year 5 on. The cashflow projection indicates that the facility will require support from Tipperary County Council over the first four years of operation. The cost to the Council may be mitigated if employment supports, such as the Community Employment Scheme, are available.

- 11) The financial analysis prepared using the Public Spending Code/RRDF template over a 17-year time period (2 years' construction and 15 years' operation) shows a base case Net Present Value (NPV) of -€15.9m, and an incremental case NPV of -€14.5m. The latter takes into account the outcome of the counterfactual "Do Nothing"

scenario. The negative NPV arises largely from the extensive public realm works which do not have an income-generating capacity.

- 12) The project is projected to deliver significant social and economic benefits, including increased employment and incomes in both the development and operational phases. The Economic Cost-Benefit Analysis produced a positive Net Present Value (NPV) of €17.397m and a benefit-cost ratio of 1.54. Given the cautious assumptions on which the analysis is based, some rather extreme changes in the variables presented would be required to turn this into a negative NPV. Therefore, there can be some confidence that the project will deliver a valuable economic outcome for Nenagh.

1. INTRODUCTION

1.1 Background & Context

Nenagh occupies a strategic position within Ireland's Hidden Heartlands that it has, as yet, to fully exploit. Located in proximity to several historic sites and to Lough Derg, it possesses significant heritage sites that have the potential to deliver a unique and compelling cultural experience for visitors and to enhance the town for residents.

The town currently attracts a modest number of tourists and it is recognised that improving the general experience of the town - while an essential component of delivering a good visitor experience - is not sufficient in itself to greatly increase tourism. A key gap in Nenagh's current offering is the provision of a high quality, immersive visitor attraction that will meet the needs of the key audience segments for Ireland's Hidden Heartlands (IHH).

The visitor experience proposition identified to fill this gap is the development of the existing Historic and Cultural Quarter in Nenagh. This quarter is based on a group of unique and substantial historic buildings located around Banba Square in the centre of the town. The principal buildings are Nenagh Castle and the former Nenagh Gaol, and the Quarter also includes the former town hall which is now an arts centre and tourist information office. It is proposed that the visitor experience offered at these two sites be transformed into a much more compelling attraction which will also address the current short supply of indoor attractions in Nenagh and the surrounding area. The project also includes extensive improvements to the public realm at Banba Square and the adjoining streets which will strengthen the connection between the Historic & Cultural Quarter and the core retail areas of the town centre and thereby greatly enhance Nenagh as a destination.

In order to advance this project, Tipperary County Council, in partnership with Fáilte Ireland, the Office of Public Works and the Department of Housing, Local Government and Heritage, engaged a multi-disciplinary consultancy team led by Scott Tallon Walker Architects to develop plans for the tourism led regeneration of Nenagh's Historic & Cultural Quarter. The team includes tourism and visitor attraction specialists, CHL Consulting Company, who have prepared this Preliminary Business Plan.

1.2 Approach & Methodology

1.2.1 Project Phasing

The project has been structured into three main phases, with an opportunity at the end of each phase for the Steering Group to review the conclusions and to determine whether continuation to the following phase was warranted.

- Phase 1 was the Visitor Experience Development Phase which included extensive research and benchmarking, initial concept identification and development, a programme of consultations and consumer testing of concepts.
- Phase 2 is the Concept Development & Pre-Design Phase which takes the outputs from Phase 1 and identifies the options best placed to deliver on the objectives of the project. This phase includes commercial and financial planning, taking into account the requirements of the Public Spending Code, the business case and consideration of operational models.
- Phase 3 is the Detailed Design and Planning Phase. This includes preparation of detailed drawings, planning application and required consents.

1.2.2 Phase 2

On the basis of the Phase 1 outcome, Phase 2 focussed on developing the core heritage and cultural aspects of the preferred concept – see Section 3. The initial concept was further elaborated by visitor experience designers, Event, drawing on

unique approaches to interpretation and storytelling in order to create differentiation from more traditional approaches taken at comparator destinations in Ireland.

The development of the visitor experience was accompanied by initial design work by architects, Scott Tallon Walker; landscape architecture in the public realm (Bernard Seymour Landscape Architects); conservation architecture inventory and appraisal (Carrig Conservation International); civil engineering design (Punch Consulting Engineers); mechanical & electrical engineering planning and costing (Varming Consulting Engineers); archaeological assessment by John Cronin & Associates, and overall project cost estimation by O'Reilly Hyland Tierney & Associates (Quantity Surveyors).

This Preliminary Business Case report, which has been prepared by CHL Consulting Company, represents the final component of Phase 2. It has been compiled on the basis of the extensive work completed to date, along with inputs from all other members of the project team and from the clients.

2. PROJECT RATIONALE & STRATEGIC ALIGNMENT

2.1 Project Rationale

Tipperary County Council (TCC) have initiated this heritage tourism project with a view to maximising the potential of the existing Historic and Cultural Quarter to contribute to Nenagh as a successful and sustainable visitor destination. The real potential of tourism as a driver of wider economic and social benefits has also been recognised in a number of other plans and strategies, including Fáilte Ireland's *Hidden Heartlands Regional Tourism Strategy 2023-2027*.

It is intended that the project should deliver on the following objectives:

- Deliver a series of linked attractions that provide a motivating visitor experience based on a multifunctional and vibrant centrepiece based on local heritage and history.
- Apply best practice in place-making, reclaiming the street for pedestrians, facilitating sustainable transport and providing places to socialize.
- Elevate Nenagh Town as an historical, heritage and cultural tourism destination.
- Contribute to the economic sustainability of Nenagh Town through business and employment opportunities.
- Lengthen the tourism season.
- Protect the heritage assets located in the Quarter.
- Identify opportunities to utilise public assets to optimise their contribution to the economic, social and cultural life of the town.

The rationale for the project is stated in the brief for this study, as follows:

"A key gap in Nenagh's current offering is the provision of a sufficiently high quality, immersive experience which will meet the needs of the key audience segments for Ireland's Hidden Heartlands (IHH). It is a strategic priority of IHH to invest in visitor experiences that will raise awareness of the region, be motivational to visitors to travel to the destination

and around which clusters of supporting experiences can develop over time. In addition, the strategic context for this project is set out in the Lough Derg Visitor Experience Development Plan (VEDP).

The creation of this new historic and cultural quarter in Nenagh will provide a very attractive all-weather cluster of visitor attractions and will serve to significantly improve the attractiveness of the overall destination and offering in the Region."

2.2 Strategic Alignment

Demonstrating its importance, the Nenagh Historic and Cultural Quarter project is promoted in a series of relevant plans and policies for Nenagh, the Lough Derg area and County Tipperary. These are highlighted below.

The **Tipperary Transforming Tourism Product Development Plan 2020-2030** identifies the Nenagh Historic & Cultural Quarter as a leading project within its Creating Clusters category¹, seeing it as part of a wider framework of related projects in the town. The Plan states that: *"it has the potential to be of greater scale, ambition and economic impact. It has the potential to attract more international visitors and fits well into the Ireland's Hidden Heartlands brand."*

The **Lough Derg Visitor Experience Development Plan 2020-2024** visualises the Lough Derg destination as comprising Nenagh Gateway Town, Killaloe/Ballina Destination Hub, Holy Island and Connected Destination Villages, and Portumna Destination Hub. Nenagh is described as a *"bustling market town, steeped in heritage, with a great reputation for food and new stories to tell"*. In the Plan, the Hero Project for Nenagh is *"exploring the Historic Quarter and following the Nenagh River to Lough Derg"*. The development of the Historic & Cultural Quarter is highlighted as a significant opportunity and it is a major project in the vision for 2024.

¹ Creating Clusters projects are where a number of projects delivered and bundled together can attract and hold visitors.

The **Regional Tourism Development Strategy 2023-27 for Ireland's Hidden Heartlands** (IHH) is the key plan for tourism in the wider region. The vision for IHH is of *"a place where nature is the backdrop to a wide range of compelling visitor experiences, from outdoor activities to uncovering intriguing heritage and cultural gems that continually surprise and exceed visitors' expectations"*. Nenagh HCQ is a perfect fit with this vision, as a hitherto little known but historically important collection of buildings with intriguing stories to tell.

Enhancing the range and quality of visitor experiences is a strategic objective of the IHH Plan. In this context, a core goal is to *"work with stakeholders to sustainably leverage the range of rich heritage and cultural assets that provide visitor experiences, while protecting their quality, character and distinctiveness"*. This is further elaborated in the Plan's Product Development Strategy which states, as one of its strategic initiatives, *"to continue to develop the quality and range of the region's heritage-based visitor experience with a focus in the first instance on the stock of existing visitor attractions and experience providers"*. The Nenagh Heritage & Cultural Quarter is one of the existing but underdeveloped heritage-based visitor experiences in the region and its development is consistent with the product development objectives of the IHH Plan.

The new **Tipperary County Development Plan, 2022-2028**, identifies *"Valuing Built and Cultural Heritage"* as one of the five Core Strategy ambitions informing the Plan. It highlights a richness of built heritage and culture as one of the key tourism strengths of the County, and its planning objectives include the following which are of direct relevance to the Nenagh Historic and Cultural Quarter:

- *Support the implementation of the Tipperary 'Marketing, Experience & Destination Development Plan', 2016-2021 and 'Tipperary Transforming' (and any review thereof) and associated tourism strategies and plans set out therein. (Objective 9-C)*
- *To continue to enhance and re-imagine the towns and villages as visitor-led tourism destinations, through the existing collaborative heritage and tourism-led regeneration programmes and projects funded through Project Ireland 2040. (Objective 9-E)*

In the context of these objectives, the Development Plan therefore directly supports the implementation of the Nenagh Historic & Cultural Quarter project.

Finally, it may be noted that **Town Centre First: A Policy Approach for Irish Towns**, prepared by the Department of Housing, Local Government and Heritage and the Department of Rural and Community Development, first published in February 2022 and last updated in February 2023, specifically highlights in Section 2.7 the importance of heritage-led regeneration in creating “*viable, vibrant and attractive locations for people to live, work and visit*”. This theme is further explored in Section 2.4 below.

2.3 Complementary Projects in Nenagh

The NHCQ project is one of a number of major projects underway in Nenagh. These projects will complement the NHCQ by adding significantly to the appeal of Nenagh as a place to live, work and visit. There are three key projects that will complement the NHCQ project:

- the development of the Rialto Digital & Enterprise Hub which will occupy the former Rialto Cinema building on Banba Square in the NHCQ
- the development of the Centre of Excellence for Sustainable Energy (SECOE-Ireland) in Nenagh town centre
- Nenagh Traffic Management Plan which will greatly enhance the urban environment for pedestrians and cyclists and will complement the public realm plans in the NHCQ project.

Summary descriptions of these projects prepared by Tipperary County Council are provided in Appendix 5. The substantial investment involved will have a transformative impact on Nenagh, expanding the town's economy, employment and flow of visitors.

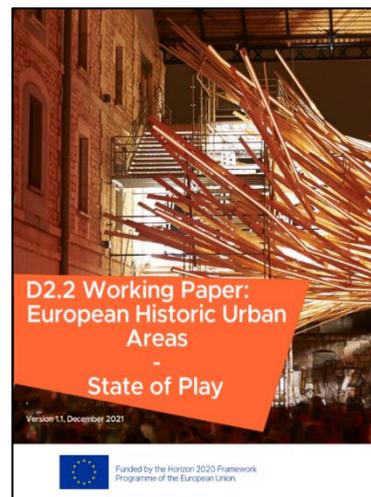
It is relevant to note that, in addition to the above projects in Nenagh, there are several projects underway in the surrounding area that will benefit tourism and the flow of visitors to Nenagh. These include: a new Centre for Water Sports Activities in Dromineer, supported under the Failte Ireland's Platforms for Growth programme; the development of Greenways and cycle routes that will create connections between Nenagh and Lough Derg; increased Local Link bus services connecting Nenagh with the surrounding area.

2.4 Heritage-Led Urban Regeneration

Urban regeneration, led by investment in local heritage, cultural, and historic resources, represents a growing trend in reimagining urban spaces across many countries. As noted in Section 2.2 above, the Town Centre First national policy recognises the potential of heritage-led regeneration in Irish towns. The proposed development of the Nenagh Historic and Cultural Quarter aligns very well therefore with similar developments undertaken internationally. The following brief examples from the EU and OECD – drawing upon current project activity supported by these organisations - are offered in support of this perspective.

The EU supported project 'Hubs of Innovation and Entrepreneurship for the Transformation of Historic Urban Areas' (HUB-IN) aims to foster innovation and entrepreneurship in Historic Urban Areas (HUA), while preserving their unique social and cultural identity and the environment. *"The project adopts innovation and entrepreneurship as the main drivers of urban regeneration in HUAs and is fully aligned with European and international policy (see Smith (2021) for an overview). HUB-IN expects*

to contribute to reverse trends of abandonment and neglect of historic heritage in cities in a systemic way through the creation of networks of Hubs where innovation will be the main driver. The project will also have a direct impact on the creation of new sustainable opportunities for local traditional businesses and for the development of new creative skills and jobs. The purpose of this working paper is to provide an overview of the current context within which the HUB-IN Mission and Vision will be developed and delivered. It explores the current state of play of heritage-led regeneration across Historic Urban Areas throughout Europe and highlights the role that innovation and entrepreneurship play in the realisation of their sustainable transformation.”²



“HUB-IN adopts innovation and entrepreneurship as the main drivers of urban regeneration in HUAs and is fully aligned with European and international policy. HUB-IN expects to contribute to reverse trends of abandonment and neglect of historic heritage in cities in a systemic way through the creation of networks of Hubs where innovation will be the main driver. The project will also have a direct impact on the creation of new sustainable opportunities for local traditional businesses and for the development of new creative skills and jobs. The business, financing and governance model cases presented in this guide provide actionable insights into the ways these models are being used throughout Europe to enable heritage-led regeneration. The Heritage Finance Ecosystem provides a starting point for exploring the many funding and financing opportunities that are present today.”³

² European-HUA-State-of-Play-V1.1.pdf

³ HUB-IN%20_%20Business,%20Financing%20&%20Governance%20Models%20for%20Heritage-Led%20Regeneration%20-%20CrowdfundingHub.html

The OECD also supports the role of history, heritage and culture as a catalyst for local development and promotes the capacity of the heritage sector to act as a contributor to local economic development.

“Cultural heritage is a powerful development asset that can help attract tourists, bring revenues, regenerate local economies, promote inclusion, boost cultural diversity and reinvent territorial identity. For several decades now, cities and regions have been pursuing heritage-led regeneration strategies. Certain knowledge has been accumulated on what these strategies can and cannot achieve and on their implications to a wide spectrum of policies ranging from culture to tourism, employment and skills, business development, innovation and spatial planning. At the same time, museums and cultural sites are increasingly experimenting with the new roles they can play as agents of economic development, social innovation and social inclusion while continuing to enrich their traditional preservation, restoration and education functions.

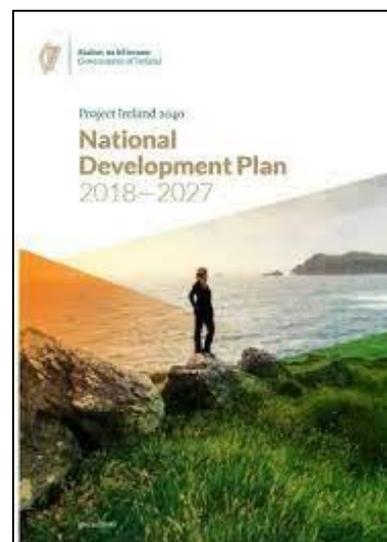
In this context, the OECD project on Culture as a Catalyst of Local Development seeks to support the policy makers and the museum community in the design of successful culture-led local development strategies to increase the development impact of cultural heritage.⁴ The role of the Cultural and Creative Sectors has been summarised as follows:

“Culture and creativity are powerful assets for local development. Culture is playing an increasingly important role on the political agendas of cities and regions, both on its own and as a strategy for economic growth and the well-being of residents. Cultural and creative sectors (CCS) constitute a vibrant economic activity and source of jobs, enterprise turnover and tax revenues. However, the role of culture for local development is more than these direct outputs. Culture and creativity transform local economies in various ways. They increase the attractiveness of places as destinations to live, visit and invest in. Smartly managed culture-led urban regeneration can breathe new life into decaying neighbourhoods. CCS also contribute to increasing levels of regional innovation and

⁴ OECD Workshop - Cultural heritage as catalyst of local development. (June 2017)

productivity, through new product design, new production techniques, new business models, innovative ways of reaching audiences and consumers, and emerging forms of co-production.”⁵

In Ireland similar developments are taking place relating to the potential capacity of heritage and culture to support sustainable economic and urban regeneration. In the Project Ireland 2040 National Development Plan 2018-2027, “Enhanced Amenity and Heritage” is set out as one of ten “National Strategic Outcomes” and listed as a strategic investment priority. The focus of this investment will be on *“amenities and heritage linked to and integrated with our built, cultural and natural heritage.”⁶*



The NPF recognises the value of cultural heritage as a key component of, and contributor to, the attractiveness and sustainability of our cities, towns, villages and rural areas in terms of developing cultural creative spaces, private inward investment, and attracting and retaining talent and enterprise. This includes all elements of living space including streets, public spaces, built heritage and natural amenity areas, cultural and sporting opportunities and sustainable transport networks, all of which play a central part in defining the character and attractiveness of places.⁷

“Investment will include targeted supports such as the Built Heritage Investment Scheme and the Historic Structures Fund which help the owners and custodians of our heritage buildings to protect our valuable built heritage and ensure that vital traditional building skills are not lost.”⁸

⁵ OECD-EC-Culture-and-local-development-FLYER.pdf (2020)

⁶ NDP p2

⁷ Ibid p69

⁸ Ibid p72

The National Planning Framework (NPF) was developed within the context of Project Ireland 2040 as a planning framework to guide development and investment over the coming years. The NPF therefore serves as a linking mechanism that facilitates moving from planning to implementation. It is notable therefore that the emphasis on heritage set out in the NDP is reflected once again within the NPF.

"The qualities and character of our national built heritage in rural areas, including towns and villages, can add distinctiveness to place-making. This 'sense of place' is also becoming an important factor in attracting foreign direct investment and individual talent to Ireland. Investment in our towns and villages through regeneration, public realm improvements and the appropriate adaptation and re-use of our built heritage, are key factors in developing, promoting and investing in a sense of place and aligning the objectives of creating high quality with that of spatial planning."⁹

Sample extracts from Irish local government public realm plans are presented below for illustration:

"Sometimes mistakenly viewed as a cosmetic exercise of beautification, investment in the public realm can bring real sustainable socioeconomic and physical benefits. By improving the way in which Birr functions through its public realm, the town can be positioned to enhance its role as a centre for tourism, retail and commerce, as well as an excellent place in which to live."¹⁰

"The overarching purpose of the Plan will be to enhance and improve the way Carrickmacross Town functions on a day-to-day basis, with resulting long-term socio-economic, cultural and economic benefits for residents, businesses and visitors."¹¹

A similar focus on culture and the arts as an engine for urban regeneration was adopted by the Heart of London Business Alliance which commissioned a report on *The Economic Case for Public Realm Investment in the Heart of London Area*. This report

⁹ National Planning Framework p72

¹⁰ Public Realm Plan for Birr – Offaly Co Co p7 (2009)

¹¹ Carrickmacross Town Public Realm and Economic Plan, 2019 (p3)

focused in particular on the economic case for public realm investment. Among the many quantitative measures presented in the report was the following:

*"the Investment in line with the Places-shaping Strategy will improve the area's public realm, property, curation of retail and occupiers, and public space activation through culture and arts. This all contributes to a 'good growth' scenario, which could increase jobs and GVA (Gross Value Added) by 24% and 57% respectively over the period from 2019 to 2040. This compares to a 10% and 23% increase for jobs and GVA for a business-as-usual scenario over the same period."*¹²

¹² The Economic Case for Public Realm Investment in the Heart of London Area (2019) p59

3. PROJECT DESCRIPTION – VISITOR EXPERIENCE DEVELOPMENT

As noted in the Introduction, the purpose of the project is to maximise the potential of Nenagh's Historic and Cultural Quarter (NHCQ) and its contribution to Nenagh as a successful and sustainable visitor destination. The Quarter is located in the centre of Nenagh and comprises a number of important historic buildings set around Banba Square – see Figure 1. The principal landmark buildings are the Castle and Gaol, which currently receive small numbers of visitors (see Section 4.2.2, Table 4.3), and it is proposed that the visitor experience offered at these two sites be transformed into a much more compelling attraction. The project also includes extensive improvements to the public realm at Banba Square and the adjoining streets which will strengthen the connection between the Historic & Cultural Quarter and the core retail areas of the town centre and thereby greatly enhance Nenagh as a destination.

3.1 Project Options

Phase 1 of the overall study focused on the identification of potential concepts that might deliver on the project objectives. The starting point was to make a thorough assessment of Nenagh as a tourist destination taking into account its location, market position and target audiences, and its relationship both with Lough Derg and the Shannon, and the wider Ireland's Hidden Heartlands.

We undertook consultations with a wide range of interested parties. The initial wave of stakeholder consultations and group workshops took place both by phone and using online video calls in order to adhere to restrictions regarding travel and public meetings that were in place at various points during Phase 1 of the project. An online survey carried out among the local community received a total of 172 responses.

Based on extensive research and the outputs of stakeholder consultations, workshops and survey, four overarching themes were identified as having the greatest potential for concept development for Nenagh's Historic Quarter:

- **800 Years of History:** the lengthy and continuing history of Nenagh, as evidenced in its buildings, streetscapes, people, stories and traditions
- **A 21st Century Market Town:** rethinking what a market town can be, putting Nenagh and its rich food heritage first
- **An Urban Hub for a Lake Destination:** a vibrant heritage town with good food, music and shopping, as a base from which to explore nearby Lough Derg and the River Shannon
- **Greener Nenagh:** Nenagh's association with sustainability and the environment, both historically and currently.

Illustrated concepts were developed for all of these concepts. Following client review and detailed discussion, the Greener Nenagh concept was dropped and the other 3 were taken forward for consumer market testing in Ireland, Northern Ireland, Britain, Germany, France and the USA using Fáilte Ireland's Innovation Screener metrics. In summary, the market research found that:

- All three concepts scored above the norm¹³ in terms of appeal, relevance, excitement, clarity and believability.
- Differentiation is a challenge for all three.
- The historic and market town concepts are somewhat more appealing for overseas visitors than for domestic and Northern Irish markets.
- The concepts are seen as complementary to each other.

Given the appeal of all three elements, and this project's core objective of redeveloping the Cultural Quarter, it was recommended that the three concepts find expression in in a blended manner, as outlined below.

- Focus on anchoring the 800 Years of History concept within the Cultural and Historic Quarter itself, with the theme of Nenagh's history as a market town being one of the stories that is brought to the fore.

¹³ The 'norm' has been established with references to a panel of 73 concepts tested by Fáilte Ireland.

- Use the market town and urban hub for the lake concepts as themes with which to encourage/stimulate businesses to provide relevant commercial elements within, and close to, the Quarter.
- Use the concept of Nenagh as an urban hub to the lake as the hook and differentiator for marketing the town, taking into account opportunities within the project area for relevant public realm, infrastructure and amenities that would support activity-focused tourists.

The proposed works are outlined in the following sections. Details of the proposals for the Gaol and Castle are set out in separate reports by visitor experience designers, Event¹⁴. The plans for the public realm are described in reports by Bernard Seymour Landscape Architects¹⁵.

¹⁴ Event: Nenagh Historical and Cultural Quarter, *Phase 2 Report – Concept Development*, Sept 2022

¹⁵ Bernard Seymour Landscape Architects: *Nenagh Town Centre, Banba Square Public Realm Focus Area*, June 2022

Figure 1: Map of Nenagh Historic and Cultural Quarter



Index:

- 1** = The Courthouse
- 2** = The former Gaol complex
- 3** = St. Mary's of the Rosary Church
- 4** = Nenagh Castle
- 5** = No. 35 & No. 36 Pearse Street
- 6** = The Garda Station
- 7** = The former Rialto Cinema
- 8** = The former Presbyterian Church
- 9** = The former Nenagh Town Hall, now Tourist Office and Arts Centre
- 10** = Banba Square

3.2 Nenagh Gaol

Nenagh Gaol was built in 1838. The Gaol originally comprised seven cell blocks radiating from a central octagonal Governor's House. Each block was connected to the Governor's House by a gantry. While much of the Gaol has been demolished, the Governor's House, the 3-storey South Cell Block and the Gatehouse survive. The ground floor of the Southeast Cell Block also remains and is used for storage. The Governor's House is home to North Tipperary Genealogy and Heritage Centre, and received 3,117 visitors in 2022 of whom 471 were overseas visitors to the Genealogy Centre. Although not actively promoted as a visitor attraction, the House currently contains a fairly basic exhibition about the history of the Gaol and further exhibits on other aspects of Nenagh's history. Admission is free of charge.

The concept for the Gaol is to create an exciting immersive experience that is both unlike and more dramatic than anything offered by other historic gaols. The entire experience is framed as a search for an escaped prisoner, one James Ryan. In the process of following this story, visitors will encounter others from Nenagh Gaol's history – the Governor, other inmates, the escapee's family, concerned local residents etc.

Part escape room, part heritage experience, the story of James Ryan provides a framework that enables the history of Nenagh and the powerful aura of the Gaol to come to life in an immersive and exciting way. Through a sequence of presentations using a wide variety of interpretive media in the Governor's House, the cell block and the Gatehouse, visitors will absorb the history of the Gaol and the prevailing local social, economic and cultural circumstances during its time in operation.

An overview of the Gaol site is shown in Figure 2, and a diagram of the narrative storyline is shown in Figure 3. Reference should be made to the Event report (op. cit.) for elaboration of the storyline and further illustration.

Figure 2: Nenagh Gaol – Site Overview

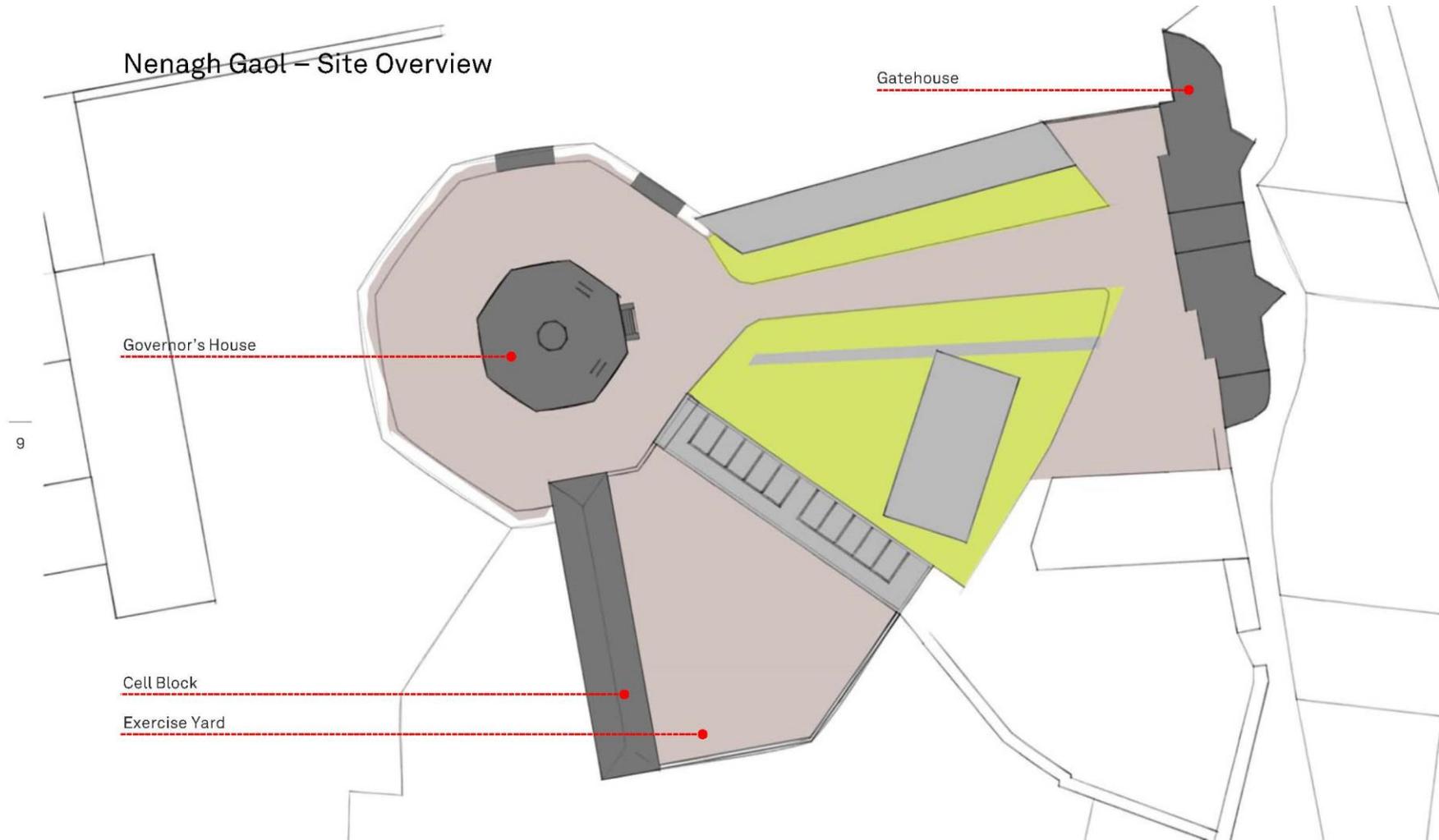
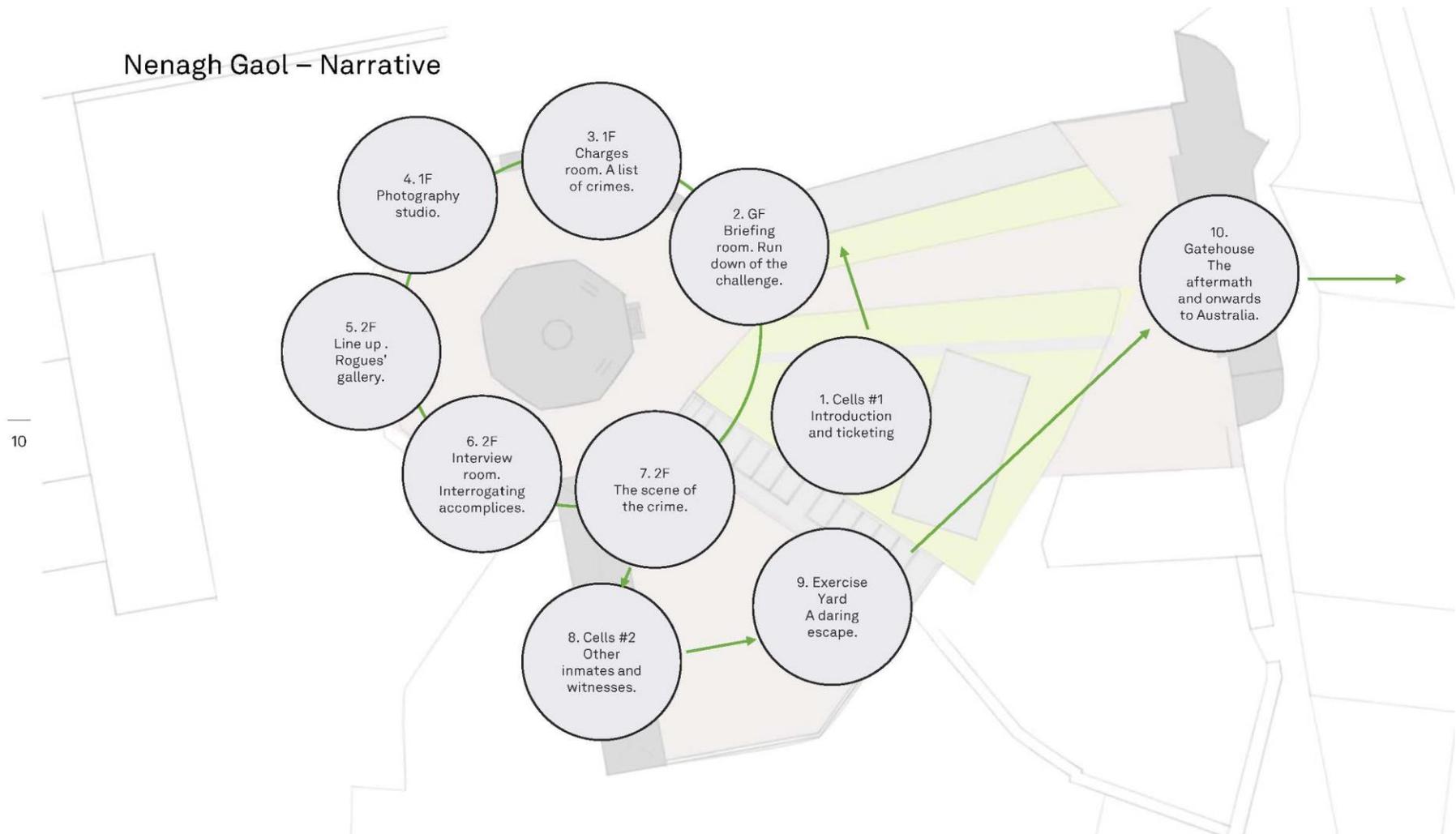


Figure 3: Nenagh Gaol Visitor Experience Narrative Summary



3.3 Nenagh Castle

Nenagh Castle - see Figure 4 - was built by Theobald Walter (the first of the Butlers of Ormond) around 1200 and is a former seat of the Butlers of Ormond. A National Monument under the ownership of the Department of Housing, Local Government and Heritage, the Castle is managed by the Office of Public Works. It is an iconic landmark building for Nenagh and is open free-of-charge to the public, attracting some 16,238 visitors in 2019. There is some basic interpretation on the ground floor, and visitors can ascend 101 steps through 3 floors to arrive at the rooftop level from where fine views over Nenagh and the surrounding countryside are available. A free guided tour service is provided by North Tipperary Genealogy and Heritage Services CLG.

Figure 4: Nenagh Castle



A detailed plan for the enhancement of the visitor experience in the Castle has yet to be finalised. In broad terms, the experience will focus on telling the many stories of the Castle, its changing relationship with the town over the centuries, and the rich cast of characters that have been part of the Castle's history. The enhancement of the

experience will encompass a significant upgrading of the existing interpretation on the ground floor, and new interpretation on the upper floors which may include digital elements and some installations – see illustration in Figure 5. A new and much more impressive access route to the Castle will be via the current car park on O’Rahilly Street, which will be appropriately repurposed and landscaped, and through the remains of the original gatehouse.

The upgrading of interpretation in the Castle will be accompanied by a fresh landscaping of the Castle Field to integrate it more effectively with the Castle and to enhance its quality as a public space for leisure and recreation. The proposals for this space include a highlighting of the original line of the Castle walls, and the locating of a stage/performance space below the Castle tower along with stepped, landscaped seating – see Figure 6.

Figure 5: Nenagh Castle – Illustrative Visitor Experience

Each level of the Castle keep has central installation, like a campfire from which brilliant stories emerge. Characters, ghosts, stories, myths, and history all braided round an experience in walls dripping with history. This shell or framework will not be touched.

The installations hold looped and targeted AV experiences that are triggered by the proximity of visitors – starting shows of sound, visuals, and light. Each layer of the keep, and each story that is told, plunges visitors into a different era of Nenagh’s 800-year history, which may be a warmingly recognizable or excitingly surprising.

Nenagh’s crowning glory is its place in the landscape, a sight that is framed in the Castle’s own ‘crown’.

39



Figure 6: Nenagh Castle – Site Overview



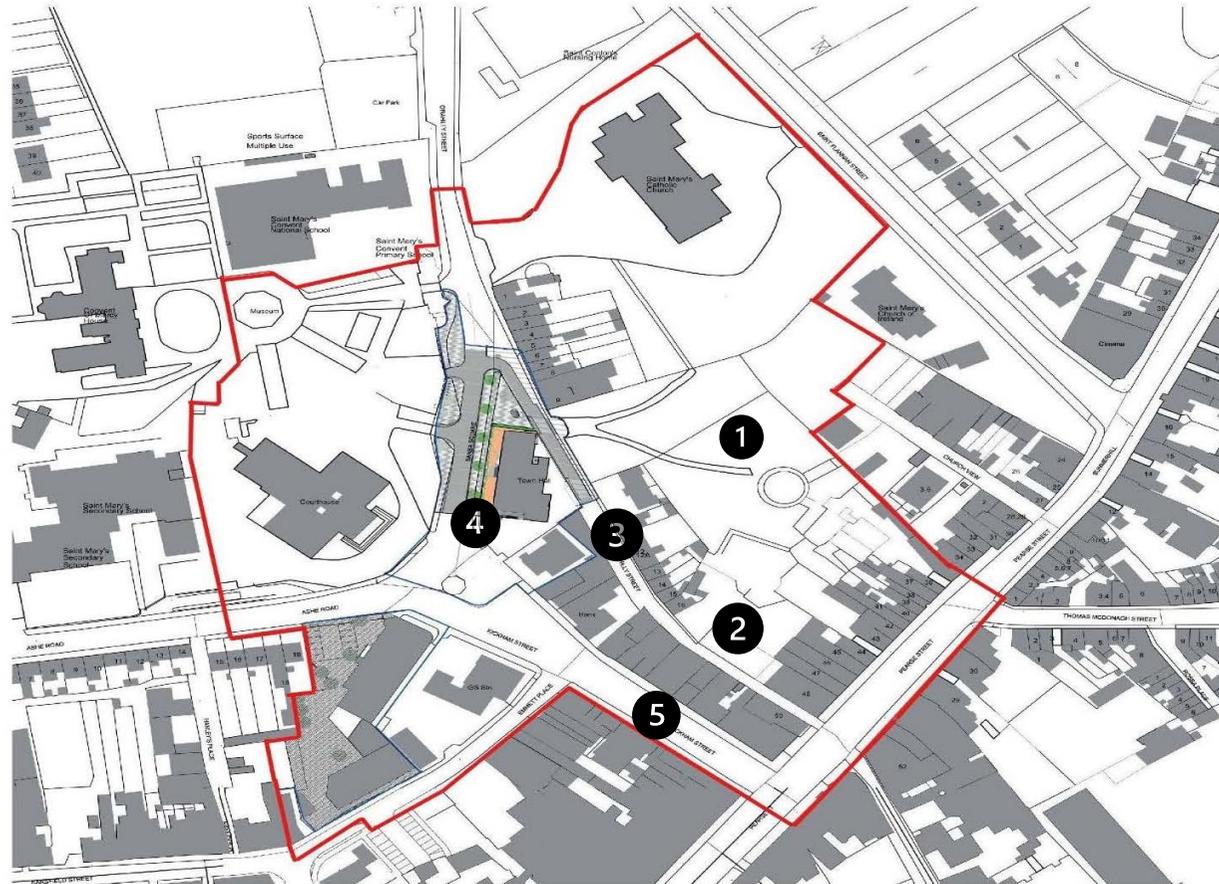
3.4 Public Realm

A very important component of the project is the treatment of the public realm in the Historic & Cultural Quarter and along the principal access routes to it. This enhances the appeal of the Quarter and the quality of the overall experience both for locals and visitors. It also creates connections between the key sites, thereby strengthening the identity and presence of the Quarter.

Banba Square is at the heart of the Quarter, and the proposals for this area include a realignment of the vehicular carriageway to give greater space and priority to pedestrians, new surface and pavement treatments, planting, lighting and street furniture. Consistent landscaping will be continued along O'Rahilly Street and along Kickham Street as far as Emmet Place. In order to integrate the Historic & Cultural Quarter more closely with the rest of the town and create linkages with the main retail area, the footpaths along Kickham St., Emmet Place, Mitchel St., Pearse St. (part of), Silver St. (part of) and Kenyon St. will also be upgraded. These improvements will add significantly to the positive economic impact potential of the overall project.

The location of the proposed public realm improvements is shown in Figure 7.

Figure 7: Location of Proposed Public Realm Improvements



Index:

- 1 = Castle Field
- 2 = Castle Forecourt
- 3 = O'Rahilly Street
- 4 = Banba Square
- 5 = Kickham Street

4. MARKET ASSESSMENT

The size and characteristics of the market environment in which a tourism destination operates are crucial factors in determining the number of visitors¹⁶ it may attract and its potential sustainability. In this Section we consider location and access, review the supply side of the market, including competitors and the existing Nenagh offer, and evaluate potential markets and segments.

4.1 Location and Access

4.1.1 Nenagh as the Location

Nenagh is readily accessible off the main M7 route between Dublin, Limerick and Kerry, which also allows for connectivity to the west via Ennis and the Burren - see Figure 8. This provides the potential for passing and stop-over business by both independent and coach touring visitors. It also means Shannon Airport is only forty-five minutes away and Dublin Airport under two hours.

Figure 8: Location of Nenagh



¹⁶ A **visitor** is a traveller taking a trip to a main destination outside their usual environment and for less than a year. A visitor is classified as a **tourist** if their trip includes at least one overnight stay.

Table 4.1 provides an overview of distances from selected locations and shows Nenagh’s distance from most large urban centres, e.g. under two hours’ drive from Dublin and a similar distance from Cork. This is a good distance for weekend breaks from both cities. The Table also illustrates the proximity of Nenagh town to a number of popular locations on Lough Derg.

Table 4.1: Distances to Nenagh from Selected Locations¹⁷

Location	Distance: hrs/mins (fastest route)	Distance: Kms
Dromineer	14mins	10
Garrykennedy	16mins	12
Killaloe	23mins	22
Terryglass	28mins	28
Portumna	29mins	31
Limerick	34mins	41
Shannon Airport	48mins	68
Cashel	54mins	53
Athlone	1hr 12mins	79
Kilkenny	1hr 13mins	90
Galway	1hr 33mins	102
Cliffs of Moher	1hr 37mins	121
Cork	1hr 46mins	137
Dublin Airport	1hr 42mins	169
Killarney	1hr 56mins	148
Rosslare Harbour	2hrs 35mins	182

In terms of public transport, Nenagh is connected by a rail service on the Dublin-Limerick route and access is also available to excellent mainline services via Ballybrophy. Bus connections are more frequent, with a regular long-distance route

¹⁷ Google Maps

operated by JJ Kavanagh & Sons that connects Nenagh to Limerick and Dublin, and a less frequently served route operated by Bus Éireann that connects the town with Athlone and Limerick. A local area bus service is operated by Local Link Tipperary and connects Nenagh to Roscrea, Shinrone, Cloughjordan, Moneygall and Toomevara, and there are current plans for an improved network of services.

4.1.2 The Location of the Historic and Cultural Quarter within Nenagh

Once in Nenagh itself, the Historic and Cultural Quarter is centrally located, within easy walking distance of shops, restaurants, parking, the train station and accommodation, and encompassing the tourist information office and arts centre. This means that it has the potential not only to offer an attractive visitor experience but also to act as the orientation point for the town and a hub for tourism activity in the town and wider area.

Currently, the area is dominated by traffic, with heavy vehicles travelling through Banba Square and a considerable amount of on-street parking. The development of an attractive Quarter that will give greater priority to pedestrians will encourage tourism - a factor that will further enhance the location for visitors and encourage exploration not only of the Quarter's assets but also of the rest of the town centre.

The easily recognisable Castle Tower also aids orientation by visitors who may be otherwise unfamiliar with the town.

4.1 Supply Side Assessment

4.2.1 Tourism-Relevant Product Supply within Nenagh

As a town that is in the early stages of developing as a tourist destination, Nenagh would not be expected to have a wide variety of tourism activities and facilities already in place. but it has many of the key ingredients needed to develop as a tourism destination.

In terms of accommodation, there is a total bednight capacity of approximately 427 beds in the town and surrounding area - see Table 4.2.

Table 4.2: Tourist Accommodation Capacity in Nenagh and Surrounds¹⁸

Accommodation Type	Properties	Rooms/Units	Beds
Hotel	2	86	231
B&B	7	27	64
Self-Catering	2	2	4
Welcome Standard	2	41	128
Total	13	156	427

There are also 83 cruiser berths available on Lough Derg between Garrykenny and Dromineer, and these are very popular, especially during the summer months.

In addition to accommodation, other assets that will help to create a cluster effect with the Historic and Cultural Quarter are outlined below - with the town having a particular strength in heritage.

- **Heritage:** In addition to the buildings that are part of this project, i.e., the Gaol and Castle, there are also other heritage buildings of interest elsewhere in the town - the Franciscan Friary, historic graveyards and churches, and a variety of attractive heritage streetscapes and buildings, some of which are not accessible to visitors

¹⁸ Fáilte Ireland, 2023.

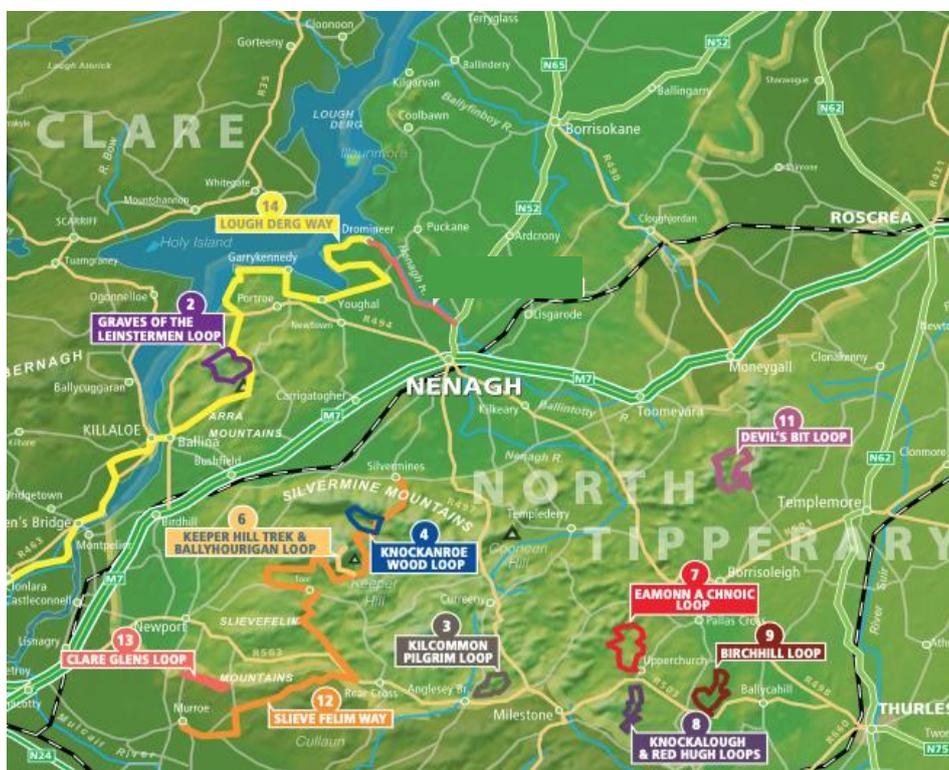
(e.g. the courthouse). There are also a number of heritage sites within easy driving distance of the town. Together, these form a potentially rich heritage experience for which the NHCQ can act as the hub and orientation point. At present, visitor numbers to heritage attractions in the County are generally modest - see Table 4.3 - but it is anticipated that the development of NHCQ will encourage higher levels of visitation to other heritage sites.

- **Arts:** Nenagh Arts Centre (historic building formerly the Town Hall); multi-disciplinary centre that includes theatre and exhibition space, with a focus on community development and a year-round programme of events. With its central location within the Quarter, this provides an opportunity for coordinated animation programmes and other cultural events. The new Tourist Information Office is located in this building and will be in a position to act as a visitor hub for the Historic and Cultural Quarter.
- **Food and drink:** There is a good daytime offer in the town which will support longer dwell time for visitors. The evening offer includes several up-market restaurants and gastro pubs, supplemented by a number of up-market restaurants in the wider area around Lough Derg.
- **Other (in town):** In addition to the park and Castle grounds that are within the Quarter, other recreational assets include a leisure centre, playground, and multiplex cinema. The town is also known for its boutique shopping. In the wider environs of the town, there is golf, riding, water-based activities and adventure activities - see Section 4.2.2.
- **Walking and Cycling:** There is a River Walkway as well as a considerable number of walking routes in the wider area - see Figure 9. Within the town itself, there are also a number of guided walking tours available. The North Tipperary Cycle Route¹⁹ has Nenagh as its hub and offers three looped on-road cycling routes (see

¹⁹ <https://www.nenagh.ie/places-of-interest/details/nenagh-cycle-hub>

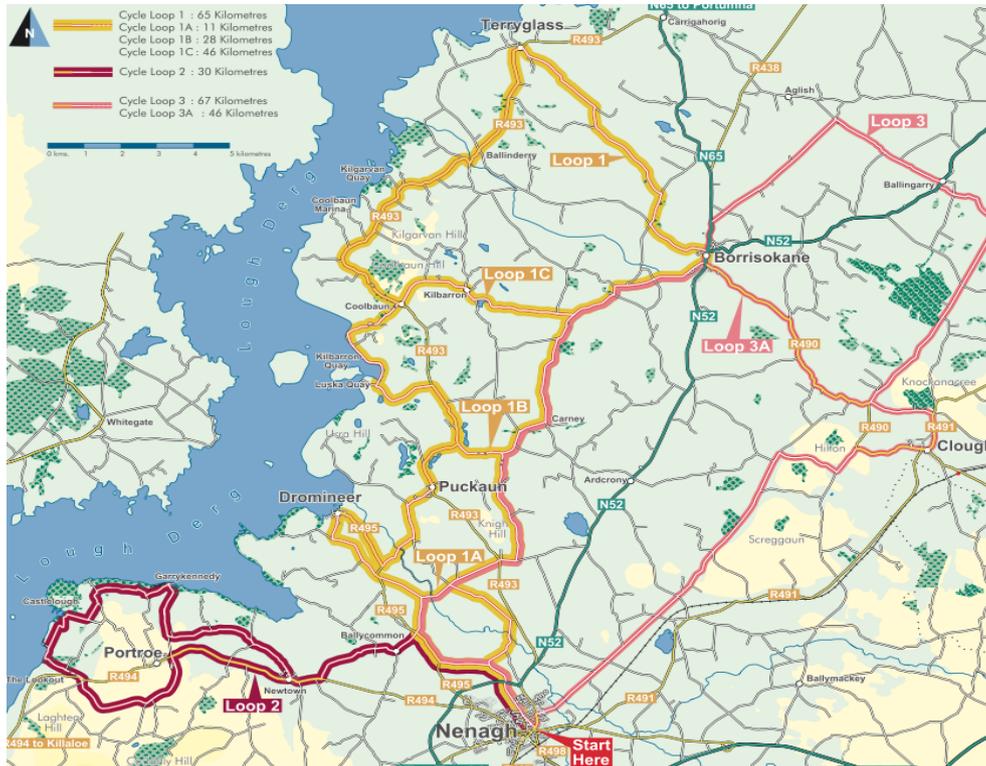
Figure 10), two of which provide connectivity with Lough Derg (through Garrykennedy, Terryglass and Dromineer) and the third of which links to Cloughjordan. In addition, the feasibility of providing ebikes and charging points is being considered, which would enhance the visitor offering in the town and encourage greener travel. Finally, there are proposed Greenway developments²⁰ that would provide attractive walking and cycling routes in the wider area - the Lough Derg Greenway from Ballina to Dromineer is proposed to have a spur to Nenagh and would connect the town with the longer-distance Dublin-Limerick Greenway.

Figure 9: North Tipperary Walking Trails



²⁰ Route options are being considered at the time of reporting.

Figure 10: North Tipperary Cycle Routes



4.2.2 Attractions in the Wider Area

As noted above, Nenagh has a particular strength in the area of heritage and Table 4.3 provides a sample of other heritage sites within easy driving distance that could provide the basis for themed tours or clustering with the Historic and Cultural Quarter. Data for 2019 are used as a better guide to market performance than 2020, 2021 and 2022 when tourism was affected by the COVID-19 pandemic.

Table 4.3: Visitation at Key Heritage Attractions in the Wider Area

Attraction	Visitor Numbers 2019 (*2022)
Bunratty Castle & Folk Park	401,246
Kilkenny Castle	401,028
Rock of Cashel	362,657
Holy Cross Abbey	210,000
Clonmacnoise	141,969
King John’s Castle	110,794
Ross Castle	101,212
Cahir Castle	87,333
Hore Abbey	75,380
Portumna Castle	33,527*
Swiss Cottage	26,447
Roscrea Castle & Damer House	24,038
Nenagh Castle	16,238*
Cashel Heritage Centre	15,000
Farney Castle	10,000
Main Guard	9,468
Ormond Castle	7,364
Tipperary County Museum	6,288
North Tipperary Genealogy & Heritage Centre (Nenagh Gaol)	3,117*
Carrick-on-Suir Heritage Centre	1,600*

Table 4.3 highlights a number of key factors to be considered in developing the Historic and Cultural Quarter. It shows the popularity of larger and established heritage ‘brands’, e.g., Bunratty, Rock of Cashel, Kilkenny Castle. It also illustrates the difficulty in ensuring sufficient demand at smaller heritage sites to support economic viability. A key advantage for Nenagh Castle and the Gaol is that the combining of

experiences along with the upgrade of the public realm will create a larger unified attraction.

Another strength of the wider area, and one that has already been mentioned, is the proximity of Nenagh to Lough Derg. Garrykennedy, Dromineer and Terryglass are all popular destinations for boaters and other watersports enthusiasts, and they provide a variety of experiences and amenities including: Aqua Splash water activity centre, a Dive Centre, the Lough Derg Blueway (which has 21 trails around the lake), harbours, marinas, berths, slipways, supporting service blocks and picnic areas. These will be complemented by the new Centre for Water Sports Activity at Dromineer, which is being funded through Fáilte Ireland's Platforms for Growth programme.

4.3 Demand Side Assessment

Tourism destinations generally draw on a number of markets for their ongoing sustainability. These are:

- the resident catchment²¹ population
- the domestic tourism market
- the overseas tourism market
- niche markets, including educational, tour and special interest groups.

Assessing the scale and key characteristics of each of these is an important factor in establishing sustainability of attractions and tourism businesses.

4.3.1 The Catchment Area Population

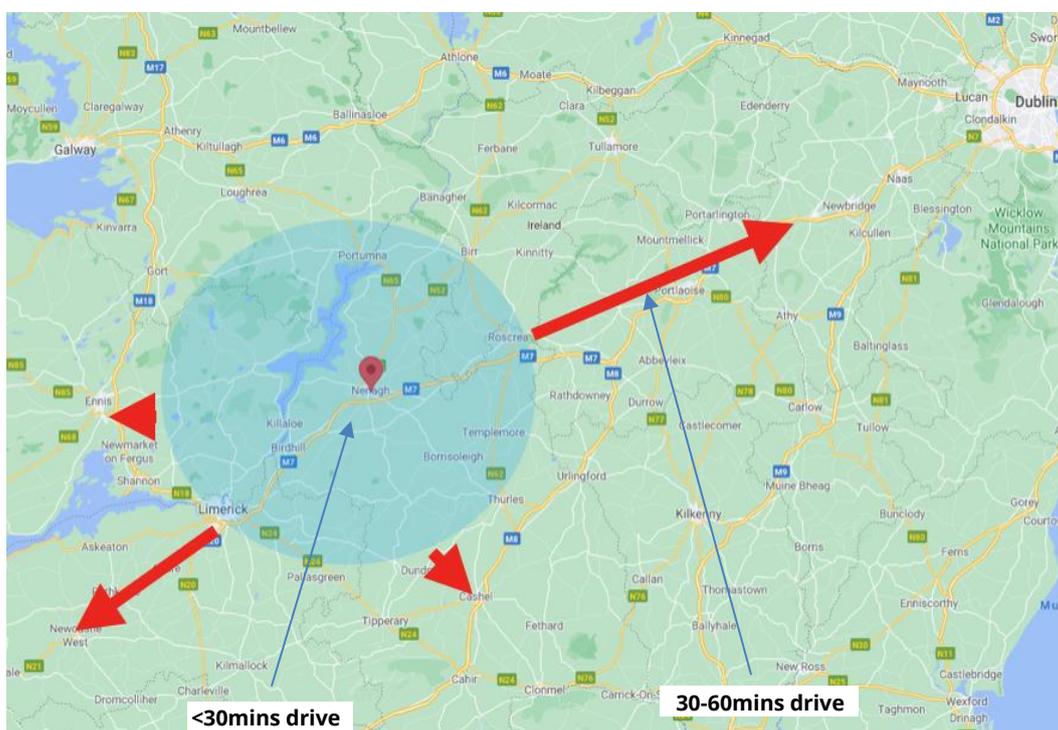
The catchment area is the resident population within easy drive of an attraction or destination that can provide regular and repeat business. Generally speaking, the primary catchment (under 30 minutes' drive) provides the greatest potential for

²¹ The catchment population is the resident population of an area within a given distance of an attraction or other facility.

regular business. For Nenagh, this includes Limerick city and a resident population of almost 200,000.

But if a destination is of sufficient scale to keep visitors occupied for several hours at least, it can consider as its catchment a larger area of between 30 minutes and approximately one hour's drive. For Nenagh, this secondary catchment includes a resident population of about 507,000, and it stretches from south Kildare to south Limerick, and from Cashel across to Ennis - as illustrated in Figure 11.

Figure 11: Illustration of Catchment Areas for Nenagh



This market is mainly interested in social and leisure activities and includes a strong family segment. Developing repeat business from the catchment area will support sustainability, particularly as it provides business during the shoulder and off-peak months when there are few overseas tourists in Ireland.

4.3.2 Mainstream Domestic and Overseas Tourism²²

Tipperary has a domestic tourism market of approximately 248,000 tourists, with a further 192,000 overseas tourists²³. More widely, there is a total tourism market of over 2.6 million in the Mid-West Region²⁴, a proportion of whom may be attracted to NHCQ.

Recent research undertaken on behalf of Fáilte Ireland²⁵ identifies seven motivation-based segments in the domestic market- see Table 4.4. Since Ireland's Hidden Heartlands over-indexes on families with young children and couples younger than 45, as well as on engaging with multiple outdoor activities, Bonding, Social Energy and Adventure are considered to be the most relevant motivators for Nenagh in the domestic market. When children are the dominant travel party, family fun, convenience, ease of access, safety and accessible facilities are always important factors in deciding on a destination. In this context, the entertainment value offered by the new Gaol experience will be relevant for domestic tourists.

²² All tourism data is pre-Covid.

²³ Most recent published county-level tourism data, 2017 Topline Performance by Region, Fáilte Ireland.

²⁴ The Mid-West region comprises counties Clare, Limerick and Tipperary. Its tourism market is comprised of 1.4m overseas, 1.2m domestic and 23,000 Northern Irish tourists; Source: Fáilte Ireland, Tourism Facts 2019

²⁵ Source: Draft Ireland's Hidden Heartlands Regional Tourism Development Strategy 2023-2027

Table 4.4: Motivators for Domestic Tourism

Motivation-Based Segment	% of Domestic Market	Definition
Social Energy	20%	To enjoy the atmosphere, vibrancy and energy of a place
Exploration	17%	To explore the new and unfamiliar in an area, including culture
Adventure	16%	To push myself and do things out of my comfort zone, mainly in the outdoors
Bonding	15%	To nurture the relationships with my family and those closest to me
Time Out	11%	To escape my everyday life and de-stress
Reconnection	11%	To relax and do very little, mainly with the person or friends closest to me
Celebration	10%	To celebrate a special occasion

Unlike the domestic market, the Culturally Curious segment of the overseas market is primarily interested culture and heritage, which represents a strong opportunity for Nenagh’s Historic and Cultural Quarter. Four main overseas markets have been identified as most important for the Hidden Heartlands tourism region: Britain, Germany, France and the USA. These are also the leading overseas markets for the Mid-West region. The importance of two non-English speaking markets as a source of business means that visitor experiences within NHCQ will need to ensure they can cater for a variety of languages.

Table 4.5 summarises some of the pertinent travel characteristics of the domestic and overseas markets.

Table 4.5: Key Characteristics and Segmentation of Relevant Tourism Markets²⁶

Market	Key Travel Characteristics	Segmentation
Domestic Tourists	<ul style="list-style-type: none"> • Almost as many are visiting friends/relatives (40%) as are on holiday (41%) • The third quarter of the year accounts for 39% of travel, with the remainder being fairly evenly split across the other three quarters. 	<ul style="list-style-type: none"> - Bonding - Adventure - Social Energy
Overseas Tourists: Britain, M. Europe & Nth. America	<ul style="list-style-type: none"> • More than half (53%) of overseas tourists to northern Tipperary are from Britain - a market that is less inclined to visit heritage attractions. 29% are from M. Europe and 12% from Nth. America. • South Tipperary is more popular with tourists than the northern part of the county and has a greater proportion of European and North American tourists. • 66% are on holiday, 21% visiting friends/relatives • 49% of holiday trips take place between June-August • 65% of holidaymakers are on a first visit • 69% are travelling as a couple or part of an adult party, with only 17% travelling with family • 74% are travelling independently and 73% use a car. 	<ul style="list-style-type: none"> - Culturally Curious - Great Escapers

4.3.3 Niche Markets

In addition to the mainstream markets above, there are a number of niche markets that can provide smaller but valuable business for experiences within NHCQ. These include the following:

- ***The educational markets:*** Schools are constantly seeking destinations for both primary and secondary students that align with the school curricula. With its focus on history, the new experiences within NHCQ will have the potential to cater for students of all ages. Educational programmes could be coupled with activities in

²⁶ NB: Characteristics relate to wider Shannon area, which also includes Tipperary North, Clare, Limerick and West Offaly. Fáilte Ireland, three-year rolling averages published 2016.

the wider town that are developed to enrich their understanding of various periods of history as well as art and commerce. There are almost 33,000 pupils in County Tipperary and over 94,000 in Laois, Offaly, Limerick, east Clare and southeast Galway²⁷, and these provide a good opportunity for business between September and May when other markets are low.

- ***Coach tours:*** Both overnight and day-trip coach tour operators are continually looking for new destinations and experiences to offer customers. With easy access from the established Dublin/Limerick/Kerry route, Nenagh has potential to develop both as a stop-off for coach tours and as a hub for tours to base themselves for day-trips to Kilkenny, Cashel, Limerick and elsewhere - assuming sufficient accommodation is available. The overseas coach tour in Ireland handled by incoming tour operators is estimated at over 474,000 passengers²⁸, with just over 7% of business accounted for by the Shannon Region²⁹. Half of the passengers are North American with a further 35% coming from Mainland Europe. Taking into account day tours and groups driving from overseas, the total group market extends to about one million passengers. The coach market is highly seasonal, with 47% of travel between June and August, but it has good shoulder seasons: 14% of business in May and 16% in September. The market is almost non-existent between November and February (5%)³⁰.
- ***Special interest groups:*** There are several special interest segments that would be interested in the proposed new experiences in the Historic and Cultural Quarter. These include groups that have a specific interest in history and heritage as well as those that are motivated by a new opportunity for a shared social outing, e.g., retirement groups. The size of these groups is difficult to assess accurately but each county in Ireland has at least a few local history societies³¹ and the Active

²⁷ Department of Education, 2022

²⁸ Business handled by ITOA members excluding FIT, ITOA Survey of Membership Business 2019

²⁹ ITOA Survey of Membership Business 2018, based on regional distribution by value

³⁰ ITOA Survey of Membership Business 2018, based on seasonal distribution by value

³¹ <https://localhistory.ie>; <https://irishprintgallery.wordpress.com/local-history-societies/>

Retirement network has approximately 23,000 members. There is also potential to tap into the special interest market in the UK³².

4.4 Appeal of Historic & Cultural Quarter Visitor Experience

Having considered the scale and key characteristics of the tourism markets, we now turn to look briefly at how the proposed development of the NHCQ might appeal to them. As briefly referenced already, a number of market segments have been identified as offering the best potential for Irish tourism. In Table 4.6 we outline their needs in order to understand how NHCQ might be attractive to them.

³² UK history groups: <https://www.local-history.co.uk/Groups/>

Table 4.6: Main Tourism Segments – Needs and Alignment with NHCQ

Main Target Segments & Key Needs	How the Historic & Cultural Quarter Might Appeal to Them
<p>Domestic</p> <ul style="list-style-type: none"> • Families: Opportunities for bonding through shared experiences that are engaging for a range of ages; ‘edutainment’. • Outdoor active couples: Opportunities for shared nature-based adventure; also, reconnection through shared experiences. • Urban short breakers: Opportunities by opportunities for social energy - action-packed or event-focused weekends shared with friends/partners. 	<p>The opportunity for a few hours of shared fun and discovery, with outdoor spaces to let off steam for younger kids and to relax and unwind for older families, will be attractive. All-weather attractions are an added advantage for the domestic family market in particular. If NHCQ wishes to attract this segment it will need to focus more on bonding opportunities through entertainment rather than education – the planned Gaol experience will be ideal.</p> <p>For the Adventure segment, most likely based outside the town, NHCQ would be considered as part of a visit to Nenagh - an additional component to an otherwise activity-based holiday based around walking, cycling and water-based activities.</p> <p>The Social Energy segment is primarily interested in towns where there is plenty going on but a proportion of them may be interested in Nenagh as it develops as a destination and would be drawn to NHCQ in the context of a more social break. This segment would also be a market for after-hours programming and special events.</p>
<p>Britain, Germany, France and USA</p> <ul style="list-style-type: none"> • Culturally Curious: Opportunities for independent discovery in new landscapes and culture; authentic travel; unusual experiences. • Great Escapers, with/without children: Opportunities for shared nature-based adventures and reconnection through shared experiences; a chance to rebalance themselves. 	<p>The Culturally Curious segment will be attracted to NHCQ as an opportunity to experience Ireland’s heritage firsthand and because of its interpretation of elements of Irish history and society.</p> <p>The Great Escapers, being primarily interested in rural holidays, are likely to be less interested in a town-based experience. However, NHCQ will be attractive as an additional component to an activity holiday, especially if the weather is poor or if there is an evening programme.</p>

4.5 SWOT Analysis

Having reviewed the market in which the new attraction will be operating, Table 4.7 provides a summary SWOT analysis. Please note that this is an analysis of the planned Historic and Cultural Quarter itself and not of Nenagh as a town.

Table 4.7: SWOT Analysis of the New Attraction

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strong interest among target international tourism segments for heritage and culture • Gap in market for a new indoor attraction • Key heritage assets sufficiently preserved to enable visitor experience development • Attractive outdoor spaces can be integrated into the experience and provide for longer dwell-time • Easily walkable distance between the Gaol and Castle contributes to establishment of an integrated experience • Location in the centre of the town allows synergy with the wider town, e.g., tourist information, arts, dining, retail, activities, other attractions • Excellent road access and within easy driving distance of Shannon Airport 	<ul style="list-style-type: none"> • Limitations to redevelopment opportunities of heritage buildings due to historic nature and space constraints • Road traffic is currently prioritised through the centre of the project area • Multiple asset owners involved in project delivery
Opportunities	Threats
<ul style="list-style-type: none"> • Synergy with other initiatives in Nenagh will improve its attractiveness for tourists, and support increased demand • Synergy with development and promotion of wider Shannon River and Hidden Heartlands destinations • Development of trail network • Enhanced road, rail and bike connectivity, including ebike rental at Dromineer. 	<ul style="list-style-type: none"> • Competition from other heritage sites and towns in the wider area – differentiation is an important aspect of the development concept • Impact of global warming on international tourism • Economic weakness in key source markets

5. DEMAND PROJECTIONS

5.1 Factors that Influence Demand

Estimating the level of demand a tourism destination can expect is an inexact science, and there are a number of critical factors to be considered:

- **Scale of the target markets:** There is a substantial tourism and catchment population in the wider area that NHCQ can hope to access.
- **Scale of the attraction:** The size of an attraction influences not only dwell-time but also perception of value for money among prospective visitors. With several components and two landmark attractions, NHCQ has the potential to provide several hours' engagement for visitors.
- **Wide market appeal:** To draw larger numbers, the appeal of NHCQ should extend to less culture-focused tourism markets, including those motivated by opportunities to bond and socialise.
- **Location and access:** NHCQ is ideally located within the centre of the town. More generally, Nenagh as a whole is well-positioned in terms of road access. The planned walking/cycling trail connectivity into the town from Lough Derg will help to attract more activity-based tourists.
- **Uniqueness:** The concept for the new visitor experience at the Governor's House and Gaol sets out an absorbing and compelling visitor experience centred in and around two unique historic buildings. While other heritage destinations represent competition (as well as opportunities for collaboration), the visitor experience at NHCQ will enable it to achieve a distinctive market position in its own right.
- **Quality:** This is critical – redevelopment of NHCQ must be of a very high standard to attract and retain tourists.

- **Pricing and value for money:** Competitive, benchmarked pricing will support tourism growth, and this is factored into the financial projections.
- **Marketing:** Marketing plays a critical role in building awareness and driving demand, and this will be a key task for the operational project management team.
- **Drive and professionalism of the management team:** Considerations with regard to management are discussed later in the report.
- **Ability to attract repeat visits:** This will be important in sustaining the destination year-round, with changes in programming and exhibition a vital component in building repeat business from the local catchment and domestic markets. The public realm upgrading will enhance the connection between NHCQ and the town centre and will make a significant contribution to the destination's accessibility and appeal.
- **Entertainment a stronger draw than education:** This is particularly important in appealing to the domestic and family markets, and the plans for the Gaol deliver strongly on this point.

The factors listed above are those that have a significant influence on demand. A strong competitive position on one or two factors alone will not necessarily bring success - it is the strength of an attraction's position across all of these factors that matters.

5.2 Demand Projections

The method used to project the visitor numbers in Table 5.1 is based on market segmentation analysis and segment penetration rates, drawing on the experience of a range of attractions in Ireland. The projected level of demand also takes into account the experience of visitor attractions elsewhere. A practical approach to estimating demand is to use penetration rates against identified target markets and segments.

In projecting demand estimates for paid experiences in the NHCQ we have taken a cautious approach. The projected demand range extends from almost 35,000 paying visitors to just over 70,000 at the higher end with an average of close to 53,000. This does not include local residents and visitors who visit the outdoor areas of NHCQ that are free to access and/or attend events held there. In the financial projections in Section 7, it is assumed that the number of annual paying visitors rises from 35,000 in the first full year of operations to reach 70,000 by the 7th year, representing an average annual increase of 10.4%. In practice, as has been the experience of many new attractions, the scale of increase will be larger in the early years as the level of visitation will grow more rapidly from a relatively low base and the market responds to the innovative nature of the attraction.

Table 5.1: Estimating Potential Visitor Numbers to Paid Experiences in NHCQ³³

Market	Scale	Low Penetration Rate	High Penetration Rate	Low Potential Demand	High Potential Demand	Average
Primary Catchment	199,000	3%	6%	5,970	11,940	8,955
Secondary Catchment	507,000	2%	3%	10,140	15,210	12,675
Overseas Tourists in Tipperary	192,000	4%	9%	7,680	17,280	12,480
Domestic Tourists in Tipperary	248,000	3%	8%	7,440	19,840	13,640
Schools in Tipperary	32,700	4%	8%	1,308	2,616	1,962
Schools in Laois, Offaly, Limerick, East Clare and South East Galway	94,200	1%	2%	940	1,880	1410
Coach Tours in the Shannon Region	43,000	3%	6%	1,290	2,580	1,935
Total	1,255,000	-	-	34,768	71,346	53,057

³³ Notes: Secondary Catchment excludes Primary Catchment. Source for tourism data: Fáilte Ireland. Source for schools' data: Department of Education. Source for coach tours data: ITOA.

6. GOVERNANCE, ORGANISATION AND MANAGEMENT

6.1 Present Position

Apart from the Castle, the key elements of Nenagh's Historic & Cultural Quarter (NHCQ) – the Gaol, Tourist Information Office and Arts Centre, and Banba Square - are owned and managed by Tipperary County Council (TCC). The genealogy centre is in the Governor's House at the Gaol, and it is managed by North Tipperary Genealogy & Heritage Services CLG. This company was established by North Tipperary County Council in 2004 and is now effectively a subsidiary of Tipperary County Council. The tourist information office shares the former Nenagh Town Hall with Nenagh Arts Centre. The latter is managed by a separate company, Nenagh Arts Centre CLG, which, again, is effectively a subsidiary of TCC.

Nenagh Castle and park come under the guardianship of the Minister for Housing, Local Government and Heritage, and their protection is the responsibility of the National Monuments Service which is a part of that Department. The conservation and management of the site is the responsibility of the Office of Public Works but Tipperary County Council pays the guides who take visitors on tours of the Castle. The Council also maintains the park.

6.2 Approach to Governance & Management of Nenagh NHCQ

The Gaol is the principal fee-charging component of NHCQ and there are several possible options for its governance and operation. In brief, the Gaol could be operated directly by TCC, it could be operated by a company established by TCC specifically for that purpose, or it could be run by a third party. The structure established must also take into account the separate ownership of the two key assets – the Gaol and Castle.

The most efficient approach would be to expand the role of the existing company limited by guarantee established by the Council to run the genealogy centre and Governor's House at the Gaol – North Tipperary Genealogy & Heritage Services CLG (NTGHS).

This model is well established in Ireland, and many local authorities have set up companies limited by guarantee (CLGs) to run facilities in the tourism and cultural heritage sectors. For example, Dublin City Council established the Dublin City Council Culture Company CLG in 2018 to run its cultural initiatives and buildings, including 14 Henrietta Street (Tenement Museum) and Richmond Barracks. Kerry County Council established Blennerville Windmill CLG to operate Blennerville Windmill as a tourist attraction. Some local authorities have established Designated Activity Companies to manage culture and heritage sites. Examples include Spike Island, which is operated by Spike Island Development Company DAC on behalf of Cork County Council, and Waterford Treasures DAC which operates the Waterford Treasures Museums for Waterford City and County Council. DACs are formed with specifically defined objects and are limited by shares or by guarantee and having a share capital. (CLGs do not have a share capital.)

The separation of ownership and management protects the primary assets in the event of adverse financial or litigious circumstances affecting the management company. Additional benefits include:

- independent operation with regard to staff employment
- the ability to operate commercial activities
- the possibility of involving people with relevant skills and experience on the board of the company.

With the expansion of its role, the board of NTGHS could be enlarged to include people with relevant experience and knowledge. It would be a not-for-profit company with directors appointed on a voluntary basis. The company would assume full

responsibility for the management of the Gaol and Tourist Information Office, including:

- the operation and maintenance of the Gaol, its infrastructure, environment and collections
- The operation of the Tourist Information Office
- in conjunction with Tipperary County Council and the Office of Public Works, the maintenance of the park surrounding the Castle and the organisation of tours of the Castle.
- the development, organisation, management and marketing of education, cultural and commercial activities, including the organisation of events
- recruitment, training and management of necessary staff
- in conjunction with TCC, the security of the Gaol and Tourist Information Office and the safety of employees and visitors.

6.3 Management and Staff

The management and staff team required to operate the Gaol, Tourist Information Office and Castle tours will be responsible for managing the operation of facilities, services and activities as they are developed. To provide for a year-round operation, a minimum complement of 7 full-time and 8 part-time/seasonal staff is envisaged. The opening schedule underlying the projected staff complement is detailed in Table 6.1.

Table 6.1: Proposed Schedule of Opening Hours

Season	Months	Weeks	Days pw	Days	Opening
Low Season	N,D, J,F,M2w	11	4	44	10 to 4
Shoulder	M2w,A,S	21	5	105	10 to 5
High Season	M,J,J,A	20	7	140	9 to 6
		52		289	

Table 6.2 sets out the configuration of the proposed management and staff team. The figures are in full-time equivalents - the actual number of staff may be larger than that shown to allow for flexibility in rostering. Volunteers are not included.

Table 6.2: Management and Staff Team Configuration

Category	Full Time	Seasonal/ Part-time	Total
NHCQ Manager	1	-	1
Genealogist	-	1	1
Assistant genealogist	-	1	1
Marketing executive	1	-	1
Administrator	1	-	1
Front of House Supervisor	1	-	1
FoH/Guides *	3	5	8
Maintenance	-	1	1
Total	7	8	15

* The actual numbers employed may be greater to allow for flexibility in rostering.

- The post of **NHCQ Manager** is critical, as this person will set up and run the operation. Experience of operations and staff management, ideally in the museum/visitor attraction sector, would be beneficial. The manager will take primary responsibility for operations and for programming events.
- The **Genealogist** and **Assistant Genealogist** will be very important in designing and delivering the NHCQ’s genealogy services. These are part-time positions and effectively represent a continuation of their existing role at the Governor’s House.
- **Marketing & Sales Executive** will be responsible for promoting and selling the NHCQ to its target markets. This will include digital marketing across social media platforms. The Marketing Executive will also manage tour group bookings in conjunction with the Manager
- **Administrator:** an administrator is included. This person will be responsible for cash management, bookkeeping, payroll and related functions. They will also look after procurement of retail merchandise. This person may be supplied by the Council, but the position is costed into the financial projections.

- **Reception:** The primary reception and ticketing point for visitors will be the Tourist Information Office. The TIO will be staffed at all times when the Gaol and/or Castle are open to the public. The reception team will manage ticketing and retail sales, and will also provide essential visitor information.
- **Guides:** the panel of guides will give guided tours of the Gaol and Castle as well as introductory talks and workshops in the Governor's House to school groups and other parties. Their role will be an essential part of delivering on the NCHQ education remit, and tourists also respond very positively to guided tours at attractions.
- **Volunteer Guides:** the paid staff complement in Table 6.1 may be supplemented by volunteers, especially in peak season.

The team at the NHCQ will be supported by Tipperary County Council in a number of areas including human resources, administration and maintenance.

7. FINANCIAL APPRAISAL

Detailed projections are provided in Tables A1.1 - A1.8 in Appendix 1. The underlying assumptions and a summary of the main points are presented in this section. It should be noted that, as is the case with any projections, achievement of the results indicated is entirely dependent on the various explicit assumptions being fulfilled. While these have been calculated carefully and conscientiously, and with reference to extensive research and experience, there can be no guarantee that they will be fulfilled. Reference should also be made to the disclaimer at the beginning of Appendix 1.

The Financial Analysis Template for Projects Costing More Than €1m recommended by the Public Spending Code has been completed and is supplied in a separate file. A summary of the results of this analysis is provided in Section 7.3.2 below.

7.1 Capital Costs

The proposed development of the Nenagh Historic & Cultural Quarter is described in Section 3. It includes conservation and visitor experience works in the Castle and Gaol (including the Gatehouse, Governor's House, and Cell Block), and extensive public realm enhancements to the Quarter, and improvements to the Castle Park and Castle Forecourt. The total development cost has been estimated on an order of magnitude basis as follows:³⁴

- Building works: €7,766,089
 - Visitor experience: €4,343,035
 - Public realm: €14,220,783
- Total (incl. VAT): €26,329,907**

³⁴ Order of magnitude costings prepared by O'Reilly Hyland Tierney & Associates Quantity Surveyors, December 2022

These figures include professional fees, VAT and inflation to January 2024. 80% of the capital budget will be sought from the Rural Regeneration and Development Fund. The balance will be funded directly by Tipperary County Council.

These figures exclude any pre-opening operating costs such as staff recruitment ahead of opening, advance marketing and website development etc.

7.2 Operating Revenue and Cost Assumptions

The main assumptions underlying the projections are detailed in the tables in Appendix 1. Key points to note are as follows:

- **Visitor Numbers:** the projected number of paying visitors is taken from the analysis in Chapter 4. The paid admissions total is projected at 35,000 visitors in the first full year of operation rising to 70,000 per annum over 7 years. The total number of people who visit the NHCQ to stroll around the area, attend events or to make a purchase will be much larger.
- **Pricing:** admission ticket prices are based on the pricing structure in Table 7.1 which is consistent with prices charged by many heritage attractions, other than OPW sites. The key issue is the overall yield achieved, as this takes into account discounts and the visitor mix. Allowance for discounts is included in the substantial provision for concessions. A particularly low rate is charged to children and school groups to encourage high visitation levels.

**Table 7.1: Proposed General Admission Prices
(incl. VAT)**

	€
Adult entrance fees	12.00
Concessions (OAP/student)	10.50
Child entrance fees	6.00
School/group entrance fees (per person)	5.00
Family entrance fees (2+2)	30.00
Adult group entrance fees (per person)	10.00

- Events:** the number of events held at the NHCQ is assumed to rise from 5 in the first year of operation to 20 in year 5. Attendance is assumed at 50 people per event, with an average charge of €20 per person. The operating cost includes a provision for event production and management amounting to 90% of costs. Note that these events are new, and include lectures, workshops and seasonal entertainments and do not include existing festivals and events held in Nenagh.
- Retail sales:** the Gaol will have a retail area but not a café. Retail sales projections are based on an average retail spend of €4.00 per visitor, including VAT. This is a little below the average for leading visitor attractions, as reported by the Association of Visitor Experiences & Attractions, but is appropriate to the content of the NHCQ experience and the range of stock that might be offered. As around 25% of visitors may make a purchase, this equates to an average transaction value of €16.
- Genealogy services:** revenue is based on 1.5% of visitors seeking genealogy services, at an average cost of €50 including VAT, plus continuation of online sales which amounted to €37,335 in 2022.
- VAT:** it is assumed that the operating entity will be registered for VAT, which is charged at 13.5% on admissions and 23% on retail sales.
- Inflation:** the projections are in constant 2023 prices.

- **Gross margins:** assumed to be 50% on retail sales and 98% on admissions. The 2% direct cost of admissions covers ticket printing, credit and debit card merchant charges, etc.
- **Payroll:** staffing is in accordance with the staff schedule in Table 6.2. Wages and salaries are set at prevailing rates for museums and visitor attractions. Volunteers may be required in addition to paid staff.
- **Repairs and maintenance:** it is assumed that Gaol and public realm maintenance will be managed by Tipperary City Council, but provision is included for a maintenance person on the payroll as there is already such a person on the payroll of North Tipperary Genealogy & Heritage Services CLG. Maintenance costs are budgeted at 5% of revenue. A separate provision has been made for exhibition maintenance and renewal.
- **Marketing:** the modest budget provides for a limited range of marketing and sales activities, with digital marketing being the primary activity.
- **Other operating costs:** energy, communications and other overheads are estimates based on the scale and type of activity. A budget is provided for bought-in cleaning services; routine daily cleaning will be undertaken by staff.
- **Depreciation and Amortization:** these are not included in the Profit & Loss tables which only go as far as Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA). the annual depreciation charge is estimated at €984,000, which will be largely or fully offset by amortization of any capital grants received – see Table A1.7.

7.3 Results

7.3.1 Projected Operating Performance

A summary of projected operating performance over the first five years of operation is provided in Table 7.2. The results have been calculated in accordance with the assumptions listed above together with those detailed in the Tables in Appendix 1.

**Table 7.2: Nenagh Historic & Cultural Quarter
Summary of Projected Operating Performance**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Admissions*	35,000	42,000	50,000	55,000	60,000	65,000	70,000
Revenue	480,011	571,255	676,038	742,849	809,659	873,806	938,085
Cost of sales	63,164	75,850	90,362	99,473	108,583	117,588	126,592
Gross profit	416,847	495,405	585,675	643,376	701,076	756,218	811,493
Total expenditure	581,994	633,833	646,960	667,228	676,747	682,520	688,305
Balance	-165,147	-138,428	-61,284	-23,852	24,329	73,698	123,187

The results show an operating deficit (EBITDA) of just over €165,000 in Year 1 of operations (2026), improving to close to breakeven by year 4 and moving into a modest surplus from year 5 on. The cashflow projection in Table A1.6 indicates that the facility will require support funding from the Council for the first four years of operation. The cost to the Council will be mitigated if employment supports, such as the Community Employment Scheme, are available.

The project would be unlikely to generate a sufficient surplus to provide for necessary periodic renewal of the exhibition and other features, and external funding would have to be provided for this. The projections for DBDC show that it will not sustain a depreciation charge (Table A1.7), and therefore will not be able to return the capital cost of investment to Tipperary County Council or to fund its own renewal. On this basis, the project will have to be funded on a capital grant basis and amortization of the grant will offset the depreciation charge.

Sensitivity: Table A1.8 in Appendix 1 illustrates the sensitivity of operating results to paying visitor numbers. This preliminary financial analysis indicates that, at the projected levels and composition of demand, pricing and operating costs, the project should achieve break-even on operations at around 58,500 visitors per annum. A drop in demand to 40,000 visitors would see the operating deficit increase to €180,000. On the other hand, an increase to 70,000, the projected 7-year target, would result in an operating surplus of €113,000.

7.3.2 Public Spending Code Financial Analysis

The detailed Public Spending Code (PSC) spreadsheets are provided under separate cover. While the template is based on an annual cash flow analysis, there are some minor differences between the cash flow figures it calculates and those in the table in Appendix 1 due to differences in assumptions – essentially, the PSC template treats all income and outgoings as occurring in the year they arise as opposed to when they are incurred. Thus, the cash flow in Table A1.6 provides for credit on purchases and VAT payments on a bimonthly basis, while such accruals are not allowed in the PSC template.

The PSC financial analysis over a 17-year time period (2 years' construction and 15 years' operation) shows a base case Net Present Value (NPV) of -€15.9m, and an incremental case NPV of -€14.5m. The latter takes into account the outcome of the counterfactual "Do Nothing" scenario.

The negative NPV arises largely from the extensive public realm works which do not have an income-generating capacity. It may be noted that the economic cost-benefit analysis produces a positive NPV (+€17.397m) as the gains from overall visitor expenditure in the town are much larger than the direct expenditure by visitors at the Gaol. Moreover, the economic benefits include incremental retail and hospitality spend, incremental events spend and the benefit for the local population of an improved public realm.

8. ECONOMIC IMPACT AND COST-BENEFIT ANALYSIS

8.1 Economic Impact

The facility will deliver significant socio- economic benefits in both the development and operational phases. These are detailed in Sections 8.1.1 and 8.1.2. The results of the economic Cost-Benefit Analysis are summarised in Section 8.2.

8.1.1 Development Phase

The overall project cost is estimated at €26.3 million, including VAT – see Section 7.1. These costs include construction works, visitor experience fit-out, professional fees and inflation up to the end of 2024. Such levels of expenditure could generate the following impacts:

- **Investment Multiplier:** the economic impact of investment in construction is magnified by the increases in incomes and expenditure stimulated in other sectors of the economy. Based on Input-Output tables published by the CSO³⁵ it is estimated that every €1 invested in construction in Ireland generates, directly and indirectly, €1.582 in the broader economy. According to a report by EY on the economic impact of the construction industry, the induced effect adds a further €0.26 bringing the total impact to €1.85 per €1 invested. While such multipliers are estimated at overall sectoral level, and are properly applied to increases in sectoral activity, they nevertheless provide an indicator of the potential economic gain generated by an individual project. These multipliers are also national rather than regional. However, given that a significant share of expenditure and employment generated by the development of a construction project would be local and regional – as is typical of construction projects – it is reasonable to assume that a significant share of the overall economic impact would also accrue to Nenagh and

³⁵ Central Statistics Office: 'Supply and Use and Input-Output Tables for Ireland 2015' CSO 2018

the surrounding region. The overall gross economic impact of the investment would therefore range up to €48.655 million³⁶.

- **Employment:** the construction industry has a much higher intensity of labour per unit of output than most other sectors of the economy. According to a paper prepared by the Irish Government Economic and Evaluation Service, each €1 million invested in construction generates, directly, indirectly and induced, 12 work-years of employment (full-time job equivalents or FTEs).³⁷ This indicates that the construction phase of the facility would generate 315.6 work-years of FTE.
- **Taxation:** some years ago, a report by the Nevin Economic Research Institute (NERI) calculated that 42.5% of the cost of the cost of investment in construction was returned to the State in the form of tax revenues.³⁸ A large share of this is generated by payroll, income and corporation taxes arising from increased employment and economic activity. If this proportion is applied to the capital investment cost of the facility, it will generate up to €11.2 million in tax revenues for the Exchequer during its development phase.

8.1.2 Operations Phase

The socio-economic contribution of the facility, once it has commenced operations, would arise from the employment generated, the procurement of goods and services, and from the expenditure of visitors drawn to Nenagh by the NHCQ.

- **Visitor Expenditure:** To the extent that the venue attracts visitors to Nenagh, their expenditure will contribute to incomes and employment in the town. Using Fáilte Ireland visitor spend profiles³⁹ and making an allowance for daytrip expenditure

³⁶ €26.3 million development costs x €1.85 multiplier effect

³⁷ Laura Watts, Irish Government Economic & Evaluation Service, Dept. Public Expenditure & Reform, 'How Many Jobs will this Create', Dublin Economic Workshop, 2016: This paper estimated the employment impact of different types of construction; there is no reference to tourism and leisure related projects, and the figure used here is an average for different types of construction project specified in the study.

³⁸ R O'Farrell: 'An Examination of the Effects of an Investment Stimulus', NERI Working Paper No. 4, 2012

³⁹ Fáilte Ireland estimate that overseas tourists spend €96 per day, on average, with domestic tourists spending €74 per day. (Tourism Facts 2019)

(drawing on large scale surveys in Britain as a proxy⁴⁰) it is estimated that, by year 7 of operations, the development of NHCQ will generate some €2.6 million additional spend in the Nenagh and regional economy each year. This includes expenditure at the NHCQ.

- **Employment:** the facility will employ at least 15 staff directly, seven full-time and eight part-time and seasonal with additional casual staff in place for events/shows. The expenditure of visitors to the Quarter will also support employment in Nenagh. Fáilte Ireland estimate that every €1 million of tourist expenditure helps to support 27 jobs in tourism. On this basis, the project would support 103 jobs in Nenagh and the surrounding area.
- **Direct expenditure:** the annual operating expenditure of the facility, excluding payroll costs, is projected to average about €245,000 over the first 7 years of operation. It is estimated that over €150,000 of this will accrue to suppliers in the surrounding region.
- **Taxation:** Fáilte Ireland estimates that for every euro spent on tourism (domestic and overseas), 23 cents are generated in tax – this would represent a net Exchequer gain of €874,000 per annum arising from the development of the NHCQ project.

8.2 Economic Cost-Benefit Analysis

8.2.1 Cost Benefit Analysis

In preparing the Cost Benefit Analysis, and in addition to the four central technical parameters referenced in Appendix 4, a number of further issues have been considered and a number of assumptions have been made. These are listed below:

⁴⁰ <https://www.statista.com/statistics/629041/average-spend-day-trips-by-activity-great-britain-uk/>; we have applied an average spend of €30.

- a) The capital cost of the proposed development is €22.971 million, excluding VAT⁴¹. This will be increased in the Tables presented below in line with the Shadow Price of Public Funds set out in the PSC and detailed in Appendix 4.
- b) Life cycle costs have been introduced on the basis of four separate time intervals - three at eight years intervals and one in the final year, each involving a further capital investment of €3 million. These life cycle costs are introduced in anticipation of a requirement to maintain the functionality of the public realm investment at its original level.
- c) On the benefits side of the CBA, four benefit streams have been identified. These are:
- Tourism revenues generated by visitors to the upgraded Gaol experience as a significant visitor attraction. This is a direct monetised economic gain.
 - Domestic consumers/visitors visiting Nenagh as a direct consequence of the public realm improvements and generating an uplift in the retail/hospitality sectors in the town. This is a direct monetised economic gain.
 - Domestic consumers/visitors in Nenagh attending a series of events in the Banba Square and Castle Field areas, made possible by the public realm improvements. This is a direct monetised economic gain.
 - An enhanced sense of well-being, civic pride and community cohesiveness arising from the investment in public realm. This is a shadow benefit which cannot be readily monetised. Nevertheless, considerable research work is currently underway to calculate and attribute monetary values to these types of shadow benefits.⁴²
- d) Capital cost expenditure is expected to take up the first 24 months of project activation. It is assumed that the capital development costs arise in Year 0 (i.e., the starting date) and continue for twelve months up to the end of Year 1. It is

⁴¹ As estimated by O'Reilly Hyland Tierney and Associates, Quantity Surveyors

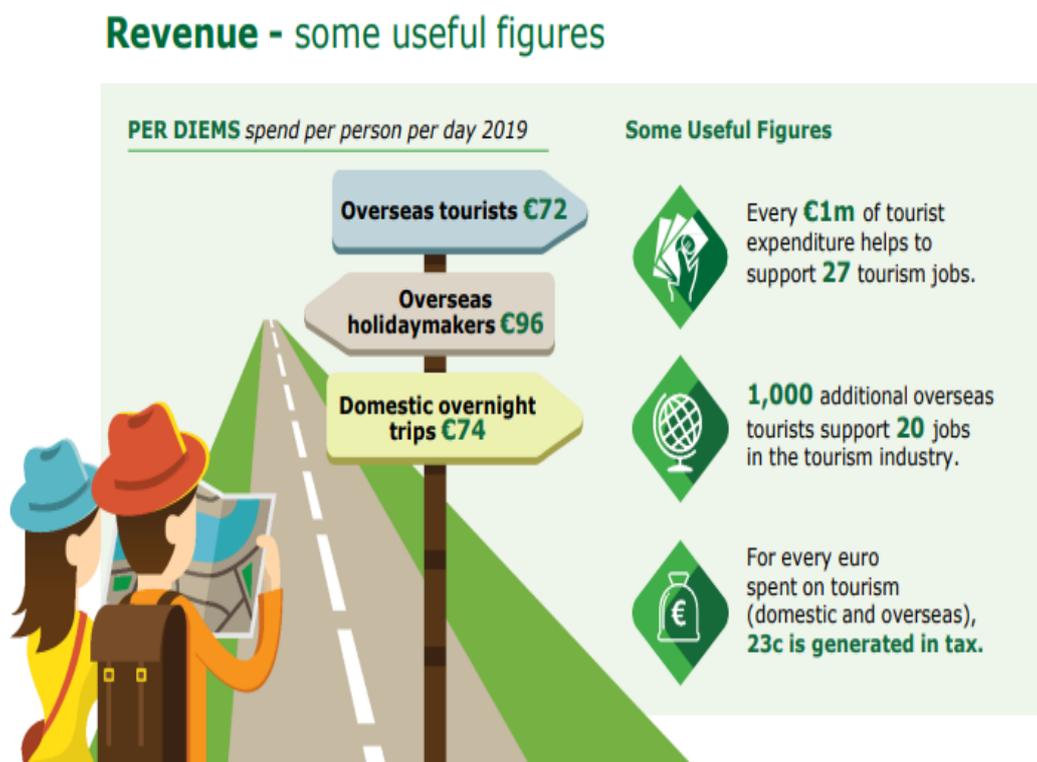
⁴² Valuing Culture and Heritage Capital: A framework towards informing decision-making, Department for Digital, Culture, Media & Sport, UK.(January 2021)

expected that the operational phase, with associated operational costs and benefits, will commence in Year 2.

- e) Operational cashflows have been factored into the analysis based on the data presented for the Nenagh Gaol Visitor Experience presented in Section 7 above. All cash flows are presented in real terms over a 30-year time horizon. Inflation is not factored into the analysis – it could be factored into the cash flows but, if so, the 4% Discount Rate would have to be similarly inflated thereby nullifying the introduction of inflation in the first place. Conventional practice therefore is to present cash flows in real terms.
- f) As noted, the analysis is presented over a 30-year time horizon, but the physical assets developed are considered to have a useful life of 40 years, thereby giving rise to a “residual value”. This is factored into the analysis.
- g) Most economic gain generated by the tourism industry is captured in the “evening economy”. Most of this spend in turn is generated by “Overseas Overnight Tourists” and “Domestic Overnight Tourists”. In the case of the former they tend to stay longer and spend more, and in tourism terms this spend is considered to be “export expenditure” - i.e. new money coming into Ireland. The spend attributed to these visitors is based on published Fáilte Ireland visitor research⁴³ as shown in Figure 12 below.

⁴³ Tourism Facts – Fáilte Ireland 2019

Figure 12: Visitor Expenditures



Source: Failte Ireland.

- h) The assumption made in this analysis is that there are no overnight stays in the first year of operation, and that overnight visitors are then introduced from the second year. This is presented in the second operational year as 5% overnight stays for overseas visitors, and 10% overnight stays for domestic visitors. By the sixth operational year, this increases to 20% overnight stays for overseas visitors, and 40% overnight stays for domestic visitors, and remains at that level thereafter. Tourist accommodation is a “lag variable” not a “lead variable”. Accommodation is built and developed once a period of stable demand has been identified. Discussion as to whether Nenagh has the requisite accommodation base to serve the needs of these overnight visitors is not therefore immediately relevant.
- i) Accommodation developers will not build a hotel in Nenagh in Year 0. They may, however, do so as the positive economic opportunities associated with the new

Historic and Cultural Quarter begin to emerge. This will become evident over time as more people visit the town to enjoy the new NHCQ Experience, to shop and eat in the town, and to attend events in upgraded civic spaces. It is for this reason that no overnight stays are factored into the first year of the CBA analysis, and that they are introduced and grow in the later years of the analysis. This is consistent with the concept of tourism overnight accommodation being a lag variable.

- j) The previous assumption is also quite a restrictive one and illustrates the cautious and conservative approach taken in this analysis. The slow build up of these more lucrative overnight visitors over the first five years of operation caps the volume of revenue they would typically generate and moreover it does so in a time period where the reductive impact of revenue discounting is less severe.
- k) The key variable arising in the following tables is the economic Net Present Value (NPV) which is the product of subtracting all project costs from the monetised value of all project benefits – all expressed in Present Value (PV) terms. A positive NPV generally means that a project merits consideration for selection and implementation. Where a number of scenarios are analysed, the project with the highest NPV would typically be considered the candidate for selection and implementation.

8.2.2 Conclusions Arising from Cost Benefit Analysis

Some summary conclusions can be drawn from the data presented in Tables 8.1 and 8.2.

Table 8.1: Projected Tourism Revenues

Years 0 & 1: construction period		Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Spend €
Gaol Experience									
Day trippers		16,400	18,480	20,500	21,800	23,100	24,300	25,800	30
Schools		2,100	2,520	3,000	3,300	3,600	3,900	4,200	10
Overseas Tourists		9,000	11,000	13,800	15,000	16,700	18,400	20,000	96
Domestic Tourists		7,500	10,000	12,700	14,900	16,600	18,400	20,000	74
Total		35,000	42,000	50,000	55,000	60,000	65,000	70,000	
Test discount rate:		0.04		Revenue Year 2				Year 2	
Year	PV Factor	Rev	PV	Day trippers				No Overnight Stays	
0	1	0	0	Schools				All Day Trips	
1	0.962	0	0	Overseas Tourists					
2	0.925	1,008,000	931,953	Domestic Tourists				Year 3	
3	0.889	1,203,900	1,070,263	Total				5% overseas stay overnight	
4	0.855	1,642,840	1,404,307					10% domestic stay overnight	
5	0.822	1,834,140	1,507,529	Revenue Year 3					
6	0.790	2,240,600	1,770,779	Day trippers				Year 4	
7	0.760	2,438,720	1,853,227	Schools				10% overseas stay overnight	
8	0.731	2,632,000	1,923,177	Overseas Tourists				20% domestic stay overnight	
9	0.703	2,632,000	1,849,208	Domestic Tourists					
10	0.676	2,632,000	1,778,085	Total				Year 5	
11	0.650	2,632,000	1,709,697					15% overseas stay overnight	
12	0.625	2,632,000	1,643,939	Revenue Year 4				30% domestic stay overnight	
13	0.601	2,632,000	1,580,711	Day trippers					
14	0.577	2,632,000	1,519,914	Schools				Years 6+	
15	0.555	2,632,000	1,461,456	Overseas Tourists				20% overseas stay overnight	
16	0.534	2,632,000	1,405,246	Domestic Tourists				40% domestic stay overnight	
17	0.513	2,632,000	1,351,198	Total					
18	0.494	2,632,000	1,299,229						
19	0.475	2,632,000	1,249,259					Revenue Year 7	
20	0.456	2,632,000	1,201,210	Revenue Year 5				Day Trippers	
21	0.439	2,632,000	1,155,010	Day trippers				729,000	
22	0.422	2,632,000	1,110,587	Schools				39,000	
23	0.406	2,632,000	1,067,872	Overseas Tourists				794,880	
24	0.390	2,632,000	1,026,800	Domestic Tourists				875,840	
25	0.375	2,632,000	987,307	Total				2,438,720	
26	0.361	2,632,000	949,334						
27	0.347	2,632,000	912,821	Revenue Year 6				Revenue Year 8	
28	0.333	2,632,000	877,713	Day Trippers				Day Trippers	
29	0.321	2,632,000	843,955	Schools				42,000	
30	0.308	2,632,000	811,495	Overseas Tourists				864,000	
31	0.296	2,632,000	780,283	Domestic Tourists				952,000	
32	0.285	2,632,000	750,272	Total				2,632,000	
Total Discounted PV		76,168,200	39,783,836						

Table 8.2: Cost Benefit Analysis

Capital Construction Cost (€m, excl. VAT)							-22.971	Asset Life Span			40	Years	
Shadow Price of Public Funds							30%	1.3	Depreciation			2.5	0.025
Discount Rate - Present Value Factor							4%	0.04	(Based on 40 Year Life Span)				
Time Horizon							30 Yrs						
Operations - Annual Cash Flows							OACF						
Tourism Cash Flows - Gaol Experience							TCGE						
Incremental Retail/Hospitality Spend							IRHS						
Incremental Events Spend							IES						
Shadow Benefit - Sense of Place							SBSP						
Residual Value							RV						
Year	Cap Cost	OACF	TCGE	IRHS	IES	SBSP	RV	Total	Disc Rate	PV	Asset Depreciation		
											Year		
0	-14.931							-14.931	1	-14.931	0	14.931	
1	-14.931							-14.931	0.962	-14.357	1	29.862	
2		-0.165	1.008	0.000	0.000	0.000		0.843	0.925	0.779	2	29.116 0.747	
3		-0.138	1.204	0.000	0.000	0.000		1.066	0.889	0.948	3	28.369 0.747	
4		-0.061	1.643	0.000	0.000	0.050		1.632	0.855	1.395	4	27.623 0.747	
5		-0.024	1.834	0.000	0.050	0.050		1.910	0.822	1.570	5	26.876 0.747	
6		0.024	2.241	0.300	0.050	0.050		2.665	0.790	2.106	6	26.130 0.747	
7		0.074	2.438	0.300	0.100	0.050		2.962	0.760	2.251	7	25.383 0.747	
8		0.123	2.632	0.300	0.100	0.050		3.205	0.731	2.342	8	24.636 0.747	
9		0.112	2.632	0.300	0.100	0.050		3.194	0.703	2.244	9	23.890 0.747	
10	-3.0	0.112	2.632	0.300	0.100	0.100		0.244	0.676	0.165	10	23.143 0.747	
11		-0.973	2.632	0.400	0.100	0.100		2.259	0.650	1.467	11	22.397 0.747	
12		0.112	2.632	0.400	0.200	0.100		3.444	0.625	2.151	12	21.650 0.747	
13		0.112	2.632	0.400	0.200	0.100		3.444	0.601	2.068	13	20.904 0.747	
14		0.112	2.632	0.400	0.200	0.100		3.444	0.577	1.989	14	20.157 0.747	
15		0.112	2.632	0.400	0.200	0.100		3.444	0.555	1.912	15	19.410 0.747	
16		0.112	2.632	0.400	0.200	0.100		3.444	0.534	1.839	16	18.664 0.747	
17		0.112	2.632	0.400	0.300	0.100		3.544	0.513	1.819	17	17.917 0.747	
18	-3.0	0.112	2.632	0.400	0.300	0.100		0.544	0.494	0.269	18	17.171 0.747	
19		0.112	2.632	0.400	0.300	0.100		3.544	0.475	1.682	19	16.424 0.747	
20		0.112	2.632	0.400	0.300	0.200		3.644	0.456	1.663	20	15.678 0.747	
21		0.112	2.632	0.450	0.300	0.200		3.694	0.439	1.621	21	14.931 0.747	
22		0.112	2.632	0.450	0.300	0.200		3.694	0.422	1.559	22	14.185 0.747	
23		0.112	2.632	0.450	0.300	0.200		3.694	0.406	1.499	23	13.438 0.747	
24		0.112	2.632	0.450	0.300	0.200		3.694	0.390	1.441	24	12.691 0.747	
25		0.112	2.632	0.450	0.300	0.200		3.694	0.375	1.386	25	11.945 0.747	
26	-3.0	0.112	2.632	0.450	0.400	0.200		0.794	0.361	0.286	26	11.198 0.747	
27		0.112	2.632	0.450	0.400	0.200		3.794	0.347	1.316	27	10.452 0.747	
28		0.112	2.632	0.450	0.400	0.200		3.794	0.333	1.265	28	9.705 0.747	
29		0.112	2.632	0.450	0.400	0.200		3.794	0.321	1.217	29	8.959 0.747	
30		0.112	2.632	0.450	0.400	0.200		3.794	0.308	1.170	30	8.212 0.747	
31		0.112	2.632	0.450	0.400	0.200		3.794	0.296	1.125	31	7.466 0.747	
32	-3.0	0.112	2.632	0.450	0.400	0.200	6.719	7.513	0.285	2.142	32	6.719 0.747	
Total	-41.86	1.436	76.168	10.900	7.100	3.900	6.719	64.361		17.397			

This is the Net Present Value or NPV. The positive NPV indicates that the project would, over a 30 year operating period, and based on a total investment of €41.86 million, generate a positive gain of €17.397 million in the Nenagh and local area economy.

- a) Overall, the positive NPV result (+€17.397m) suggests that the NHCQ project is an economically viable one. The benefit cost ratio is 1.54.
- b) However, there are quite a number of interacting variables in the analysis and some readers might wish to explore the data and impute different values to the variables than the ones presented here. This of course will alter the NPV outcomes shown here. The model is flexible however and can accommodate such changes.
- c) Given the cautious assumptions on which the analysis is based (low market penetration rates, no overnight visitors in the first year, low overnights thereafter), some rather extreme changes in the variables presented would be required to turn the project into a negative NPV. Therefore, there can be some confidence that the project should perform close to the NPV shown in Table 8.2.
- d) The project is significantly dependent on the performance of revenues generated from the new Nenagh Gaol experience – this dependence is particularly acute in the first ten years of the project, suggesting that if the Gaol Experience failed to perform in this first ten-year period, the project as a whole could struggle to recover financial viability – particularly in a low demand scenario. Indeed, this revenue performance from the new Gaol Experience is the “stand-out” feature of the analysis. While Table 8.2 presents an NPV of €17.397 million, it can also be interpreted to say that, if all other revenue streams completely failed to perform leaving the Gaol Experience revenues as the only revenue stream, the project would still generate a positive NPV of €7.5 million. However, CHL are of the view that reliance should not be placed on this observation. The tourism, retail/hospitality and events sectors should be expected to perform as strong contributors to project success.
- e) Finally, cost benefit analyses were also conducted with regard to reduced scale development options. These are assumed to be based upon a much-reduced development cost of 50% of the budget for the preferred project. Two scenarios

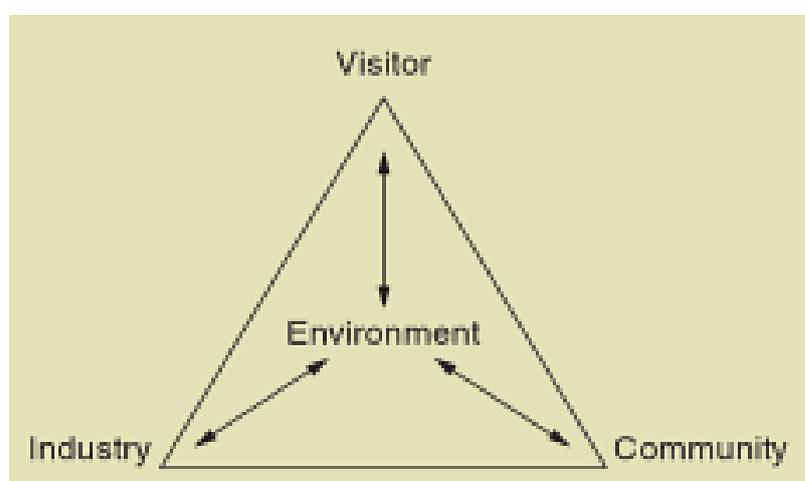
were considered: low investment/low demand, with little spend on developing the visitor experience and a 50% cut in public realm spend (total budget of €12.5m), and visitor numbers to the Gaol rise to around 20,000 a year; and low investment/medium with more of the reduced capital budget being allocated to the visitor experience, generating up to 367,000 visitors a year. The results were as follows:

- Preferred project: NPV €17.397m; benefit-cost ratio: 1.54:1
- Medium demand: NPV €10.171m; benefit-cost ratio 1.39:1
- Low demand: NPV €1.283m; benefit-cost ratio 1.283:1

8.3 The VICE Model as a Framework for Assessment

The VICE model is a framework which can be used for measuring success in the implementation of a new and significant capital investment such as the proposed Nenagh Historic and Cultural Quarter (NHCQ). In this section therefore, we draw upon the structure of the VICE model to present an assessment of the socio-economic benefits of the proposed public realm development. The elements of the VICE model are set out in Table 8.3 overleaf.

Figure 13: Components of the Vice Model



The governing thought behind the Vice Model is that the project in question (in this instance the NHCQ) must work for the four stakeholders shown in Figure 13 above. In

other words, the project should generate incremental gains for each of these stakeholders and it certainly should not have the effect of diminishing the stock of wellbeing of any of these four stakeholders. The points presented in the boxes below are illustrative of some post implementation outcomes that would support the requirement to add value to each of the four stakeholders.

Table 8.3: Vice Model

Visitors
<ul style="list-style-type: none"> • The Nenagh Gaol Experience at the NHCQ will be designed so that visitors will have an unbroken immersive experience as they navigate their way across the principal features of the site. • The Culturally Curious segment will be attracted to the NHCQ because of its unique themes and insight into less-known elements of Irish stories and history. • Although the Gaol Experience will have an educative dimension, entertainment will be a stronger draw than education – the experience will be primarily about telling lesser-known stories in an engaging and entertaining way. • Apart from tourists, there is a potential primary catchment population⁴⁴ of over 200,000 domestic (daytrip) visitors that could provide regular and repeat business for NHCQ. It is reasonable to expect that the enhanced public realm and civic space in Nenagh should serve as an attractor for day visitors interested in retail and hospitality. Indeed, it is difficult to see how such a large capital investment could be made without securing this retail and hospitality bounce. • Strong potential in the family market for a daytrip. • Much of the above will depend on how actively the NHCQ is presented, marketed, and sold.

⁴⁴ The primary catchment area usually refers to the resident population within a 30 minute drive.

Industry

- The NHCQ should have the capacity to attract off-peak business and so increase year-round revenue generation and economic activity.
- The NHCQ will create and sustain longer dwell times and so contribute to more overnight stays and more activity in the evening economy (hospitality).
- Projected 70,000 visitors by Year 7 will represent a new level of consumer demand that can be captured by retailers across the town.
- Increased opportunities at the NHCQ to promote and highlight related tourism opportunities in the area – Nenagh Castle, Nenagh Heritage Centre, Lough Derg Water Sports etc.
- The new civic space should create a physical context where events - markets, festivals, concerts, etc.) - can be scheduled and promoted, and so generate additional demand for businesses and traders in the town.

Community / Culture

- Significant local community employment opportunities in the development and construction of the NHCQ.
- Subsequent local employment opportunities in the community when the NHCQ is operational.
- New and continuing supply-chain opportunities for small businesses in the community.
- The NHCQ is all about local heritage and culture. In programming special events and activities, local community groups will have an opportunity to participate in, and contribute to, the telling of Nenagh's stories.
- Investment in public realm is generally considered to correlate strongly with local communities and a strengthened sense of pride.⁴⁵
- A well designed and well cared for public realm can contribute to wellness and mental health in the local community.
- Public realm improvements can create "a sense of arrival and a sense of place" which can also underpin community identity.

⁴⁵ Town Centre First: A Policy Approach for Irish Towns. Dept. of Rural and Community Development. 2021. *"The COVID-19 pandemic has made us more aware of the importance of quality public realm, streets, parks, and other amenities in towns which provide space for communities to socialise and recreate."* (p5)

Environment

- There is a renewed focus on the sustainable and adaptive reuse of existing assets and increasing the energy efficiency of individual buildings, including the thermal upgrading of the historic building stock. The sustainable growth of towns can support these goals through the reuse/ repurposing of vacant and underutilised building stock and provides opportunities to support local skills and craftsmanship and encourage community led initiatives and engagement. Given the concentration of historic assets/brown field sites in the urban core of our towns, there is the potential for jobs-rich investment in these existing assets.⁴⁶

⁴⁶ 1bid (p19)

9. RISK FACTORS

The development of new museums and other visitor attractions carries significant risk. They are very expensive to establish and cannot easily be developed in a cautious, phased way. A certain minimum level of content must be in place from opening day to attract public interest – if an attraction is not well-received when it first opens, it is very difficult for it to establish subsequently a stronger market position, even if a lot more money is spent on improvements. The following are major risk factors:

- **Capital cost overrun:** the project may be under-budgeted at the outset through inadequate specification, which has to be remedied, or because of unforeseen factors such as problems with the site or existing buildings that were unknown at the time of costing. Changes may also be made to the specifications during construction, which add to costs, or unforeseen input material price increases may arise. Accurate specification and building surveys are vital, as is effective project management. The biggest cost risk at the time of writing pertains to the very high current rate of inflation in the cost of construction materials.

Mitigation/avoidance: completion of thorough site and services surveys; accurate design and specification; good project management, enabled by an experienced and expert project management team. However, it is very difficult to mitigate the current high rate of inflation in the cost of construction materials.

- **Risk of Optimism Bias:** Optimism bias describes the effect when project analysts overestimate the benefits and underestimate the costs and timings for a project. A range of ex-post reviews of investment projects have shown a systematic tendency to overstate the benefits and understate the costs in the ex-ante appraisal. It is generally accepted that optimism bias can be a common feature of capital appraisal in many countries for both the public and private sectors. Typical examples of optimism bias include forecasts of demand which turn out to exceed

actual usage levels for projects or overly ambitious planned schedules for projects which take a much longer time to deliver.⁴⁷

Mitigation/avoidance: standard optimism bias factors may be applied to costs and benefits. Project appraisers may also use project specific bias factors where detailed information is available for similar projects previously undertaken. Optimism bias could also be addressed by appraisers by systematically testing low benefit outturns against highest cost outturns to identify critical variables.

- **Product Quality:** the building quality and exhibition fit out do not meet required standards and consumer expectations. Post-construction correction may be possible, but this will add to costs.

Mitigation/avoidance: accurate specification, design quality and good project management relying on an experienced and expert project management team.

- **Visitor numbers:** it is impossible to predict visitor numbers to a unique, new attraction with precision – the margin of error is high. Advance market testing can increase the confidence in projections. However, the challenge with a new visitor attraction is that consumers cannot really test and assess the experience before it is built; up to that point, all that is available is imagery and text which essentially force consumers to imagine a future experience. The findings of such advance research must be treated with caution.

Mitigation/avoidance: consumer product testing at design stage, advance marketing and PR, and ensuring the quality of the visitor experience will all be influential factors.

- **Market conditions:** the operating environment may change significantly between the date a decision is made to create the attraction and the date the doors actually open for business. The consequences of negative external developments such as economic recession or civil disturbance can be a failure to achieve visitor number and/or targets.

⁴⁷ DPER: Public Spending Code A Guide to Economic Appraisal: Carrying Out a Cost Benefit Analysis (p28)

Mitigation/avoidance: ensure quality of visitor experience; intensive pre-opening marketing; incentivise markets, reduce operating costs.

- **Operations:** operational problems may arise in a number of areas including, inter alia, a failure to deliver a good visitor experience due to poor management and inadequate staff training, poor operating cost control, poor operating standards unforeseen operating problems with the building, exhibition and/or other visitor facilities, and poor performance by tenants/licensees on site.

Mitigation/avoidance: Appoint experienced management, ensure staff are well trained, and ensure that contractors, suppliers and maintenance personnel meet required standards.

- **Staff Costs:** these are by far the largest component of operating costs, accounting for over 60% of the total, and the sustainability of the operation will depend on keeping these costs under control.

Mitigation/avoidance: keep staffing levels at numbers consistent with visitor flows. If the latter fall to low levels secure operational subsidy through employment schemes etc.

- **Scope Creep:** Uncontrolled and unauthorised changes to the initial project scope may lead to the extra cost of additional features, products, or functions.

Mitigation/avoidance: set clear objectives and targets from the start and use project management software to track all workstreams.

- **Consultant or contractor delays:** in some cases, project delays are unavoidable, for example where there are shortages in the supply of construction materials. However, in other cases, delays can be caused by inefficiencies on the part of consultants or contractors, and these are avoidable.

Mitigation/avoidance: include late penalties in contracts – build in and protect lead time in the schedule. Communicate the schedule widely and early. Appoint strong project managers.

- **Stakeholder impacts:** the risk of project delays, overruns or even failures can arise from the actions or inactions of key stakeholders.

Mitigation/avoidance: Identify stakeholders – analyse the power and influence of all stakeholders – create a stakeholder engagement plan - revisit the plan at regular intervals to check all stakeholders are being well-managed.

A more detailed set of risks pertaining to the construction stage of the project are detailed in a risk register in Appendix 3.

10. PROCUREMENT STRATEGY

TCC has a comprehensive set of procurement procedures which it uses to promote best practice and consistency of approach in the application of national public procurement rules.

The procedures are ultimately designed to obtain value for money and to give all potential suppliers a fair opportunity to tender. The full procedures are contained in Appendix 2 of this PBC, and contain detailed guidance on:

- Which rules to apply in procurement
- Authorised Officers in relation to procurement
- General & detailed procedures
- Reporting requirements.

10.1 Overview

Details regarding procurement strategies are provided in Appendix 2. These and set out three clear aspects:

- 1) Calculating the Value
- 2) Selecting the appropriate procedure; and
- 3) Determine whether a Contract or Framework is to be used in procurement.

Each of these is considered in the following sections.

10.1.1 Calculating the Value

The procedures set out eight clear guidelines which will be followed when calculating the value of contracts related to the proposed development Nenagh Historic and Cultural Quarter.

The guidelines include:

- The estimated value of a contract is based upon all related costs over the maximum life of the contract
- The value of a framework agreement is the total value of all contracts likely to be awarded over the lifetime of the agreement, and
- The value of the contract will determine whether the procurement procedure needs to meet Local, National or EU rules.

Further details are provided in Appendix 2.

10.1.2 Selecting the Appropriate Procedure

Based on the value of the contracts, and their nature (Goods & Services or Works/ Works Related Services), differing thresholds apply which govern the nature of the procurement procedure to be followed. These include local, national and EU procedures, each of which involve varying procurement practices including communication, advertising and number of quotes required. Details of the thresholds are provided in Appendix 2.

10.1.3 Determine Whether a Contract or Framework is to be used in Procurement

The final element of TCC's strategy for procurement, which will be applied for the NHCQ development, relates to determining whether a Contract or Framework is to be used in procurement. In general terms, a Contract would be advertised and awarded when the volume of goods or services required from a supplier over a given period is known. A Framework Agreement would be set up if the volume of goods or services required from a supplier(s) over a given period is not known.

10.2 Green Public Procurement

The Irish public sector, by way of its significant capital budgets, can be a major positive force in stimulating the provision of more resource-efficient, less polluting goods, services and works within the marketplace. Green Public Procurement (GPP) is a newly

devised process whereby public authorities seek to source goods, services or works with a reduced environmental impact.

The Government produced guidance on GPP in 2021 aimed at assisting procurers in building green criteria into public tenders. It includes guidance on energy-related products, heating equipment, lighting, and the design, construction and management of office buildings. As part of its procurement strategy, TCC will adhere to the GPP guidance from Government to ensure all aspects of NHCQ from procurement to operation are sustainably focused.

10.3 Options for Procurement

A more detailed procurement strategy for NCHQ will be underpinned by procurement workshops to be held with key representatives from Tipperary County Council and the Project Team, during which a range of procurement options will be reviewed. Other considerations to be included in the evaluation will be the phasing of the delivery of public realm zones and funding requirements.

It is most likely that the Gaol and the public realm improvements will be delivered first, as these are directly supported by a URDF grant. Their procurement will follow a course typical for public works contracts of that scale. Additional public realm works may be delivered as multiple public works contracts, subject to funding.

With regard to the delivery of these initial elements, the works will be *'Design by Employer'* in accordance with the *Public Works Contracts* published by the Office of Government Procurement and available from www.constructionprocurement.gov.ie.

10.4 Contract Management Process

In order to ensure that this procurement strategy is fully adhered to, a contract management cycle will be followed for the development of NCHQ, in line with that of the Chartered Institute of Procurement & Supply. The cycle is designed to ensure that

suppliers meet agreed contractual obligations, and a smooth end-to-end process is delivered.

The 12 steps outlined in Figure 14 below cover contract management from contract initiation (focusing on priorities, resources, risks and success factors) through to contract close and sign off at the end of the lifecycle.

Critical steps in the cycle include:

- 1) **Plan & Scope**, where contract specifications and performance criteria are covered
- 2) **Performance Management**, covering KPIs and performance review methods
- 3) **Risk & Resilience** to mitigate against adverse outcomes
- 4) **Payment & Incentives**, to ensure appropriate remuneration, and
- 5) **Asset Management** to cover what can be learnt from the process and what improvements can be made.

A significant organisational step will be TCC’s appointment of a Project Manager at a senior level to oversee the day-to-day management of the project. The Project Manager will be responsible for the procurement and engagement of consultants and contractors, and will be central to contract management and the overall implementation of this procurement strategy.

Figure 14: Contract Management Cycle



11. PROJECT MONITORING & EVALUATION

The structure in Tipperary County Council for overseeing, managing, monitoring and evaluating projects is detailed in Appendix 6. The structure is arranged in tiers starting at Municipal District level with a Project Manager and District Delivery Group responsible for coordinating the delivery stage of a project including performance/progress made, risks and issues, and financial management. The District Delivery Groups report to the Project Steering Group whose roles include programming of projects, liaison with key funders (DRCD, DHLGH, Fáilte Ireland) oversight of delivery and long-term management of projects, project review, and reporting to the Chief Executive and Management Team.

This core structure is supported by the Project Development group which, inter alia, develops project concepts, prepares funding applications and provides guidance to ensure that projects meet the requirements and specific of each funding call. Finally, the Project Support Group ensures that robust systems are in place with respect to project management, governance and financial management and file management, whilst also providing support to the Development Group, the Project Managers and District Delivery Groups to assist the progression of projects in line with the terms and conditions of the grant.

12. APPENDICES

Appendix 1:

Financial Projections – Detailed Tables

A1. FINANCIAL PROJECTIONS – DETAILED TABLES

<p>Nenagh Gaol Visitor Experience</p> <p>Preliminary Financial Projections</p> <p>Version 3.3</p> <p>June 2023</p>											
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TABLE A1.1: Nenagh Gaol Visitor Experience Preliminary Profit & Loss Projections							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Total Visitor Numbers	35,000	42,000	50,000	55,000	60,000	65,000	70,000
Revenue net of VAT	€	€	€	€	€	€	€
Admissions revenue	306,057	367,269	437,225	480,947	524,670	568,392	612,115
Shop sales	113,821	136,585	162,602	178,862	195,122	211,382	227,642
Genealogy services	55,727	60,352	65,639	68,943	72,247	76,411	80,707
Events programme	4,405	7,048	10,573	14,097	17,621	17,621	17,621
Total Income	480,011	571,255	676,038	742,849	809,659	873,806	938,085
Cost of sales	63,164	75,850	90,362	99,473	108,583	117,588	126,592
Gross Profit	416,847	495,405	585,675	643,376	701,076	756,218	811,493
Expenditure:							
Payroll	373,128	406,721	406,721	417,470	417,470	417,470	417,470
Training & uniforms	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Utilities	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Insurance	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Telephone/postage/internet	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Stationery/office supplies	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Marketing	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Events (excl. sponsorship)	3,965	6,344	9,515	12,687	15,859	15,859	15,859
Bank charges	2,400	2,856	3,380	3,714	4,048	4,048	4,048
Professional fees	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Exhibition repairs and maintenance (4% of Income/2.5% Y	12,000	22,850	27,042	29,714	32,386	34,952	37,523
Maintenance (5% Income)	24,001	28,563	33,802	37,142	40,483	43,690	46,904
Rates (assume exempt)	0	0	0	0	0	0	0
Security monitoring	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Exterior/specialist cleaning	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Sundries	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Total Expenditure	581,994	633,833	646,960	667,228	676,747	682,520	688,305
Balance	-165,147	-138,428	-61,284	-23,852	24,329	73,698	123,187

Table A1.2: Nenagh Gaol Visitor Experience Revenue Projections - Ticket Sales								
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Admissions								
Adults								
No. of adult visitors		15,750	18,900	22,500	24,750	27,000	29,250	31,500
Average entrance fee	€	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Total adult admissions revenue	€	189,000	226,800	270,000	297,000	324,000	351,000	378,000
Children								
No. of child visitors		2,800	3,360	4,000	4,400	4,800	5,200	5,600
Average entrance fee	€	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Total children admissions revenue	€	16,800	20,160	24,000	26,400	28,800	31,200	33,600
Concessions (Seniors, Students)								
No. of concession visitors		4,900	5,880	7,000	7,700	8,400	9,100	9,800
Average entrance fee	€	10.50	10.50	10.50	10.50	10.50	10.50	10.50
Total concession admissions revenue	€	51,450	61,740	73,500	80,850	88,200	95,550	102,900
School Groups								
No. of group visitors		2,100	2,520	3,000	3,300	3,600	3,900	4,200
Average entrance fee (per capita)	€	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Total adult group admissions revenue	€	10,500	12,600	15,000	16,500	18,000	19,500	21,000
Adult Groups								
No. of group visitors		3,500	4,200	5,000	5,500	6,000	6,500	7,000
Average entrance fee (per capita)	€	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Total adult group admissions revenue	€	35,000	42,000	50,000	55,000	60,000	65,000	70,000
Family Parties								
No. of family tickets		1,488	1,785	2,125	2,338	2,550	2,763	2,975
Average entrance fee	€	30.00	30.00	30.00	30.00	30.00	30.00	30.00
No. of persons covered (@ av. 4 per ticket)		5,950	7,140	8,500	9,350	10,200	11,050	11,900
Total revenue from families	€	44,625	53,550	63,750	70,125	76,500	82,875	89,250
Total Admissions Revenue	€	347,375	416,850	496,250	545,875	595,500	645,125	694,750
Total Admissions Revenue Net of VAT	€	306,057	367,269	437,225	480,947	524,670	568,392	612,115
Cost of Sales 2%	€	6,121	7,345	8,744	9,619	10,493	11,368	12,242
GOP of 98%	€	299,936	359,923	428,480	471,328	514,176	557,024	599,872
VAT								
VAT - admissions		41,318	49,581	59,025	64,928	70,830	76,733	82,635
VAT - other sales		34,297	40,514	47,687	52,349	57,010	61,312	65,632
Total VAT		75,614	90,095	106,712	117,276	127,841	138,045	148,267
Cost of Sales								
Cost of sales - admissions		6,121	7,345	8,744	9,619	10,493	11,368	12,242
Cost of sales - other sales		57,043	68,504	81,618	89,854	98,090	106,220	114,350
Total cost of sales		63,164	75,850	90,362	99,473	108,583	117,588	126,592

Table A1.3: Admissions Breakdown									
		%	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Adults		45.00%	15,750	18,900	22,500	24,750	27,000	29,250	31,500
Concession		14.00%	4,900	5,880	7,000	7,700	8,400	9,100	9,800
Children		8.00%	2,800	3,360	4,000	4,400	4,800	5,200	5,600
School Groups		6.00%	2,100	2,520	3,000	3,300	3,600	3,900	4,200
Adult Groups		10.00%	3,500	4,200	5,000	5,500	6,000	6,500	7,000
Families		17.00%	5,950	7,140	8,500	9,350	10,200	11,050	11,900
Total		100.00%	35,000	42,000	50,000	55,000	60,000	65,000	70,000
Average entrance fee									
Adults	12.00	5.40							
Concession	10.50	1.47							
Children	6.00	0.48							
School Groups	5.00	0.30							
Adult Groups	10.00	1.00							
Families (pc)	7.50	1.28							
	Total	9.93							
	Total net of VAT	8.74							
	GOP 98%	8.57							

*Nenagh Historic & Cultural Quarter
- Preliminary Business Case -*

June, 2023

Table A1.4: Nenagh Gaol Visitor Experience Revenue Projections - Other Revenue									
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
Visitor Numbers		35,000	42,000	50,000	55,000	60,000	65,000	70,000	
Shop Sales									
Total visitors		35,000	42,000	50,000	55,000	60,000	65,000	70,000	
Est. avg. spend per visitor	€	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total shop sales	€	140,000	168,000	200,000	220,000	240,000	260,000	280,000	
Total shop sales, net of VAT	€	113,821	136,585	162,602	178,862	195,122	211,382	227,642	
Cost of sales 50%	€	56,911	68,293	81,301	89,431	97,561	105,691	113,821	
GOP @ 50%	€	56,911	68,293	81,301	89,431	97,561	105,691	113,821	
Genealogy Services									
Est. no. of visitors		35,000	42,000	50,000	55,000	60,000	65,000	70,000	
Est. % using genealogy services		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Number using genealogy services		525	630	750	825	900	975	1,050	
Est. average spend per user	€	50.00	50.00	50.00	50.00	50.00	51.00	52.00	
Total revenue	€	26,250	31,500	37,500	41,250	45,000	49,725	54,600	
Online genealogy revenue	€	37,000	37,000	37,000	37,000	37,000	37,001	37,002	
Total genealogy revenue	€	63,250	68,500	74,500	78,250	82,000	86,726	91,602	
Total genealogy revenue, net of VAT	€	55,727	60,352	65,639	68,943	72,247	76,411	80,707	
Evening Events									
No. of events		5	8	12	16	20	20	20	
Average admissions per event		50	50	50	50	50	50	50	
Total admissions		250	400	600	800	1,000	1,000	1,000	
Average admission charge	€	20.00	20.00	20.00	20.00	20.00	20.00	20.00	
Total revenue	€	5,000	8,000	12,000	16,000	20,000	20,000	20,000	
Total revenue net of VAT	€	4,405	7,048	10,573	14,097	17,621	17,621	17,621	
Cost of sales 3%	€	132	211	317	423	529	529	529	
GOP @ 97%	€	4,273	6,837	10,256	13,674	17,093	17,093	17,093	
Total Other Revenue		208,250	244,500	286,500	314,250	342,000	366,726	391,602	
VAT		34,297	40,514	47,687	52,349	57,010	61,312	65,632	
Revenue net of VAT		173,953	203,986	238,813	261,901	284,990	305,414	325,970	
Cost of Sales		57,043	68,504	81,618	89,854	98,090	106,220	114,350	

Table A1.5: Nenagh Gaol Visitor Experience Preliminary Projections - Payroll

	No. of employees	No. of weeks p.a.	Equivalent annual rate	PRSI Rate	Pay incl. PRSI	Year 1 €	Year 2 €	Year 3 €	Year 4 €	Year 5 €	Year 6 €	Year 7 €
Manager	1	52	60,000	11.05%	66,630	66,630	66,630	66,630	66,630	66,630	66,630	66,630
Genealogist (part-time)	1	26	45,000	11.05%	49,973	24,986	24,986	24,986	24,986	24,986	24,986	24,986
Assistant Genealogist (part-time)	1	26	30,000	11.05%	33,315	16,658	16,658	16,658	16,658	16,658	16,658	16,658
Supervisor front-of-house	1	52	35,000	11.05%	38,868	38,868	38,868	38,868	38,868	38,868	38,868	38,868
Marketing Executive	1	52	35,000	11.05%	38,868	38,868	38,868	38,868	38,868	38,868	38,868	38,868
Front-of-house/Guides Full-time	3	52	22,000	11.05%	24,431	73,293	73,293	73,293	73,293	73,293	73,293	73,293
Front-of-house/Guides Seasonal	3	34	22,000	11.05%	24,431	47,922	47,922	47,922	47,922	47,922	47,922	47,922
Maintenance	1	26	25,000	11.05%	27,763	13,881	13,881	13,881	13,881	13,881	13,881	13,881
Part-time/seasonal front-of-house	2	14	22,000	11.05%	24,431	13,155	13,155	13,155	13,155	13,155	13,155	13,155
Administration	1	52	35,000	11.05%	38,868	38,868	38,868	38,868	38,868	38,868	38,868	38,868
Allowance for casual staff							33,593	33,593	44,342	44,342	44,342	44,342
Total payroll	15					373,128	406,721	406,721	417,470	417,470	417,470	417,470

		Construction		Y1 Operations						
		2024	2025	2026	2027	2028	2029	2030	2031	2032
		€	€	€	€	€	€	€	€	€
Receipts										
	RRDF Grant support	10,531,962	10,531,962							
	TCC funding	2,632,991	2,632,991							
	Admissions revenue			347,375	416,850	496,250	545,875	595,500	645,125	694,750
	Retail sales			140,000	168,000	200,000	220,000	240,000	260,000	280,000
	Genealogy services			63,250	68,500	74,500	78,250	82,000	86,726	91,602
	Events programme			5,000	8,000	12,000	16,000	20,000	20,000	20,000
	Total Receipts	13,164,953	13,164,953	555,625	661,350	782,750	860,125	937,500	1,011,851	1,086,352
Outflows										
	Construction cost	11,599,077	11,599,077							
	Net VAT	1,565,876	1,565,876	63,012	87,682	103,943	115,516	126,080	136,344	146,564
	Cost of sales			57,900	74,792	89,153	98,714	107,824	116,837	125,842
	Wages & salaries			373,128	406,721	406,721	417,470	417,470	417,470	417,470
	Other operating costs			191,460	225,592	239,145	248,965	258,483	264,569	270,353
	Total Outflows	13,164,953	13,164,953	685,500	794,787	838,962	880,664	909,857	935,221	960,229
	Cash Flow	0	0	-129,875	-133,437	-56,212	-20,539	27,643	76,630	126,123
	Cumulative Cash Flow	0	0	-129,875	-263,312	-319,524	-340,063	-312,420	-235,790	-109,666
<i>Notes</i>	<i>No credit on receipts</i>									
	<i>VAT payments made bi-monthly in arrears</i>									
	<i>Purchases made on basis of 30 days credit</i>									
	<i>No interest payments</i>									
	<i>No corporate income tax</i>									

Table A1.8: Sensitivity Analysis, Year 3 Basis						
Visitor Nos.	Admissions Rev.	Other Rev	Total Rev	Expenses	EBITDA	
		Excl cost of sales				
10,000	85,696	69,613	155,309	597,102	-441,793	
20,000	171,392	65,226	236,619	604,623	-368,005	
30,000	257,088	77,329	334,417	613,670	-279,253	
40,000	342,784	99,686	442,471	623,665	-181,194	
50,000	428,480	122,044	550,524	633,660	-83,135	
58,500	501,322	141,048	642,370	642,155	215	
70,000	599,872	166,760	766,632	653,649	112,982	
80,000	685,568	189,117	874,686	663,644	211,041	
90,000	771,264	211,475	982,739	673,639	309,100	
100,000	856,960	233,833	1,090,793	683,634	407,159	
Input Data for Sensitivity Analysis						
Net Admissions Price :		8.57				
Av retail sale Y3, net of VAT		3.25				
Genealogy services per user, net of VAT		40.65				
Online genealogy sales		37,000				
Events revenue, net of VAT		10,256				

Appendix 2:

Procurement Procedures

A2. PROCUREMENT PROCEDURES

Tipperary County Council Procurement Procedures



Procurement Procedures

V. 4.0 January 1, 2022

Updated 'Procurement Procedure Guidelines for Goods, Services, Consultants and Works for Tipperary County Council (2014)'

V. 4.0

1 January 2022

1

Tipperary County Council Procurement Procedures

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Appendices can be accessed through the links below

- Appendix 1** [Amended for Tipperary County Council use – OGP Public Procurement Guidelines for Goods and Services](#)
- Appendix 2** [Tender Procurement Log - User Guide](#)
- Appendix 3** [Tender Box Procedures](#)
- Appendix 4** [Electronic Tendering Procedures](#)
- Appendix 5** [Evaluation Procedures](#)
- Appendix 6** [Standstill Procedures Tipperary County Council](#)
- Appendix 7** Local and National [template documents for Goods and Services](#).
- Appendix 8** [CWMF](#) website containing suites of Works related tender templates
- Appendix 9** [OGP Current Arrangements](#)
- Appendix 10** [OGP Planned Arrangements](#)
- Appendix 11** [SupplyGov Arrangements](#)
- Appendix 12** [SupplyGov Quotations categories – purchases less than €25k](#)
- Appendix 13** [PROCREF Procedures User Guide](#)
- Appendix 14** [List of Central Contracts used by Tipperary County Council](#)
- Appendix 15** [Using eTenders](#)
- Appendix 16** [Link to stand alone and mini-competition Contract Awards on eTenders](#)
- Appendix 17** [IPB insurance guidance](#)
- Appendix 18** [Guidance for Buyers National Level](#)
- Appendix 19** [Procuring a Consultant, Service Provider or Contractor](#)
- Appendix 20** [Aggregation rules for Design Teams](#)
- Appendix 21** [EU Thresholds](#)
- Appendix 22** [Contractors Agreement](#)
- Appendix 23** [Regulation 84 Report](#)
- Appendix 24** [Circular 10 - 14 Initiatives to assist SMEs in Public Procurement](#)
- Appendix 25** [eESPD Electronic European Single Procurement Document note](#)
- Appendix 26** [Contract Signing Protocol February 2019](#)

Tipperary County Council Procurement Procedures

1. Introduction to the procurement procedures

Tipperary County Council Procurement Procedures comprise:

- 1: Procurement Procedures (this document) and the links contained therein. Primarily Local and National tendering requirements
- 2: Appendices. Some are available in this document for reference, but they are mainly available through the live links. The links facilitate the bulky nature of some appendices and the dynamic nature of others that need to be updated regularly
- 3: [Amended for Tipperary County Council use – OGP Public Procurement Guidelines for Goods and Services.](#) These amended national guidelines are for EU Level tendering and also provide the background for National Level tendering.
- 4: Guidelines for the procurement of Capital works and works related services guidelines can be found on the Capital Works Management Framework (CWMF). <http://constructionprocurement.gov.ie>. These form the current national procurement rules for public works and construction-related services for contracts. These apply to National and EU level tendering for works and works related services.

- 1.1 Tipperary County Council has a primarily devolved procurement system, where the responsibility for following appropriate procurement practices lies with the individual budget holders who authorise the procurement of goods, services, works, works related services or concessions.
- 1.2 The purpose of the procurement process is to obtain value for money and to give all potential suppliers a fair opportunity to tender. The general principles underlying public procurement are: equality of treatment and non-discrimination, transparency, mutual recognition and proportionality.
- 1.3 There is significant public interest in how public monies are spent. Through the application of these procedures, Tipperary County Council promotes best practice and consistency of approach in the application of the public procurement rules.
- 1.4 Tipperary County Council works through the [LGMA](#) (Local Government Management Association) to collaborate with the [OGP](#) (Office of Government Procurement) to implement the procurement element of the Government's Public Service Reform. The mandate of the OGP is to implement a centre-led procurement model, with new structures and allocation of resources.
- 1.5 Tipperary County Council has a Procurement Officer whose role is to keep staff informed of changes in procurement procedures, systems and reporting. This is carried out with the assistance of the Procurement Coordinators and the Procurement Strategy Group.
- 1.6 Many elements of the procurement procedures are dynamic in nature and will be subject to review periodically. This document is designed to be accessed via

V. 4.0

1 January 2022

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Tipperary County Council Procurement Procedures

the intranet with live links to detailed procedures, templates, appendices, procurement related systems and data stored on the intranet. You are advised to always use the latest version of the procurement procedures available on the [Procurement home page on the intranet](#). Specific procedures are listed in the appendix section. Use the links provided in the document to access them directly.

- 1.7 There are a number of national organisations and on-line systems through which the Local Authorities are required to work to procure goods, services, works and concessions. Contact the Procurement Officer in relation to access. They include:
- The Office of Government Procurement (OGP) – National arrangements for the purchase of goods, services and some works related services www.ogp.gov.ie
 - www.supplygov.ie – national on-line procurement arrangements for Plant Hire, Minor Building and Civil Works.
 - Capital Works Management Framework (CWMF). An on-line repository of the templates to be used with the national procurement rules for public works and construction-related services. <https://constructionprocurement.gov.ie/>
 - eTenders website, for advertising tenders above National and EU Thresholds for Goods, Services, Capital Works and Related Consultancy Services www.etenders.gov.ie
- 1.8 In order to avoid duplication of effort Tipperary County Council engages with other local authorities in regional and national tenders where products and services can be best procured at these levels.
- 1.9 The engagement of consultants must comply with the [Guidelines for Consultancy Services - Tipperary County Council](#)
- 1.10 Always check to see if there are any specific procurement requirements identified by grant providers eg Departments, EU, LEADER, TII etc. These will need to be complied with in addition to Tipperary County Council procedures.
- 1.11 Tipperary County Council has an in-house tender logging system, the [Tender Procurement Log](#). All arrangements of €25k and over must be logged before being advertised. Once the contract is awarded and the award data logged, a Procurement Reference ID (Procref) is issued before payment can be raised in Agresso. All arrangements published on eTenders, even if below €25k needs to be logged and a ProcRef issued. Contact the Procurement Office in relation to access to the Tender Log.
- 1.12 **Separation of Duties.** Insofar as possible
- For all spend, the Purchase Order Approver should be separate from the Purchaser
 - For National and EU level spend the Authoriser awarding a tender should be separate from those involved in tendering and evaluation processes

Tipperary County Council Procurement Procedures

2. Which rules to apply

The value of the contract will determine whether the procurement procedure needs to meet the Local, National or EU rules.

Table 2.1: Thresholds for Goods and Services

	Goods and Services Thresholds	Service Concession Threshold	
Local Guidelines	Up to €25,000		Flowchart 2.1
National Guidelines	€25,000 - €215,000		Flowchart 2.1
EU Rules	Over €215,000*	€750,000*	*

Table 2.2: Thresholds for Works Related Services

	Works related services	Works Concessions	
Local Guidelines	Up to €50,000		Flowchart 2.2
National Guidelines	€50,000 - €215,000**		**
EU Rules	Over €215,000**	€215,000*	**

Table 2.3: Thresholds for Works

	Works	Works Concessions	
Local Guidelines	Up to €50,000		Flowchart 2.2
National Guidelines	€50,000 - €5,382,000**		**
EU Rules	Over €5,382,000**	€5,382,000*	**

* A version of the [OGP Public Procurement Guidelines for Goods and Services has been amended for Tipperary County Council use](#). The amended version sets out the Tipperary County Council requirements when tendering for Goods and Services at EU level.

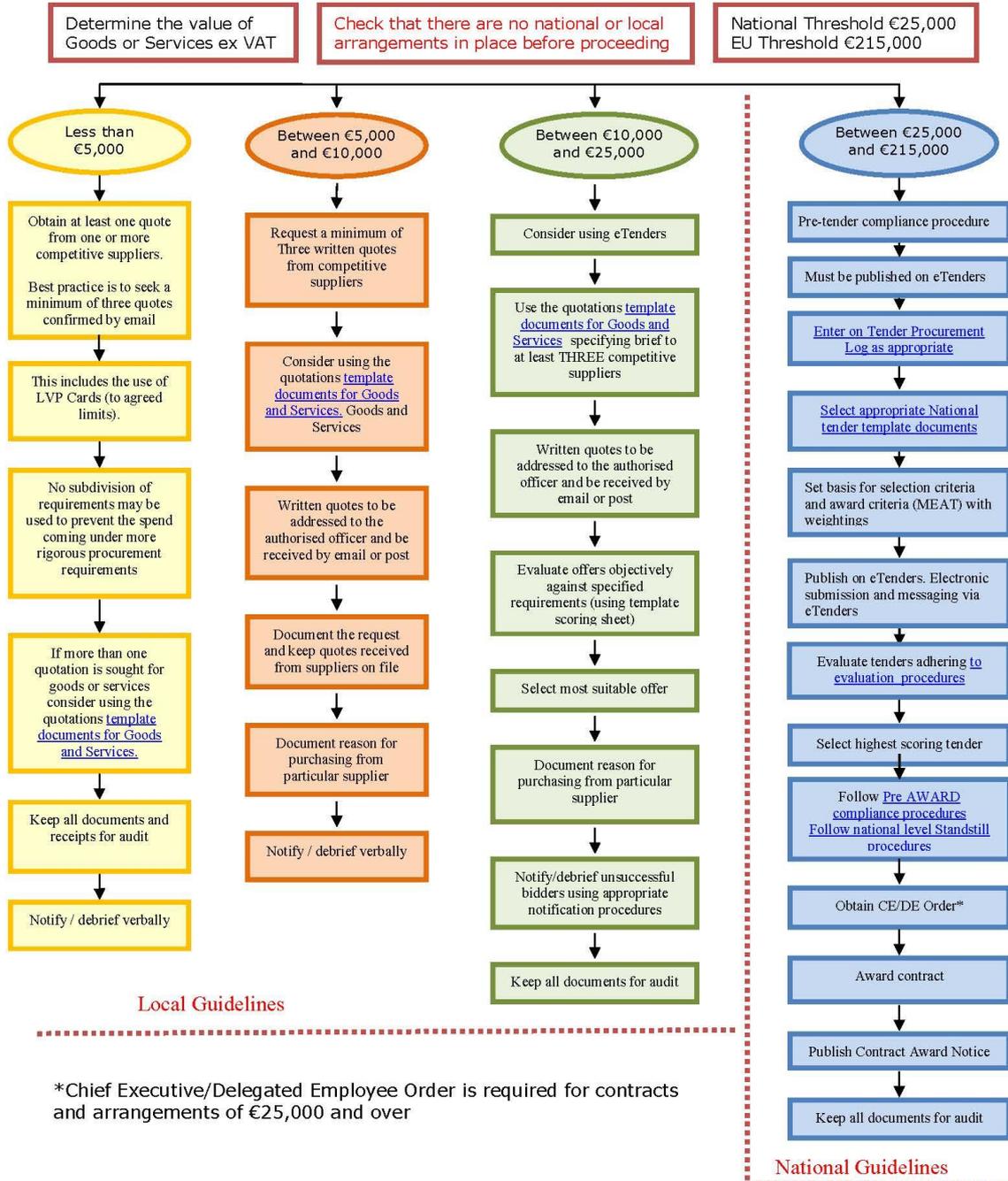
** The templates and guidance to tender at National and EU level for Works and Works Related Services are set out on the CWMF website constructionprocurement.gov.ie

Flowcharts 2.1.and 2.2 model the requirements. Sections 4 and 5 give a more detailed breakdown.

Staff members undertaking any level of procurement should have appropriate authorisation, training and experience.

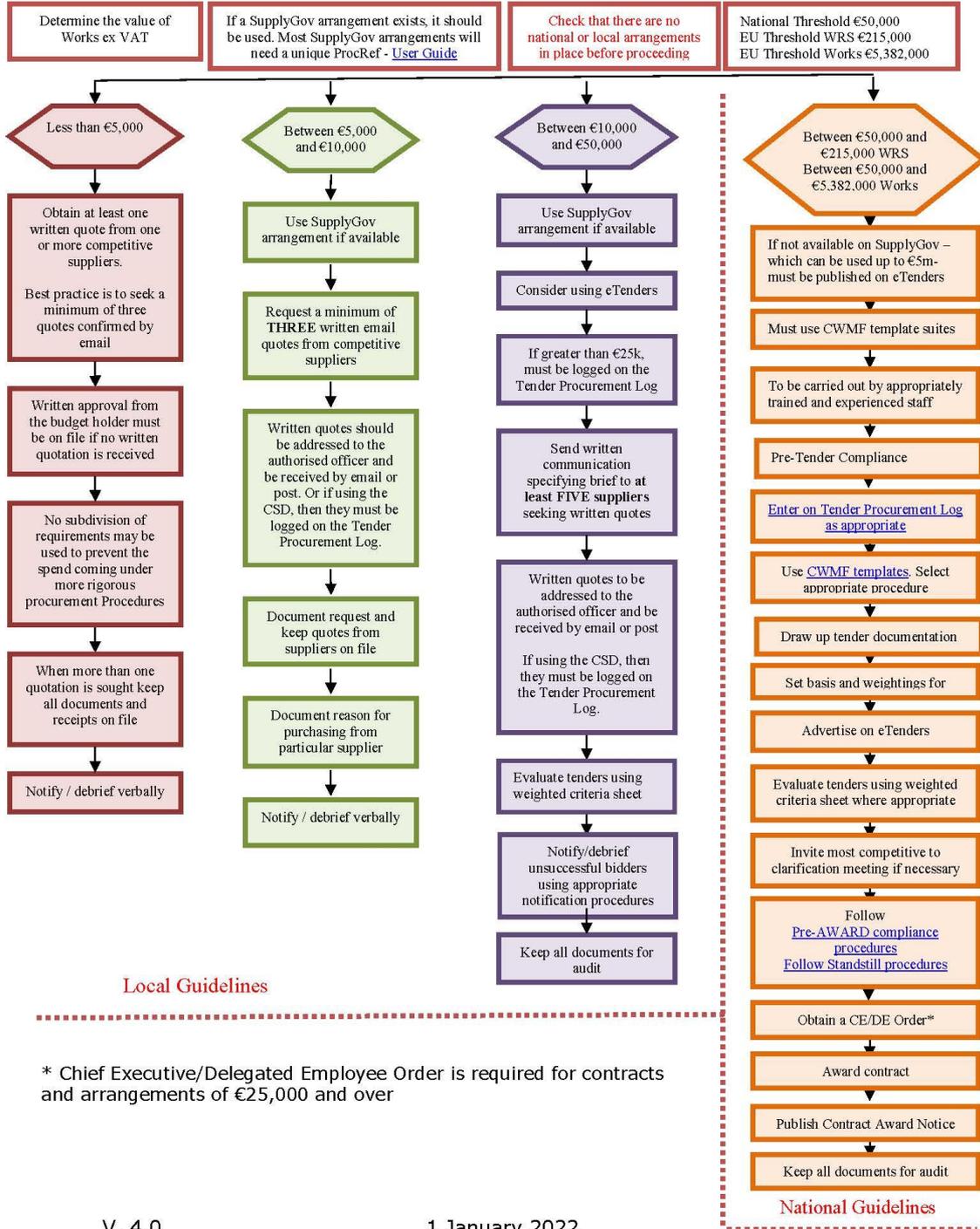
Tipperary County Council Procurement Procedures

Flowchart 2.1 Procurement of Goods and Services Thresholds



Tipperary County Council Procurement Procedures

Flowchart 2.2 Procurement of Works and Works Related Services (WRS) Thresholds



Tipperary County Council Procurement Procedures

3. Authorised officers in relation to Procurement

- Authorised officers must be appointed by Chief Executive’s order.
- An authorised officer may approve the decision to advertise a tender, or award a tender only within their Approval Limit.
- The award of the contract is approved by an authorised officer. The award must NOT be approved by the same person who prepared the report and recommendation.
- In general, the procurement limits for approving the decision to go to tender or awarding contracts are the same as Agresso approval limits.
- The authorised officer must be assigned to the section procuring the goods or services.
- The appointment of consultants* can be authorised only by Directors of Services and analogous grades (up to €250,000) or the Chief Executive (unlimited).

Table 3.1 Procurement Approval Limits

Grade or Position	Approval Limit
Staff Officer, Executive Technician, Senior Executive Technician, Housing Technician, Civil /Environmental Technician-Grade 1, Outreach Officer Museum	Goods, Services, Works up to €6,000
Senior Staff Officer, Executive Engineer, Storekeeper	Goods, Services, Works up to €15,000
Staff Officer, Housing	Approval of Grants up to €30,000
Administrative Officer, Administrative Officer grade in C&E, Civil Defence Officer, Assistant Chief Fire Officer, Heritage Officer, Environmental Awareness Officer, Veterinary Inspector, Clerk of Works, Technical Services Supervisor / Executive Engineer assigned to Machinery Yard, Executive Engineer Housing, Senior Executive Engineer and analogous grades.	Goods, Services, Works up to €100,000
Senior Executive Officer, Senior Engineer, Head of IT, Chief Fire Officer and analogous grades.	Goods, Services, Works, up to €250,000
Director of Service and analogous grades	<ul style="list-style-type: none"> • Goods, Services, Works, Works Contractors up to €500,000 • Appointment of Consultants* up to €250,000 • Appointment of (non works) Contractors* and Service Providers* between €25,000 and €250,000 • Purchase of land or other property up to €250,000
Director of Service – Roads	Goods, Services, Works up to €1,000,000
Chief Executive, Head of Finance	Unlimited

*[Refer to note distinguishing between Consultant, Contractor and Service Provider](#)

Tipperary County Council Procurement Procedures

4. General Procedures

Although the method of procurement may vary depending on the nature and value of the goods, services and works being sought, the applicable steps in the following procedure must be followed in every case.

Table 4.1 Steps in Procurement

Determine the need	<ul style="list-style-type: none"> • Check if there is an existing arrangement in place • A robust specification must be set out as precisely as possible • The process to be approved at the relevant authorised level • The budget should be available
Identify Procurement Strategy	<ul style="list-style-type: none"> • Calculate the Value • Select the appropriate procedure • Determine whether a contract or framework is the most appropriate
Develop the tender documentation	<ul style="list-style-type: none"> • Select the appropriate template (Goods and Services) CWMF • Insert the Specifications • Identify Selection Criteria • Identify Award Criteria • Prepare Evaluation sheet • Check that the insurance requirements are clear and appropriate • Prepare Contract Terms and Conditions
Pre-Tender Compliance	Submit documentation to Procurement Coordinator for Pre-Tender Compliance Procedure
Advertise and publish RFT	<ul style="list-style-type: none"> • Use Tender Procurement Log as required • Clearly specify Tender Box arrangements and comply with Tender Box Procedures • Advertise appropriately and manage queries and clarifications
Receive and evaluate tenders	<ul style="list-style-type: none"> • Ensure Compliance with Evaluation Procedures • Clarify as appropriate • Verify as required • Implement the Pre-AWARD compliance procedures with a Procurement Coordinator
Decide and Notify Award	<ul style="list-style-type: none"> • Identify winner • Appropriate Authorised officer to approve the procurement • Implement the Pre AWARD compliance procedures with a Procurement Coordinator • Observe appropriate Standstill procedures • Obtain Chief Executive/Delegated Employee order where required
Conclude Contract	<ul style="list-style-type: none"> • Sign contract once standstill period has passed • Publish Contract Award Notices as required • Obtain Procref as required. A Procref will be needed for payment to be made • Complete procurement checklist and put on file
Manage the contract	• Manage the contract, watching for any Material Change. Manage any disposal involved
Review contract	• Review the contract at the end or in time for any renewal. Implement any lessons learned into future re-tendering
Reporting	• Authorised officers are responsible for meeting the procurement reporting requirements

Tipperary County Council Procurement Procedures

5. Detailed Procedures

5.1 Determine the Need

5.1.1 Check if there is an existing arrangement in place

Before undertaking any procurement, a staff member should ensure that there are no existing or planned procurement arrangements that will meet their needs.

This applies to: Local, National and EU level spend
Goods, Services, Concessions, Works, Works Related Services

Tipperary County Council participates in a number of national contracts and arrangements. The OGP and SupplyGov are the main providers of national arrangements but there are other TII, OPW and TCC arrangements in place.

The national arrangements available to Tipperary County Council change on an ongoing basis. The following links will assist in determining what arrangements are available. However new arrangements come on-stream and tenders are re-run on a regular basis, so the most effective way to find if there is an existing arrangement is to contact the procurement officer or procurement coordinator directly.

[OGP Current Arrangements](#)

[OGP Planned Arrangements](#)

[SupplyGov Arrangements](#)

[SupplyGov Quotations categories – purchases less than €25k](#)

[List of Central Contracts used by Tipperary County Council](#)

5.1.2 Set out a Specification as precisely as possible

Technical Specifications define the characteristics required of goods, services or works required. If a tender does not meet the technical specifications, it must be rejected.

Technical specifications should be as objective as possible; must not be discriminatory; and should not unduly limit competition

Specifications can be drawn up in terms of

- reference to standards, technical assessments, or other technical systems ('or equivalent')
- in terms of performance or functional requirements
- or by some combination of these approaches

5.1.3 The process to be approved at the relevant authorised level

[See Table 3.1](#)

5.1.4 The budget should be available

An authorised officer may only proceed to tender/quotations where they are satisfied that an adequate source of funding is available.

Tipperary County Council Procurement Procedures

5.2 Identify Procurement Strategy

5.2.1 Calculate the Value

The following guidelines should be used when calculating the value of any contract:

- The estimated value of a contract is based upon all related costs over the maximum life of the contract excluding VAT and inclusive of any form of options and renewals. For example, if there is a two-year contract with the possibility of a one-year renewal, then the calculation of estimated value would include three years.
- The estimate should be valid at the time the contract notice/tender documents are published or when the award procedure starts.
- The value of a **framework agreement** is the total value of all contracts likely to be awarded over the lifetime of the agreement. This value should be included in the contract notice.
- If the competition is run in **lots**, the value is the total estimated value of all lots.
- For Design Competitions, the total value of prizes and value of any subsequent follow-on contracts should be included in the estimated value.
- No **subdivision** of requirements may be used to prevent it coming under the scope of the Directives or to keep it below EU or National Thresholds.
- Regarding public **works**, the cost of works plus the total estimated cost of any supplies given to the contractor necessary for executing the works, should be included.
- The value of the contract will determine whether the procurement procedure needs to meet the Local, National or EU rules.

Tipperary County Council Procurement Procedures

5.2.2 Selecting the appropriate Procedure

Table 5.1 Thresholds and related procurement procedures

	Threshold	Procedure
	<p>Note:</p> <ul style="list-style-type: none"> • For all categories of tendering, check for existing arrangements which should be used where available • <u>All decisions relating to a procurement must be documented on-file</u> • In keeping with the spirit of <u>Circular 10/14</u> authorised officers are advised of the importance of seeking quotes from SMEs that are capable of delivering on the requirements of the procurement process. It may be appropriate to seek more than the minimum quotations identified to facilitate and encourage SME involvement with the procurement process 	
Local	<p>Less than €5,000 Goods & Services</p>	<p>Obtain at least one quote from competitive supplier(s). The budget holder must be satisfied that one quote is sufficient.</p> <p>This includes the use of a LVP Card (within the agreed limits).</p> <p>Best practice is to seek a minimum of 3 quotes, confirmed by email.</p> <p>If more than one quotation is sought for goods or services consider using the <u>RFQ templates documents for Goods or Services</u>.</p>
Local	<p>Between €5,000 and €10,000 for Goods & Services</p>	<p>Request written quotations from THREE or more suppliers or service providers.</p> <p>Consider using the <u>RFQ template documents for Goods of Services</u> seeking written quotes, with closing date and time identified.</p>
Local	<p>Between €10,000 and €25,000 for Goods & Services</p>	<p>A verifiable written or email communication is sent to THREE or more suppliers or service providers using the <u>RFQ template documents for Goods or Services</u> seeking written quotes, with closing date and time identified.</p>
Local	<p>Less than €5,000 Works/ Works Related Services</p>	<p>Obtain at least one written quote from competitive supplier(s). The budget holder must be satisfied that one quote is sufficient. Written approval from the budget holder must be on file if no written quotation is received.</p> <p>Best practice is to seek a minimum of 3 quotes, confirmed by email.</p> <p>If more than one quotation is sought for works or works related services use a suite of quotation documents approved by your section.</p>

Tipperary County Council Procurement Procedures

	Threshold	Procedure
Local	Between €5,000 and €10,000 for Works/Works Related Services	A verifiable written or email communication is sent to THREE or more suppliers or service providers seeking written quotes, with closing date and time identified
Local	Between €10,000 and €50,000 for Works/Works Related Services	A verifiable written or email communication is sent to FIVE or more suppliers or service providers seeking written quotes, with closing date and time identified. If over €25k, the quotation must be logged on the Tender Procurement Log AND come through the Tender Box Written quotes to be returned to the authorised officer. Documenting of quotations and all necessary paper work to be kept for audit. In some instances, eTenders may be considered for this category, particularly if near the upper threshold. If the requirements are available through a SupplyGov arrangement, then the arrangement should be used
National	Between €25,000 and €215,000 for Goods & Services	Formal advertising using www.etenders.gov.ie The appropriate National RFT Template Documents must be used The tender must be logged on the Tender Procurement Log All necessary paper work to be kept for audit. Open Procedure (vs Restricted, Negotiated etc) is mandatory for Goods & Services contracts up to €135,000
National	Between €50,000 and €215,000 for Works Related Services* Between €50,000 and €5,382,000 for Works *There is an 'Aggregation of Value' Rule applied for Works related Services. See Appendix 20	Formal advertising inviting tenders using www.etenders.gov.ie The appropriate CWMF suite of tender documents must be used The tender must be logged on the Tender Procurement Log All necessary paper work to be kept for audit. Open Procedure (vs Restricted, Negotiated etc) is mandatory for Works or Works related services contracts up to €250,000

Tipperary County Council Procurement Procedures

	Threshold	Procedure
	It is advised that staff have appropriate training, expertise and authorisation before undertaking an EU level tender.	
EU	<p>Over €215,000 for Goods & Services</p> <p>Over €215,000 for Works Related Services</p> <p>Over €5,382,000 for Works</p> <p>Service Concession Threshold €750,000</p> <p>Works Concessions Thresholds €5,382,000</p>	<p>Formal advertising inviting tenders on OJEU via www.etenders.gov.ie</p> <p>The tender must be logged on the Tender Procurement Log</p> <p>The Amended (for Tipperary County Council) Public Procurement Guidelines for Goods and Services apply.</p> <p>The appropriate CWME suite of tender documents must be used for Works and Works Related Services</p> <p>From October 2018 all EU level tendering must follow Electronic Tendering Procedures. Tender submissions should be received electronically and not through the Customer Service Desk.</p> <p>All necessary paper work to be kept for audit.</p>
	Note re SupplyGov	<p>www.supplygov.ie should be used</p> <ul style="list-style-type: none"> • for procurement up to €5m where a relevant Framework or DPS exists • where possible for quotations with an aggregate value under €25,000 (Works related Goods & Services) and €50,000 (Works)

5.2.3 Determine whether Contract or Framework is to be used

In general, a Contract would be advertised and awarded when the volume of goods or services required from a supplier over a given period is known.

A Framework Agreement would be set up if the volume of goods or services required from a supplier(s) over a given period is not known. This is an agreement where the terms governing contracts to be awarded during the given period, in particular with regard to price and where appropriate, the quantity envisaged is set up.

Framework Agreements are widely used to facilitate frequent buying instead of doing multiple 'one-off' procurement exercises.

There are Goods and Services [templates available to tender for Contracts and to tender for Frameworks at National threshold level](#).

- TCC also uses a range of Frameworks established by Central Contracting authorities:
- [OGP national Frameworks for goods and services](#)
 - [SupplyGov DPS or Frameworks for Plant Hire, Minor Building and Civil Works](#)

Tipperary County Council Procurement Procedures

5.3 Develop the Tender Documentation

5.3.1 Select appropriate template

To ensure consistency, transparency and compliance, the recommended templates should be used

- [Local threshold: Goods and Services - Quotations \(Docs 1A - 1D\)](#)
- [National threshold: Goods and Services – Contracts; Frameworks \(Docs 2A - 5B\)](#)
- [EU threshold: Goods and Services RFTs](#)

Works and Works Related Services:

- Local Threshold: Use quotation documents approved by your section
- [The CWMF templates should be used for](#)
National Works and Works related services
EU level Works and Works related services

The CWMF is a structure which has been developed to deliver the Government's objectives in relation to public sector construction procurement reform. It covers all aspects of the delivery of a public works project from planning to final delivery and review – including the engagement of related consultancy services.

- **SupplyGov** for their on-line templates and User Guides. [SupplyGov DPS and Frameworks for Plant Hire, Minor Building and Civil Works](#)

5.3.2 Insert the Specification developed at 5.1.2

Describe in detail what you are looking for in terms of functionality, without using brand names or other descriptions which could be interpreted as being restrictive. For larger or more complex contracts the specification may be set out in one or more appendices. Further guidance can be found in [Guidance for Buyers](#).

5.3.3 Identify Selection Criteria

Selection criteria can be used in every procurement exercise to ensure that only competent firms are considered for the award of contracts. You may seek evidence of Legal; economic, financial; and technical capacity. In addition, you may test matters you deem relevant and proportionate to the contract in question under the criteria of skills, efficiency, experience and reliability.

There is **Selection Criteria** guidance for **Local and National level** tendering of Goods and Services in the [Guidance for Buyers](#).

- In keeping with the spirit of Department of Finance Circular 10/14 - *Initiatives to assist SMEs in Public Procurement*, authorised officers are advised of the importance of seeking quotes from SMEs that are capable of delivering on the requirements of the procurement process. It may be appropriate to seek more than the minimum of three/five quotations required to facilitate and encourage SME involvement in the procurement process. The recommendations in [Circular 10 - 14 Initiatives to assist SMEs in Public Procurement](#) need to be considered

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- **Selection Criteria for EU level tendering for Goods and Services** are addressed in the User Guides of the [Standard Template RFTs](#). There is further discussion under Selection Criteria in [The Amended \(for Tipperary County Council\) Public Procurement Guidelines for Goods and Services](#).
- Selection Criteria guidance for **National and EU level Works and Works related Services** tendering is available Pillar 4: Guidance Notes on the [CWMF website](#).
- [Exclusion Criteria guidance](#)
- **Selection Criteria for SupplyGov** arrangements are identified in the User Guide for each arrangement.

5.3.4 Identify Award Criteria

The contracting authority must state in the procurement documents the relative weightings which it gives to each of the criteria. For objectivity and transparency, it is best to use a scoring system. This evaluation matrix should be prepared before finalising tender documents.

There is **Award Criteria** guidance for **Local and National level** tendering of Goods and Services in the [Guidance for Buyers](#).

- **Award Criteria for EU level tendering for Goods and Services** are addressed in the User Guides of the [Standard Template RFTs](#). There is further discussion under Selection Criteria in [The Amended \(for Tipperary County Council\) Public Procurement Guidelines for Goods and Services](#).
- Award Criteria for **National and EU level Works and Works related Services** tendering is available at [The CWMF website](#)
- **Award Criteria for SupplyGov** arrangements are identified in the User Guide for each arrangement.

5.3.5 Prepare Evaluation sheet

Prepare an evaluation sheet to contain the Selection and Award criteria contained in the RFT documents. All evaluation sheets must be signed by each member of the evaluation team. Check that all requirements are included before going out to tender.

5.3.6 Ensure Insurance requirements are clear

Insurance types and levels of insurance should be proportionate and reasonable in the context of the particular contract. Check with IPB. Documentary evidence of the required insurance will only be required when a tenderer has been identified as the successful candidate in an Open Competition.

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5.3.7 Prepare Contract Terms and Conditions

The contract terms and conditions are circulated for information to the tenderers when the Tender Documents are being advertised.

- There are **Contract Templates** for **Local and National level** tendering of Goods and Services in the [Guidance for Buyers](#). Ensure that any changes in the RFT templates are adjusted in the Contract Template
- There are **Contract Templates** for **EU level tendering for Goods and Services** available at [Standard Template RFTs](#). There is further discussion under Selection Criteria in [The Amended \(for Tipperary County Council\) Public Procurement Guidelines for Goods and Services](#).
- Template contracts for **National and EU level Works and Works related Services** tendering is available at [The CWMF website](#) *
- Template contracts for the **SupplyGov** arrangements are available at www.supplygov.ie*

*Where awards are made to Contractors in the Construction sector, a [Contractor's agreement](#) should be issued with the tender documents. (Ref S.I. No. 455 of 2017 Sectoral Employment Order (Construction Sector) 2017)

5.4 Submit documentation to Procurement Coordinator for Pre-Tender Compliance Procedure

This procedure was initiated on 1 January 2020. All tenders must complete this procedure before advertising on eTenders

- [Pre-TENDER compliance pack Goods and Services](#)
- [Pre-TENDER compliance pack Works and Works related services](#)

5.5 Advertise and Publish RFT

5.5.1 Use Tender Procurement Log as required

Once the Pre Tender Compliance Procedure is complete, tenders for Goods and Services of €25k and over ex VAT; and Works of €50k and over being advertised on eTenders must be logged on the [Tender Procurement Log](#) and the [Electronic Tendering Procedures](#) must be adhered to.

The Tender Procurement Log must also be used for any tender or quotation under €25k that wishes to use the Tender Box at the Customer Service Desk.

When to use the Tender Box

It is recommended that the Tender Box is used in the following circumstances:

- Quotations with a value close to the €50,000 Works and €25,000 Goods/Services thresholds, if not advertised on eTenders or SupplyGov
- Quotations for projects involving grant aid or funding from EU, Government or other agencies, where tendering procedures may be audited

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- Tenders that could generate significant public interest, even if of low value
- As required for local threshold quotations

5.5.2 Clearly specify Tender Box Arrangements

All tendering on eTenders, National and EU level must use [electronic submission](#) of tenders.

5.5.3 Advertise on appropriate medium and manage queries and clarifications

- Local level quotations – email, newspapers, mail
- National level tendering is on eTenders www.eTenders.gov.ie. Queries and clarifications are carried out via the eTenders messaging system.
- EU level tendering is on OJEU via www.eTenders.gov.ie Queries and clarifications are carried out via the eTenders messaging system.
- Plant Hire, Minor Building and Civil Works, mini-tenders via www.supplygov.ie

5.6 Receive and Evaluate tenders

5.6.1 Ensure compliance with the Evaluation Procedures

[Ensure compliance with electronic tender box procedures](#)

Evaluation is a high-risk area in procurement. All steps must be taken to ensure that evaluation of tenders is carried out within the regulations. Each step and decision must be recorded to show that suppliers were treated equally and without discrimination and that the process was transparent and proportionate. Steps to address Confidentiality and Conflicts of Interest issues must be documented and kept on file. See [Evaluation Procedures](#)

5.6.2 Clarify as appropriate

See [Evaluation Procedures](#)

5.6.3 Pre AWARD compliance Procedure

Implement [the Pre-AWARD compliance procedures](#) with a Procurement Coordinator

5.6.3 Verify as required

Evaluators are required to verify that a submitted tender is compliant and is submitted by a tenderer that is not excluded. There is also a requirement to verify how well tenders meet the award criteria and that the information and proof supplied by the tenderers is objectively verifiable. See [Evaluation Procedures](#)

5.7 Decide and Notify Award

Unsuccessful candidates and tenderers have certain legal rights which they may exercise in the event that they are unhappy about any of the decisions taken by the awarding entity leading to their exclusion from an award.

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The [Amending Remedies Directive \(Directive 2007/66/EC\)](#) applies to all EU level contracts.

The directive does not apply to below EU level contracts. However, it is the recommended good practice to invoke a 'waiting period' and adhere to the rules for all below EU level contracts.

The appropriate procedures and template letters identified in the [Standstill Procedures](#) Tipperary County Council should be used.

The following steps must be documented with reasons and put on file in accordance with the Standstill Procedures.

- 5.7.1 Identify winner**
- 5.7.2 Appropriate Authorised officer to approve the procurement**
- 5.7.3 Implement [the Pre AWARD compliance procedures with a Procurement Coordinator for standstill letters](#)**
- 5.7.4 Observe appropriate Standstill procedures**
- 5.7.5 Obtain Chief Executive/Delegated Employee Order where required**

Acceptance of a tender in excess of €25,000 must be formalised by a Chief Executive/ Delegated Employee Order

5.8 Conclude Contract

5.8.1 Sign contract once standstill period has passed

Contract details must be entered on the [Tender Procurement Log](#).

5.8.2 Publish Contract Award Notices as required

It is a requirement to publish a Contract Award Notice on eTenders/OJEU for each contract awarded of €25k and over. This notice should be published within 30 days of the award of the contract.

- If you have advertised on eTenders, then you put the award notice up yourself.
 - [How to publish a Contract Award Notice \(CAN\) on eTenders](#)
 - [eTenders System User Guides](#) for EU level notices

If obtaining 5 quotations for Works and the expected award value is over €25k, then the quotation must be logged on the Tender Procurement Log. Then the data for the Contract Award Notice is taken from the Log and published on eTenders quarterly by the procurement office on eTenders. It is the budget holder's responsibility to have the data logged and up to date. Any omission from the Contract Award Notice is the responsibility of the budget holder. [Link to stand alone and mini-competition Contract Awards on eTenders](#)

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5.8.3 Obtain a Procref as required.

A Procref is needed to raise a requisition on Agresso MS4. See [PROCREF Guidelines User Guide](#).

5.8.4 Complete procurement checklist and put on file

It is a requirement that a file (hard copy or digital) is prepared for all procurement exercises, with the exception of direct purchase from a National Arrangement (OGP or SupplyGov Schedule of Rates, which will be accounted for through the appropriate Procref in Agresso); LVPC; Goods and Services under €5,000 if no written quote received.

- Local level procurement requires a file that contains at a minimum the following:
 - Specification of requirement
 - Documented invitations to suppliers
 - Quotations received
 - Evaluation notes – who was successful and why
 - Award/successful/regret communications
 - Insurance, H&S, licensing or other documentation as required
 - Authorising officer
- National and EU Level Tendering must have the documentation identified in the [Checklist for Procurement and Contract file](#)
- Regulation 84 requires a report for **EU level** contracts and frameworks. There are some exemptions for some call-off contracts. Check [Regulation 84 Report](#) for a Checklist and to confirm whether or not the Regulation 84 is required. The completed report must be submitted to the Procurement Office with the application for a ProcRef from 1 October 2021.

5.9 Manage the Contract

Any Material Change or modification of contracts must be managed within the legislation. Record all decisions and actions on the file including: Risk Management, stage payments, communications, meetings, disputes and management of roles and responsibilities.

Works and works relates services should consult with the CWMF Guidance Notes [3.1 Implementation Process and 3.1.1 Dispute Resolution](#)

5.10 Review the contract

Review the contract in time for any renewal, or at the end if the contract is a one-off. Implement any lessons learned into future re-tendering.

Works and Works related services consult with the [Guidance note 4.1 Project Review](#)

Tipperary County Council Procurement Procedures

6. Reporting requirements

Tipperary County Council has procurement reporting obligations that it must adhere to:

- **Contract Notice:** all tenders of €25k and over ex VAT (Goods and Services) and €50k and over ex VAT (Works and Works Related Services) must be advertised on eTenders, SupplyGov or through an appropriate arrangement such as a framework. It is the obligation of the budget holder to ensure these notices are suitably published.
- **Contract Award Notice (CAN):** This notice must be put up on eTenders within 30 days of the award of a contract - all tenders of €25k and over ex VAT (Goods and Services) and €50k and over ex VAT (Works and Works Related Services). Framework arrangements require a CAN, but contracts awarded from a framework do not require a CAN. It is the obligation of the budget holder to ensure these notices are put up.
- It is also a requirement that where quotations for Works and Works related services from €25k to €50k were sought, a Contract Award Notice is also published on eTenders. This is done quarterly by the procurement officer, using data logged on the Tender Procurement Log. It is the obligation of the budget holder to ensure that the data set required is available on the Log.
- [FOI Model Publication Scheme](#) the logging of tender data on the Tender Procurement Log provides the data for the quarterly [FOI reports required](#). It is the obligation of the budget holder to ensure that the data set required is available on the Log each quarter.
- Quarterly reports are extracted from Agresso and sent to the LGMA for collation and reporting to the Office of Government Procurement. The [ProcRef](#) field is used to determine what goods, services and works are procured within compliant arrangements. It is the obligation of the budget holder to ensure that the appropriate ProcRefs are used when approving purchase orders.
- The OGP prepares its Annual Public Service Spend and Tendering Analysis from the Contract Notices and Contract Award Notices on eTenders and from the Quarterly Agresso Reports via the LGMA.
- It is the obligation of the budget holder to ensure that the appropriate documentation is kept on file (hard copy or digitally) and be available on request to the Internal Auditor and the LG Auditor.

Appendix 3:

Risk Register

A3. RISK REGISTER

Risk Description	Probability (Low/Med/High)	Impact (Low/Med/High)	Mitigation	Owner
2.0 Risks to Safety				
2.1 Risk during Construction	LOW	HIGH	Full compliance with the Safety Health & Welfare at Work (Construction) Regulations.	Project Manager
2.2 Fire	LOW	HIGH	Full compliance with Fire Safety Certificate, CMS Procedure.	Project Manager and/or Resident Engineer
2.3 Security/Anti-Social Behaviour	MEDIUM	MEDIUM	Site enclosures to be included in the tender to provide 24-hour site surveillance.	Project Steering Group
2.4 Construction incidents including incidence from misuse of plant/ machinery	LOW	HIGH	Contractor CSCS training and GA1 forms weekly and GA2 Certs in place.	Project Manager and/or Resident Engineer
3.0 Risks to Project - General				
3.1 Change in Steering Group/ Implementation Team/ design team/expertise	MEDIUM	MEDIUM	Detailed log of all decision making and notes. Follow the <i>Project Ireland 2040</i> Project Management Governance Structure.	Project Manager
3.2 Negative engagement with the Public	LOW	MEDIUM	Ongoing stakeholder engagement, monthly newsletter, weekly updates on social media. Communication & Consultation Strategy to be put in place.	Working Group
3.3 Finalisation of leases/ nett lettable floor space & Land acquisition	LOW	HIGH	Agree floor space prior to end of design phase and agree leases prior to construction. Agree Contract of Sale prior to commencement of design.	Project Steering Group
3.4 Increase in Insurance Premiums	LOW	HIGH	Budget management.	Project Manager
3.5 Injury to Public	LOW	HIGH	Safety procedures to be in place prior to commencement of works.	Project Manager and/or Resident Engineer
3.6 Noise	LOW	LOW	Comply with Planning Permission.	Project Manager and/or Resident Engineer
3.7 Closure of Site for ad hoc reason	LOW	LOW	To be managed as issues arise.	Project Manager and/or Resident Engineer
3.8 Environmental factors arising from surveys	MEDIUM	HIGH	Arranging surveys as far in advance as possible to identify any mitigation measures.	Project Manager

Risk Description	Probability (Low/Med/High)	Impact (Low/Med/High)	Mitigation	Owner
4.0 Risks to Timeline				
4.1 National/localised health concerns	HIGH	HIGH	Align with Government health guidance.	Project Steering Group
4.2 Inclement Weather	MEDIUM	MEDIUM	Align to CMS and national guidelines.	Project Manager and/or Resident Engineer
4.3 Environmental	MEDIUM	MEDIUM	Site investigation required prior to design process.	Project Manager and/or Resident Engineer
4.4 Archaeological Find	MEDIUM	MEDIUM	Site is located within zone of archaeological potential. Appoint archaeologist to join the design team and supervision of works.	Project Manager and/or Resident Engineer
4.5 Construction delays	MEDIUM	MEDIUM	Timelines/programme of works to be included in the award of contract.	Project Manager and/or Resident Engineer
4.6 Non-Conformance to Building Regulations	LOW	HIGH	Project supervisor weekly site visits.	Contractor
4.7 Delay in connections to utilities	MEDIUM	MEDIUM	Engage with utility providers at the earliest stage possible.	Contractor
4.8 Excavation in ROCK	MEDIUM	MEDIUM	Examine site investigation report prior to commencement of design process.	Contractor

Further Risks

The consultation phase of this Preliminary Business Case also produced a number of risk areas which are not covered in the risk register, but are worthy of mention and further consideration.

These risks include:

- **Construction & technology risks:**
 - Timing of construction for occupants who have needs in the short term.
 - Getting the design and materials for the building right, and ensuring that technology is cutting edge.
 - Ensuring all technology and systems used in the building are of the highest current standards.
- **Governance risks:**
 - Appointing an experienced project team with the skills and ability to deliver and operate SECOE Ireland.
- **Operational risks:**
 - Balancing the need to rent out space to cover operational costs and getting the correct profile of tenants.
 - Proposed occupants not occupying their space allocations.
 - Ensuring the building is not dominated by local authority/ government agencies.
 - The capacity of startups to afford tenancy.
 - The ability of Nenagh to attract enough professional services in the energy space over time.
 - Potential duplication of services/ offerings versus other similar buildings or centres of excellence.

Appendix 4:

Cost-Benefit Analysis – Concepts, Terminology and Methodology

A4. COST-BENEFIT ANALYSIS - CONCEPTS, TERMINOLOGY AND METHODOLOGY

A4.1 The Public Spending Code (PSC).⁴⁸

The Public Spending code is defined as follows:

"All Irish public bodies are obliged to treat public funds with care, and to ensure that the best possible value for money is obtained whenever public money is being spent or invested. The PSC is the set of rules and procedures that ensure that these standards are upheld across the Irish public service. In September 2013, departments and offices were formally notified that the PSC is in effect."

The PSC is managed, monitored, and updated by the Department of Public Expenditure and Reform (DPER).

Within the PSC, specific guidance was set out in relation to Cost Benefit Analysis (CBA). This was first issued as central guidance in July 2012 and was updated in July 2019.⁴⁹ In presenting this guidance it was stated that:

"In considering a spending proposal, decision makers need to be assured that the overall welfare of society is raised as a result of the proposed action. CBA attempts to evaluate the proposal from the perspective of society by placing all the costs and benefits on a comparative monetary scale. Sometimes a project may consist of separable and independent components e.g., a regeneration project consisting of recreational facilities, residential units and roads. In this case, the separable components should be appraised on their own terms but also in combination. The entire package of components should also be appraised as a project."⁵⁰

In line with this guidance, CHL in preparing this report has adopted the approach of appraising the "entire package of components".

⁴⁸ gov.ie - The Public Spending Code (www.gov.ie)

⁴⁹ The Public Spending Code A Guide to Economic Appraisal Carrying out a cost benefit analysis.

⁵⁰ Ibid pp5/6

In October 2018, the Irish Government Economic and Evaluation Service (IGEES) published a guidance paper on a number of central technical parameters *"to ensure that there is consistency across the analysis that is being carried out such as Cost Benefit Analysis (CBA)*".⁵¹ The following four central technical parameters were examined.

A4.1.1 Time Horizon

The time horizon for a capital project essentially refers to the anticipated operational life span of the asset being developed. This is an important consideration when evaluating the duration of operational activity and the quantum of economic benefits that will be generated. The IGEES paper highlighted the importance of the time span over which a capital investment decision was to be made and noted that *"the time horizon over which an appraisal is carried out is an important element of the overall framework for analysis"*.⁵² The analysis also presented an illustration "Hypothetical Projects with varying Time Horizons" This is shown in Figure A4.1 overleaf.

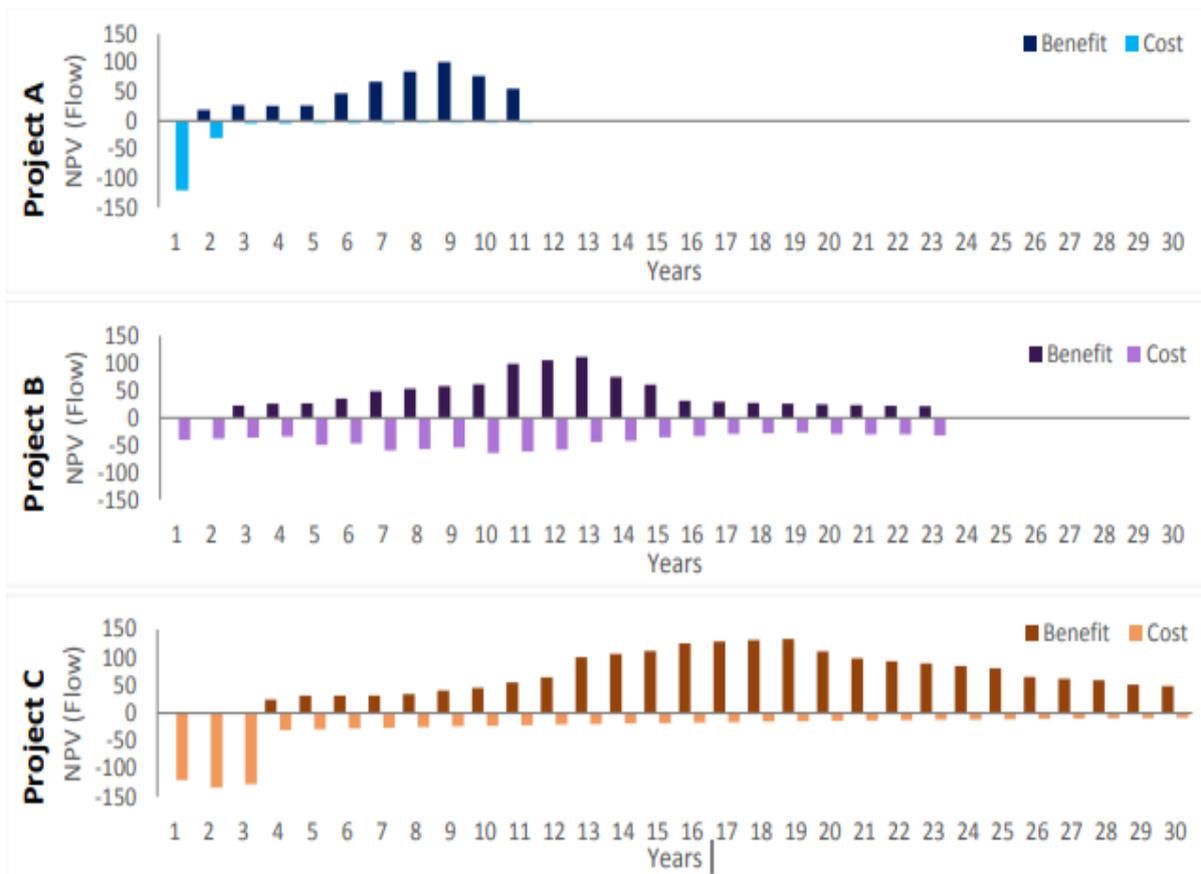
Project A is a relatively simple project with most of the investment starting at Year 0 and delivered in Year 1. Investment continues into Year 2 with some benefits being generated also, indicating that the project becomes operational at some point in Year 2. All investment is completed in Year 2. This is therefore a project with a 9+ years operational life span, and with the main project benefits being somewhat backloaded.

Project B has a 23-year life span and requires continuous capital investment over those years. The project becomes operational in year 3 although annual benefits appear lower than investment costs up to year 7. Benefits peak from year 8 through to year 15 and then diminish again over the last eight years of the project. This distribution of benefits when quantified in financial terms could possibly make Project B look like a marginal proposition.

Figure A4.1: Hypothetical Projects with varying Time Horizons

⁵¹ IGEES Unit at DPER: *Central Technical Appraisal Parameters: Discount Rate, Time Horizon, Shadow Price of Public funds, and Shadow Price of Labour* (October 2018)

⁵² Ibid p36



Source: IGEEES/DPER

Project C becomes operational in year 4 following a three-year project development phase. The project has a 30-year life span and has a continuing need for annual capital investment (perhaps maintenance and a limited degree of asset replacement/renewal) although this continuing investment is considerably lower than that required in Project B. Project Benefits are slow to emerge and peak over the period from year 10 to year 25, leaving two shoulder periods where the benefits are considerably reduced.

Identifying the correct Time Horizon is clearly important in conducting a CBA. An unduly long-term horizon will serve to inappropriately elongate the life span of the project and so produce an overly optimistic picture of project benefits. Equally an unduly short life span would serve to understate the likely project benefits.

The IGEEES paper offers the following guidance on this matter:

"It is worth noting a number of points in relation to the approach to setting a time horizon. Firstly, for the majority of interventions, its lifetime will correspond to the period over which it has an impact. The majority of the impact should be as a result of the project or asset being in service or operational. As such, the lifetime of the asset or intervention should equate to consideration of the impacts of the project in the majority of cases. For the majority of infrastructure projects, the relevant flows of benefits and costs are linked to the economic lifetime of the asset. For instance, for a given infrastructure project impacts such service benefits will cease once the infrastructure is no longer in service."⁵³

IGEEES also offers a comment on setting a time horizon based on an EU standard:

"The European Commission's appraisal guidance states that for the financial appraisal of projects that; 'cash flow forecasts should cover a period appropriate to the project's economically useful life and its likely long-term impacts. The number of years for which forecasts are provided should correspond to the project's time horizon (or reference period). The choice of time horizon affects the appraisal results. In practice, it is therefore helpful to refer to a standard benchmark, differentiated by sector and based on internationally accepted practice."⁵⁴

Table A4.1: European Commission Reference Benchmark Periods

Category	Reference Period (Years)
Railways and Water Supply/Sanitation	30
Roads and Waste Management	25-30
Ports and Airports	25
Urban Transport	25-30
Energy and Research and Innovation	15-25
Broadband	15-20
Business Infrastructure and Other Sectors	10-15
Source: European Commission, 2014	

⁵³ Ibid p37

⁵⁴ Ibid p39

Having regard to the foregoing commentary, CHL Consulting has adopted an operational time horizon of 30 years for the appraisal of the Nenagh project.

A4.1.2 Discount Rate

The question of the “discount rate” arises because of the long timelines associated with long-term capital asset development. The term “discount rate” is simply the opposite of an interest rate. Whereas an interest rate accumulates economic value over a period of time, the discount rate reduces economic value over a period of time. This is because of the “time value of money” and the opportunity cost of having to wait for money that will only arrive some number of years later. Money that is earned and received this year can be banked at the end of the year and start the interest earning process. However, money that will be earned and only received in – say - year 10 will only be banked at the end of year 10. In the illustrative examples presented in Fig. A4.1, benefits (or monetised economic value) arrive in year 11, year 23, and as far out as year 30. Benefits arising across different time intervals in this manner give rise to an “apples and oranges” issue – in economic value terms we are not comparing like with like. The solution to this in a CBA exercise is to bring all values arising from project operations over the declared timeline of the project back to a common “present value” – typically the value at the start of the project (i.e. Year 0). The discount rate is the instrument that achieves this.

The discount rate used in public sector capital investment projects has long been considered to be approx. 4%. This is because the discount rate tracks the long-term yields on government bonds, which has been 4% (with only occasional variations arising from prevailing economic circumstances) over the past century. The IGEEES guidance on this matter reinforces this position.

“The PSC currently states that ‘it is important that a centrally set test discount rate is applied across economic appraisals and other forms of NPV analysis to ensure uniformity of approach and consistency in calculating present values across the public sector. This also facilitates the comparison of projects within and across sectors. As such, a central standard

discount rate can be seen as providing for a level of central consistency across appraisal practice and sectors. Based on a review of available evidence, 4% would be a pragmatic discount rate to be applied across economic appraisal. This rate does not include an adjustment for risk and is for use across sectors.⁵⁵

Accordingly, CHL Consulting has used a discount rate of 4% in this CBA.

A4.1.3 Shadow Price of Public Funds (SPPF)

Shadow pricing involves assigning a monetary value to something, the value of which cannot be readily measured and is therefore usually estimated. Typically, this arises where there is not a readily available market-based price for the good in question, or where the market fails to “price in” a relevant but overlooked consideration. Shadow pricing can be used to estimate both benefits and costs.

For example, the cost of a unit of steel can be readily found on international markets. This is the market price of steel. But if, for example, the quantity of carbon associated with steel production is not monetised and factored into the price, then the true cost of steel production is being under-estimated. Adding this element to the price would present the true cost of production. This is the shadow price which represents the full cost of steel production to society as a whole and not only the costs encountered by those manufacturing the product and/or buying steel on international commodity markets. Shadow pricing, both on the benefit and cost sides, is an attempt to ensure that all costs associated with production are identified and included. This is a relevant consideration in the context of the appraisal of long- term capital development projects. IGEES addresses this issue in the context of disruption effects and shadow pricing issues in relation to the impacts of taxation imposition and quotes the PSC in introducing the Shadow Price of Public Funds (SPPF) as follows:

“The Public Spending Code, as currently drafted, states that; ‘taxation is an important source of revenue for Governments. However, taxation also leads to distortions by altering

⁵⁵ Ibid p35

the incentives faced by consumers, workers and companies, and serving to reduce the overall efficiency of activity throughout an economy. In order to take account of the distortionary impact of taxation, a shadow price must be applied reflecting the fact that taxation is a key source of funding for expenditure on projects and programmes. In other words, because Governments fund projects by raising taxes, the negative impact on the economy of this tax raising activity must be reflected in the cost appraisal of a project. Typically, the costs of a project are of course offset on the benefit side of the appraisal by valuations of impacts.”⁵⁶

“The Shadow Price of Public Funds (SPPF) is a technical parameter applied to consequent changes in exchequer flows in the appraisal of publicly funded projects/programmes, intended to reflect the economic distortions which arise as a result of the behavioural responses to tax revenue generation. It is argued that general taxation distorts net economic output by influencing labour and production decisions; the purpose of the shadow price of public funds is to attempt to estimate the extent of that distortion and incorporate it as part of the cost of a publicly financed project.”⁵⁷

The IGEES paper goes on to address this issue of shadow pricing in the context of public funding for projects as follows:

“The current Public Spending Code mandates a SPPF of 130%. The PSC states that ‘the value of the shadow price of public funds is set at 130% to take account of the deadweight effects of taxation. Therefore, relevant exchequer cash flows should be adjusted by a factor 1.3’. It would appear based on that research that the current rate of 130% for the entire tax base is within the bounds of reason and, in the context of the points highlighted for consideration in relation to the research above, that there is a rationale for it to be maintained at its current level.”⁵⁸

Arising from the above commentary CHL Consulting uses a factor of 1.3 in this report to reflect the shadow price of public funds.

⁵⁶ Ibid p42

⁵⁷ Ibid p42

⁵⁸ Ibid p46 & p50

A4.1.4 Shadow Price of Labour (SPL)

The IGEEES paper describes the shadow price of labour as follows:

“The Shadow Price of Labour is an estimate of the net social good attributable to the creation of additional employment, applicable to CBA appraisal. In contrast to normal goods prices, which are decided through the market mechanisms of supply and demand, shadow prices are estimated based a set of assumptions about society. More formally, a shadow price is defined as the good’s social opportunity cost - the net social gain from having one extra unit, as assessed in terms of a well-defined social criterion, representative of overall social welfare.”⁵⁹

“The shadow price of labour has been set at between 80 and 100% in Ireland for a number of years with guidance that market rates for labour costs should be used unless there is clear evidence that shadow prices are required. Given the evidence gathered and the lack of updated empirical work, there is no rationale for significantly changing the application of the parameter in an Irish context. The work by Honohan defined empirically the relevant SPL in Ireland as not being less than 80%. Furthermore, the European Commission’s guidance provides estimates for the SPL across the EU at NUTS-II level. For Ireland, the identified rates are 99% for the Southern and Eastern NUTS-II Region and 80% for Border, Midland and Western NUTS-II Region (EU Commission, 2013). In the absence of more recent empirical analysis of the SPL in Ireland, it is deemed appropriate to maintain the 80%-100% range within appraisal guidance. However, in terms of application it would be appropriate for the guidance to emphasise the default rate of 100% and to stress the importance of justifying any rate chosen which is lower than that taking into consideration the labour market context from a number of perspectives, given the outlined trends above.”⁶⁰

Given the analysis in the text above and given in particular the observation from the European Commission’s guidance to the effect that the “identified rates are 99% for the Southern and Eastern NUTS-II Region”, CHL Consulting has taken an SPL of 100%

⁵⁹ Ibid p51

⁶⁰ Ibid p60

for the purposes of this CBA, as the reported rate of 99% is not sufficiently and materially different to warrant its inclusion in the analysis.

Appendix 5:

Complementary Projects in Nenagh

A5. COMPLEMENTARY PROJECTS IN NENAGH

A5.1 Rialto Digital & Enterprise Hub

Adaptive Re-Use of a Former Cinema (Protected Structure) and Outline Masterplan for Redevelopment of a town centre brownfield site. The project concerns the Former Rialto Cinema, Banba Square, Nenagh, Co. Tipperary (a vacant protected structure now in public ownership) and the associated brownfield site fronting onto Banba Square with site boundaries also on Ashe Road and Emmett Place.

The 'Rialto Digital and Enterprise Hub' project is an exemplar sustainable, green, town centre regeneration project that will engage in place-making and revitalise the town centre of Nenagh through provision of much needed incubator enterprise space, public realm enhancement and the redevelopment of a back-land brownfield site through planning for the delivery of town centre homes. It will build on the development of the Nenagh Historic and Cultural Quarter project and will deliver a fourth pillar in the centre of the town through the adaptive re-use of an iconic but unused heritage building for digital hub type enterprise incubation spaces and publicly accessible collaboration resource spaces.

A masterplan will plot the sustainable conservation of a protected iconic 1940's cinema building and the redevelopment of the associated vacant brownfield site to create a new streetscape, explore the potential provision of town centre residential units and the delivery of a new public amenity heart in the town centre, focused and business resources amenities and age friendly facilities.

A5.2 SECOE – Ireland (Centre of Excellence for Sustainable Energy):

A5.2.1 A Pathway to a Low-Carbon Society

A Centre of Excellence for Sustainable Energy driving the transformational urban regeneration of Nenagh Town Centre.

This project has been developed as a direct, collaborative and innovative response to deliver Project Ireland 2040 and the Climate Action Plan, through a transformative public-private urban regeneration project that build on the established economic cluster of sustainable energy agencies, businesses and professionals in Nenagh, Tipperary and the Southern Region.

The Centre of Excellence, taking reference from best international practice, will uniquely host a range of public agencies working collaboratively to deliver innovative solutions from training and development to new cutting-edge research on technologies, to incubating low-carbon social enterprises. The Centre has been designed to be Ireland's first carbon neutral and energy positive building and it will generate more than 350 jobs and directly contribute more than €17m to the town economy over the 10-year period.

The aim is to develop a Centre of Excellence for Sustainable Energy, to be the anchor and catalyst for the redevelopment of Martyr's Road Regeneration Quarter, a 10 ha. strategic site of brownfield lands and underutilised properties located in the heart of Nenagh Town Centre.

The project is the first phase of the re-development of Martyr's Road Regeneration Quarter, with the vision and framework to transform this area in a series of distinct and interrelated phases, to include an educational campus, enterprise and commercial services, and town centre residential neighbourhood. The project also seeks to put in place public infrastructure, civic spaces and public realm enhancement, both to consolidate the linkages to the town centre and to unlock the potential for the overall landholding.

A5.2.2 Martyr's Road Regeneration Quarter

A Centre of Excellence & a Low Carbon Neighbourhood

The new Quarter will be delivered in line with the ethos of the centre, by applying the innovative integration of spatial and energy planning, harnessing renewable energy and passive building technologies, providing sustainable transport infrastructure and active public open spaces rich in bio-diversity. The Master Plan will uniquely benefit from the continued support of the Centre, where architectural, planning, community and energy experts will be on hand to provide best practice on design and emerging technologies.

A5.3 Nenagh Traffic Management Plan

The implementation of the Nenagh One-Way System is a key recommendation from the adopted Nenagh Traffic and Transport Plan. The overall aim of the study is “to secure a more efficient transport network for Nenagh, that would foster the social and business environment of the town, would encourage greater levels of walking & cycling, and would improve road safety and quality of life for the community, thereby facilitating sustainable future growth”. It is proposed in 2023 to implement the one-way system in relation to Kickham Street, Pearse St., Mitchel St. and Emmet Place. This local authority investment will complement the proposals for the Historic & Cultural Quarter and the Rialto Development.

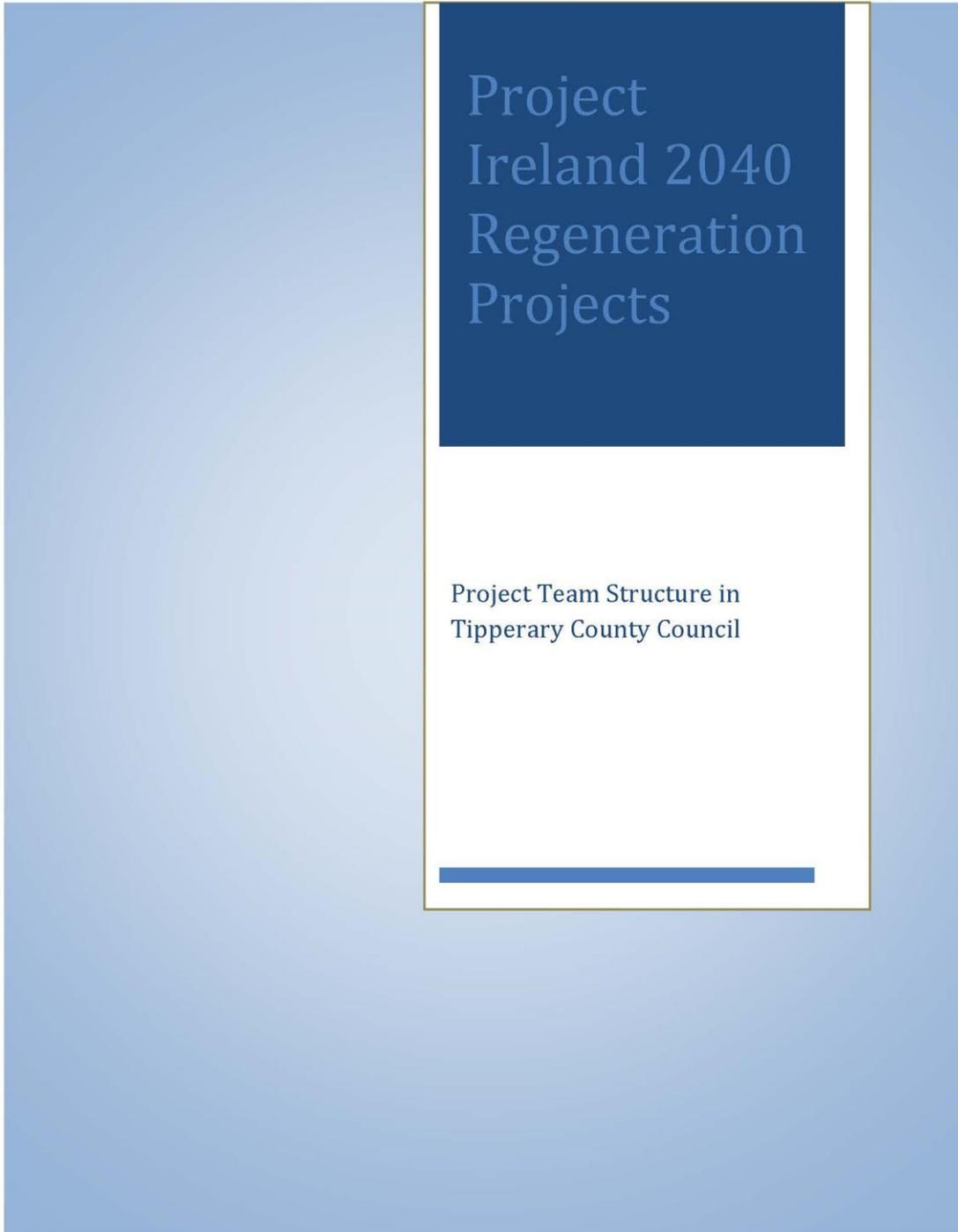
The intentions of the scheme are:

- a) To reduce the number of traffic conflicts at junctions, improving their flow and effectively managing congestion from the streetscape.
- b) In particular, it is intended to remove queued traffic associated with the traffic signals.
- c) Provide enhanced pedestrian crossing facilities and additional pedestrian crossing locations to cater for the pedestrian desire lines within the Town core and to make the controlled crossings consistent and safe.
- d) Provide a traffic system that creates the opportunity and conditions to reallocate street space to active modes and public realm enhancements.

Appendix 5:

Project Team Structure in Tipperary County Council

A5. PROJECT TEAM STRUCTURE IN TIPPERARY COUNTY COUNCIL



Introduction

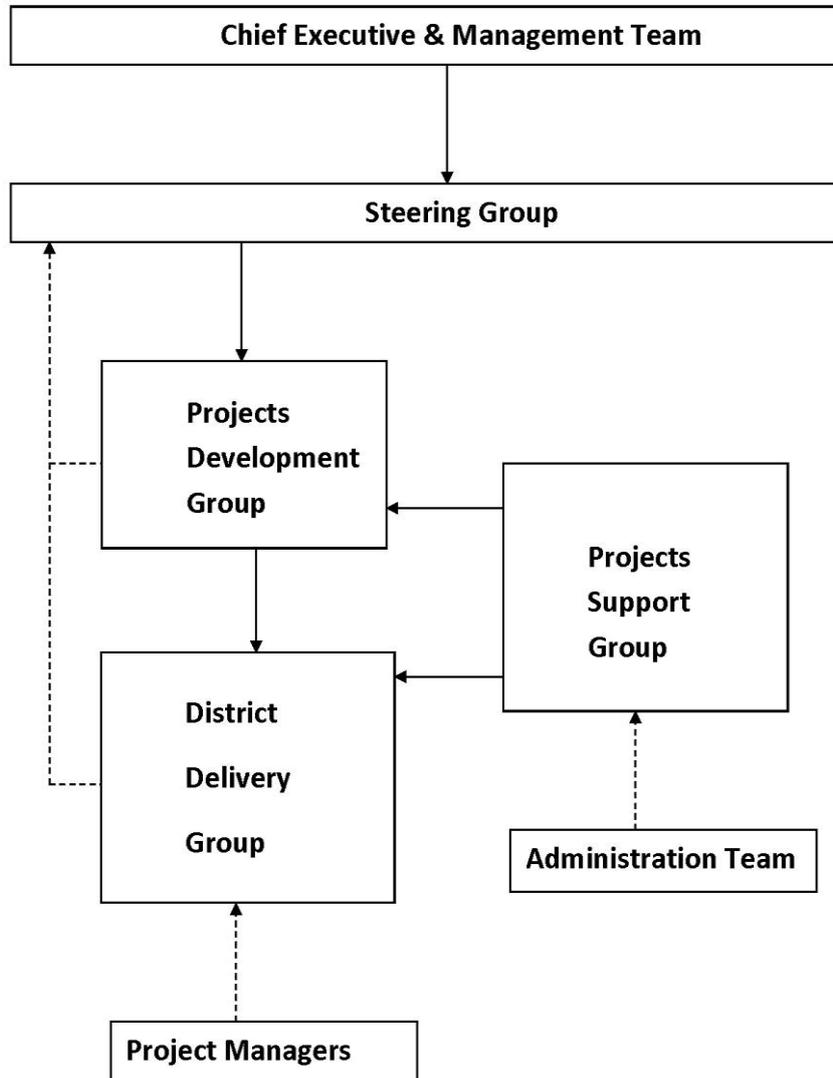
This document represents a broad outline of the project team structure that has been established in Tipperary County Council to effectively manage the development and the delivery of the regeneration projects arising out of capital funds received from Project Ireland 2040 funding competitions since 2020.

This document identifies the roles, responsibilities and reporting structures for the various project groups involved in the approval, development and delivery stages of these large projects.

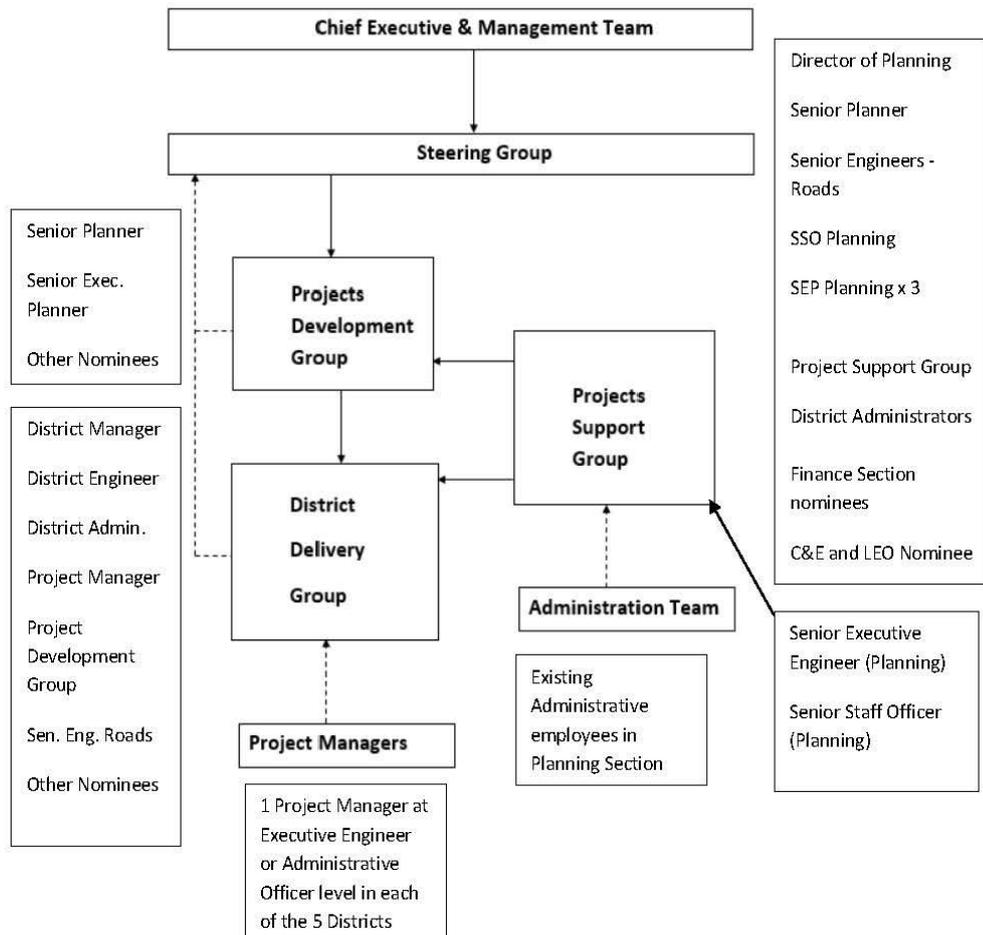
This first revision incorporates some structural revisions and improvements to the current structure since 2020, including the following:

- the strengthening and expansion of the Steering Group Membership
- the creation of a new Project Regeneration & Development Officer (PRDO) role with responsibility for the Clonmel 2030 Transformation project
- the growing collaboration between the Districts and the Planning Section with respect to the identification of project concepts and the development of projects and the pipeline approach
- the process for the selection of suitable projects
- the changing and evolving roles of the Development Group and the Project Support Group

Structure- Overview



Structure with Positions



Project Steering Group

The Project Steering Group is chaired by the Director of Services in the Planning Section and the membership is shown in Appendix 2.

Key Roles:

- To be the direct liaison and point of contact with the DRCD, DHLGH and Fáilte Ireland.
- To identify and prepare Multi Annual Programmes of projects, with input from the Districts.
- To identify and consider risks and issues around all proposed projects.
- To prepare initial Project Delivery Plans/Project Charters, as necessary.
- To consider projects which are in accordance with national strategic outcomes of the NPF, the Council's 'Strategic Project Plan' and the terms of the scheme.
- To oversee the work of the District Delivery Groups
- To oversee the delivery and long-term management of the Projects
- To implement and oversee the Project Management Platform
- To consider, review and approve additional subsequent works proposed by the District Delivery Group, which are outside of the scope of the project/application/planning consent
- To provide quarterly updates to the Management Team
- To review unsuccessful funding applications and determine next courses of action.
- To sign off on the completion of the project.

Reporting Structures:

The Steering Group report directly to the Chief Executive and the Management Team of Tipperary County Council, on a quarterly basis or as requested.

The Project Development Group and the District Delivery Group report to the Steering Group.

Project Development Group

The Planning Section is the lead coordinating section within the organisation for the preparation and development of the funding applications for funding Calls, but it is important that there is strong collaboration with the Districts in progressing these applications and advancing certain elements, such as appraisals and surveys.

The Senior Planner and Senior Executive Planner (Forward Planning) are responsible for the performance management of project development tasks and the standard of funding applications, reporting directly to the Director of Services-Planning.

The Senior Planner and Senior Executive Planner (Forward Planning) will agree on the assignment of individual planners to specific projects, to be approved by the Director of Services in the Planning Section.

The Senior Planner and Senior Executive Planner (Forward Planning) are responsible for ensuring that the projects are in line with national, regional and county level outcomes and priorities and that projects meet the criteria of specific funding sources.

Key Roles:

- To develop project concepts with the Districts through the Project Charter approach up to application stage.
- To prepare a multi-annual programme of project concepts with the Districts, a Project Pipeline approach.
- To prepare applications in line with the funding calls, with the input from the Districts.
- To meet with Department officials in the development and review of projects.
- To handover funded projects to the District Delivery Group using the Project Charter approach
- To work with identified partners in the preparation of the applications.
- To liaise with project stakeholders, i.e. agencies, community groups.
- To provide guidance to ensure the project meets the requirements and specific criteria of each funding call.
- To sit on the District Delivery Group and to assist with planning advice

Reporting Structures:

The Senior Planner and Senior Executive Planner (Forward Planning) report to the Steering Group and to the Director of Services in the Planning Section.

5

Project Support Group

The Project Support Group (Senior Executive Engineer – Planning Section and Senior Staff Officer – Planning Section) ensure that robust systems are in place with respect to project management, governance and financial management and file management, whilst also providing support to the Development Group, the Project Managers and District Delivery Groups to assist the progression of projects in line with the terms and conditions of the grant.

- **Senior Executive Engineer – Planning Section**

provides valuable support on project management experience and knowledge including technical/engineering advice.

The main role is to ensure consistency and best practice in contract administration, dispute resolution, cost estimation, delivery methods, design and process management and project management.

Key Roles

- To support the Project Development Group preparing funding applications, including technical advice, risk identification and cost estimation.
- To participate on the Steering Group.
- To liaise and support the District Delivery Groups and the Project Managers.
- To identify and share best practice models and lessons learned (continuous improvement).
- To identify innovation in preparation, procurement and delivery of projects.
- To prepare, maintain and share market costs for materials, labour, and delivery of projects to ensure value for money and improve accuracy of applications.
- Prepare and share templates and oversee the introduction of appropriate Project Management systems/platforms.

Reporting Structures:

The Senior Executive Engineer – Planning Section will report to the Steering Group and to the Director of Services in the Planning Section.

b

- **Senior Staff Officer – Planning Section**

This role ensures that appropriate procedures and systems are in place to support the Project Development Group and the District Delivery Groups to achieve compliance with the Public Spending Code and supporting internal and external audits.

Key Roles

- The direct point of contact with the funding Departments for Tipperary County Council, except for the Clonmel 2030 project
- To support the Project Development Groups preparing the funding applications
- To support the Project Delivery Groups on the delivery of the Projects around governance and financial matters
- To assist and advise the Project Development Group and the Project Delivery Groups on responding to reports on the compliance with the Public Spending Code (PSC).
- Compile Checklists for applications for funding support submitted to the Departments. Prepare the Public Spending Code Worksheet for all Project Ireland 2040 projects.
- To work closely with the SEE in Planning in developing systems and procedures and new continuous improvement initiatives
- To liaise with the Financial Section with respect to the setup of capital job codes and other financial matters
- To ensure that a comprehensive file management system is provided for use by the Project Development Group and the Project Delivery Groups
- To ensure that up to date Financial data is maintained on spreadsheets
- To assist with audits and to assist with the provision of information for the following purposes; FOI requests, PSC compliance requests, media requests, etc.
- To provide administrative support to the Steering Group
- To participate on and provide reports to the Steering Group.
- To oversee delivery of value for money

Reporting Structures:

The Senior Staff Officer – Planning Section reports to the Steering Group and to the Director of Services in the Planning Section.

District Delivery Groups

The District Delivery Group includes the District Director/Manager, the District Administrator, the District Engineer, the Project Manager, Senior Engineer (Roads) and appropriate representatives from the Project Development Group and any other nominees from Sections can be added to the District Delivery Group, depending on the nature of the project and to advise on specific elements (e.g. Tourism Officer).

District Directors/Managers must ensure that District Delivery Groups are established and performing within the District for which they have delegated responsibility.

District Directors /Managers provide oversight and co-ordination of the key roles and functions assigned to the District Delivery Groups.

Project Managers assigned to each District will form part of the staffing complement of the Roads & Transportation Directorate and will comply with the health and safety systems, policies and procedures of that Directorate, unless other arrangements are made and approved. But the Project Manager will report to the District Delivery Group and ultimately to the District Director/Manager. The District Delivery Group oversee and support the work of the Project Manager and particularly the management of the assigned capital budgets. All procurement will be undertaken by the District Delivery Group. Support and advice to the District Delivery Group will be provided by the SEE in Planning and the SSO in Planning.

Key Roles

- The coordination of the Delivery stage of a project including performance/progress made, risks and issues and financial management.
- To update and maintain the Project Management platform and systems.
- To prepare and agree responses to Departmental queries.
- To oversee the establishment of companies/steering committees/liaison groups/stakeholders as appropriate.
- To engage, procure and appoint design teams/consultants and contractors.
- To provide updates to the Steering Group, as requested
- To collaborate with the Project Development Group in the development of project concepts and funding applications

8

Reporting Structures:

The District Delivery Groups report to the Steering Group

Project Managers

A Project Manager has been appointed to each Municipal District to manage the delivery of projects. Project Managers report to the District Delivery Group and ultimately to the District Director.

Project Managers will be supported by the District Engineer and the District Administrator in the first instance, with additional support from the Project Support Group.

The Project Manager should not carry out the role of Resident Engineer or Employers Representative unless recommended by the District Manager and agreed by the Steering Group.

Key Roles

- The preparation of tender and contract documentation
- The procurement and engagement of consultants and contractors
- To update the Project Charter and the Project Management platform/system
- To identify and manage project risks and issues
- To prepare claims and returns for the Department/Agencies.
- To liaise with Companies/Steering Groups/Liaison Groups established as part of the delivery of these projects, as necessary.
- To manage the performance of External Design Teams, Consultants, Resident Engineers, Employers Representatives and Contractors and manage contract administration.
- To identify key decisions and tasks for the District Delivery Group
- To manage the financial risks and budgets
- To prepare Final Project Completion Reports and Post Evaluation Reports with the support of the Project Development Group and Project Support Group
- To ensure the effective handover of files to the Planning Section on completion of project.
- To provide reports and feedback to the Project Support Group and to the Steering Group

Reporting Structures:

The Project Manager will report to the District Delivery Group and ultimately to the District Director/Manager.

CHL

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