Final Business Case (FBC)

NTA Project Phoenix – Procuring and Implementing a Strategic Finance System

Údarás Náisiúnta Iompair
National Transport Authority

Contents

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Glossary

ABW	Agresso Business World
ACER	Average Cost-Effectiveness Ratio
AI	Artificial Intelligence
AP	Accounts Payable
API	Application Programming Interfaces
AR	Accounts Receivable
BAFO	Best and Final Offer
BAU	Business as Usual
BCP	Business Continuity Plan
BRP	Benefits Realisation Plan
CAF	Common Appraisal Framework
CBA	Cost Benefit Analysis
CEA	Cost Effectiveness Analysis
CoA	Chart of Accounts
COE	Centre of Excellence
COTS	Commercial off the Shelf
CV	Curriculum Vitae
CPN	Competitive Procedure with Negotiation
CSDP	Common Standard Design Principles
CWMF	Capital Works Management Framework
DEPR	Department of Public Expenditure and Reform
DMS	Data Management System
DoT	Department of Transport
DR	Disaster Recovery
DSP	
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EEA	European Economic Area
E-Invoicing	Electronic invoicing
ERP	Enterprise Resource Planning system
FBC	Final Business Case
FMS	Fleet Management System
FP&A	Financial Planning and Analysis
FTE	Full Time Employee

GCCs	Gross Cost Contracts
GDPR	General Data Protection Regulation
HR	Human Resources
ICT	Information and Communication Technology Framework
IoT	Internet of Things
ISFT	Invitation to Submit Final Tender
IT	Information Technology
ITN	Invitation to Negotiate
KPIs	Key Performance Indicators
MCA	Multi-Criteria Analysis
MFA	Multi Factor Authentication
ML	Machine Learning
MMD	The Mott McDonald Optimism Bias Estimator
NDP	National Development Plan
NGT	Next Generation Ticketing
NPV	Net Present Value
NTA	National Transport Authority
OB	Optimism Bias
OCR	Optical Character Recognition
OGP	Office of Government Procurement
OTC	Order To Cash
PABS	Project Appraisal Balance Sheet
PAG	Project Approval Guidelines
PBC	Preliminary Business Case
PEP	Project Execution Plan
PI	Performance Indicators
PID	Project Initiation Document
PQQ	Pre-Qualification Questionnaire
PSBs	Public Service Bodies
PSC	Public Spending Code
PSO	Public Service Obligation
PTP	Procure to Pay
QA	Quality Assurance
ROS	Revenue Online Service

RCT	Relevant Contracts Tax
SaaS	Software as a Service
SAPB1	SAP Business One
SAR	Strategic Assessment Report
SIT	System Integration Testing
SLA	Service Level Agreements
SSO	Single Sign On
TAA	Transport and Accessibility Appraisal
TAF	Transport Appraisal Framework
TCO	Total Cost of Ownership
TFI	Transport for Ireland
TII	Transport Infrastructure Ireland
TOM	Target Operating Model
UAM	User Access Management
UAT	User Acceptance Testing
VAT	Value Added Tax

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In preparing this report, we have had access to information provided by the NTA and publicly available information. The findings and recommendations in this report are given in good faith but, in the preparation of this report, we have relied upon and assumed, without independent verification, the accuracy, reliability and completeness of the information made available to us in the course of our work, and have not sought to establish the reliability of the information by reference to other evidence.
Any findings or recommendations contained within this report are based upon our reasonable professional judgement based on the information that is available from the sources indicated. Should the project elements, external factors and assumptions change then the findings and recommendations contained in this report may no longer be appropriate. Accordingly, we do not confirm, underwrite, or guarantee that the outcomes referred to in this report will be achieved.

We have not compiled, examined, or applied other procedures to any prospective financial information in accordance with Irish, or any other, auditing or assurance standards. Accordingly, this report does not constitute an expression of opinion as to whether any forecast or projection of the project will be achieved, or whether assumptions underlying any forecast or projections of the project are reasonable. We do not warrant or guarantee any statement in this report as to the future prospects of the project.
There will usually be differences between forecast or projected and actual results because events and circumstances frequently do not occur as expected or predicted, and those differences may be material.

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1 Executive Summary

Report Purpose

The purpose of this report is to reflect a Final Business Case (FBC) at Decision Gate 3, in advance of the decision to award the contract. This involves a complete appraisal based on a comprehensive understanding of up-to-date costs, benefits, risks, deliverability and affordability and other information pertaining to the preferred tenderer at Final Tenders stage. For completeness, this report is also updated for other evolutions and outcomes of the procurement process, in order to constitute a single reference document for Decision Gate 3 – Approval to Proceed (as per the Public Spending Code). The Project Phoenix vision below emphasises the importance and need for change:

"Provide a unified Finance platform for the whole NTA enterprise, which is flexible to meet the business needs, providing a single source of truth."

The Final Business Case has been prepared in accordance with the Public Spending Code (PSC) guidelines. It is intended to reassess the Preliminary Business Case (PBC), in light of final tender submissions and other evolutions and outcomes of the Procurement process.

As with the Preliminary Business Case, the Final Business Case is both a process and a product. The process encompasses gaining deeper understanding of the proposal which began with the Design, Planning and Procurement Strategy and continues with the reconsideration of the economic and financial case and examination of delivery programme and risks. The product is the Final Business Case report which sets out the full body of knowledge on the proposal and reflects a range of commercial and delivery issues which have emerged following the tendering process. Together these elements provide a basis on which to decide whether to proceed with a project.

Project Objectives

Specifically, the NTA Strategic Finance Solution project is charged with procuring and implementing a new finance and accounting platform to streamline and improve financial process efficiency, provide improved capability for budgeting, forecasting and financial analysis and to replace, on a phased basis, the existing finance legacy systems. Strategic IT projects of this type are often complex and high risk due to technical change but also due to the significant process and organisational change which may be required.

Due to the significant growth and expansion of the NTA over the past 14 years, the NTA will require a financial solution to support its strategic objectives which include:

1. Provide a unified financial management solution for the whole enterprise which is flexible to meet the business needs providing a single source of truth;
2. Enable adoption of finance process leading practices – standardised, efficient, leverage automation and technology;
3. Migrate the Authority's Finance Department to a business partner role providing insight and challenging organisational decision making;
4. Delivery of the Solution on time within the budget to the required benefits realisation and enable the implementation of the Authority's 'Next Generation Ticketing' project within the agreed timelines;
5. Ensure robust controls and governance are incorporated in the Project and Solution while ensuring efficiency of operations; and
6. Ensure the Solution aligns with the Authority's Information and Communications Technology (ICT) Strategy.

Furthermore, The NTA finance function is currently operating at maximum capacity. NTA's spending is expected to nearly double in 2024, this will have a significant increase in the activities performed across the NTA finance function. Finance areas such as Accounts Payable, Accounts Receivable, Grants, Contracts, System, Treasury and Reporting teams will require additional FTEs to facilitate this significant increase in volume of finance activity along with increasing regulatory requirements which will require additional resourcing in the short term to manage growth.

This coupled with the upcoming and on-going project work such as BusConnects, DART+, MetroLink, LUAS Finglas and Connecting Ireland currently being undertaken by the NTA will cause further strain to a Finance team already working to capacity. This will impact not only the aforementioned teams due to increased volume, transactions and reporting requirements but also FTEs will be needed to oversee and manage the spend from a Finance Governance perspective (Project Reporting & Accounting and FP&A teams).

As seen in the following sections a viable solution to NTAs growth from a finance perspective would be the implementation of a unified finance solution to allow the NTA deal with scale effectively, provide greater flexibility to deal with change, security, and regulatory requirements and also ESG reporting in the near future.

Detailed Project Brief

A Project Brief including a Project Definition is a required deliverable of NTA's Project Approval Guidelines (PAG), which requires that the Project Brief be developed in accordance with the Department of Public Expenditure and Reform (DPER) Capital Works Management Framework (CWMF) Guideline GN1.2 and the Public Spending Code (PSC) requirements. This approval was received by the NTA on 10th February 2022. Specifically for the PSC, this Project Brief and Procurement Strategy detailed in Section 4 will aim to satisfy the Final Business Case requirement as detailed in Section 6.2 of the PSC.

According to the DPER Capital Works Guidance Note 1.2, the Project Brief *"is a complete statement of user requirements and other technical, administrative and financial information relevant to a capital works Project that is required to satisfy a particular need".* It goes on to say that *"To avoid unnecessary, unpredictable and uncontrolled changes in costs, sponsoring agencies are required to specify their output requirements accurately, precisely and comprehensively at the start or as early as possible in the Project delivery process – this is the primary purpose of Project definition and of the Definitive Project Brief."*

Financial Appraisal

In accordance with the Public Spending Code (PSC), a financial appraisal of the Strategic Finance Solution has been undertaken, based on up-to-date cost, benefit, and delivery information that emerged during the Procurement process. This section presents the outcome of the appraisal.

As per the PSC, the Financial Appraisal comprised the following main steps:

- Inclusion of the costs submitted by the Service Provider at Final Tender Stage, which represent the costs to the NTA that are in the Service Provider's remit;
- Update to the incremental cash inflows and outflows of the NTA that are not in the Service Provider's remit;
- Discounting the cash flows to take account of the time value of money using the discount rate which is applicable under PSC guidelines (i.e. 4% and unchanged since PBC); and
- Reporting and commenting on the results, based on financial ratios and indicators where they have been included in the 2021 Business Case.

A specific emphasis is dedicated to the review and comparison of the costs submitted by the Service Provider at Final Tender Stage against the cost of the preferred option in the 2021 Business Case.

This review of the costs submitted by the Strategic Finance Solution Service Provider at Final Tender Stage is of particular importance as, since the 2021 Business Case was completed and the preferred option assessed, economic conditions have changed, and there is a deeper understanding of how the Strategic Finance Solution should be delivered.

The costs submitted at Final Tender Stage therefore provide the NTA with an up-to-date and robust market view, evidenced via a competitive tendering process, of the anticipated costs (capital and operational) to deliver the Strategic Finance Solution.

As a detailed Financial Appraisal was carried out as part of the PBC, the focus of the FBC is to validate the selection of the Preferred Option at PBC stage, based on updated costings and a more detailed understanding of delivery and operation of the services following the procurement process.
The shortlisted options in the PBC were as follows:

- Option 1 – 'Do Minimum';
- Option 2 – Reimplement an Existing Finance System across all NTA;
- Option 4 – One Common Financial Solution across all NTA; and
- Option 5 – One Common Financial Solution excluding LEAP.

Option 4 was identified as the preferred option in the PBC. This Financial Appraisal looked to update the core assumptions across all of these options to validate whether option 4 would still be selected as the Preferred Option if the more detailed knowledge of the project, following procurement, had been known at the time of the development of the PBC.

Updating the Financial Appraisal from PBC stage was done in six (6) key steps. These are:

- Uplifting PBC figures to 2023 prices;
- Updating of Optimism Bias;
- Updating of Supplier Costs;
- Updating of Internal NTA Costs;
- Updating of Anticipated Benefits; and
- Inclusion of VAT.

All other assumptions from the PBC have remained constant as these have not needed to be updated as a result of the procurement.

The tables below show the key financial metrics from the PBC and the updated position for this FBC, based on the aforementioned changes (for more details on how these changes were applied, see sections 6.1 to 6.5).

Table 1: Financial Appraisal Summary – Original PBC Outputs

€000s	Benefits	Opex	Capex	Net Cost
Option 1 (Do Minimum)	€ -	-€ 871	-€ 4,038	€ 4,910
Option 2	€ 42,857	-€ 9,388	-€ 15,885	-€ 17,584
Option 4 (Preferred Option)	€ 42,857	-€ 8,674	-€ 15,885	-€ 18,298
Option 5	€ 42,354	-€ 9,045	-€ 19,294	-€ 14,014

NPV	Rank
-€ 4,291	**4**
€ 12,077	**2**
€ 12,517	**1**
€ 9,154	**3**

Table 2: Financial Appraisal Summary – Updated FBC Outputs

€000s	Benefits	Opex	Capex	Net Cost	NPV	Rank
Option 1 (Do Minimum)	€-	-€1,163	-€5,389	€6,552	**-€5,727**	**4**
Option 2	€52,729	-€21,238	-€34,530	€3,040	**-€4,890**	**2**
Option 4 (Preferred Option)	€52,729	-€16,125	-€34,530	-€2,074	**-€976**	**1**
Option 5	€52,241	-€16,621	-€39,080	€3,460	**-€5,334**	**3**

As can be seen from the above, Option 4 continues to provide the highest NPV, with the relative difference increasing significantly between this and other options when compared to the PBC results.

Please note a sensitivity analysis was also completed and can be found in Section 6.5 of this FBC.

It should be noted that this project is centered around the replacement of an internal finance system (and is therefore not a new service) which does not generate revenue and is not customer-facing. As such, the quantifiable benefits for the project are limited. As such, NPV should be used for comparison across options as opposed to an indication of the success of a single option in isolation.
Additionally, these results are discussed in more detail, alongside the results of the economic appraisal, in Section 7 as part of the validation of the preferred option.

Economic Appraisal

In accordance with the Public Spending Code (PSC), a detailed economic appraisal of the Strategic Finance Solution has been undertaken as part of the PBC. An economic appraisal is required in the case of public contracts of this nature. At PBC stage, the appraisal considers the external or non-financial impacts of the short-listed options, evaluated from the perspective of society. In accordance with PBC and Transport Appraisal Framework[1] guidance, a key activity within an FBC is to revisit the economic appraisal carried out at PBC and test that the conclusions remain valid. In the case of this project, this involves testing the scores allocated to each option as part of the MCA from the PBC and adjusting for any known changes to the project since the PBC was completed.

In reviewing the PBC scores, each criterion was first considered as to whether the baseline position has changed since the PBC; either through a greater understanding of the project now the procurement phase has been completed or whether the market has changed significantly over the same period. This identified four criteria where the scores were agreed they should be revisited. These are presented in the table below, alongside the proposed amendment(s) and rationale for the changes.

[1] gov.ie - Transport Appraisal Framework (TAF) (www.gov.ie)

Table 3 – Amendment to PBC Scoring

Appraisal Criteria	Appraisal Sub-Criteria	Amendment to Scoring	Rationale for Change
Costs	Meet budget requirements	Reduction of score by 1 point for each of the Do Something options (i.e. Options 2, 4 and 5)	Due to an increase in the scope of the project (i.e. the supplier is now providing FP&A and Project Accounting services) since the PBC, the anticipated cost of the services has increased for each of the Do Something options.
People	Organisational Readiness	Increase of score by 1 point for Option 4	Since the PBC, the NTA have continued to prepare for the delivery of the new finance system through continued engagement with stakeholders. As such, the organisation is in a better position in terms of readiness for this change when compared to the PBC stage.
People	Level of project personnel required	Reduction of score by 1 point for each of the Do Something options (i.e. Options 2, 4 and 5)	Due to project extensions and increases in scope, it is anticipated that more personnel would be needed to support the implementation of the services.
People	Level of NTA staff involvement	Reduction of score by 1 point for each of the Do Something options (i.e. Options 2, 4 and 5)	Due to project extensions and increases in scope, it is anticipated that more NTA personnel would be needed to support the implementation of the services.

The impact that the above changes would have on the PABS table is presented in the table below (note changes are indicated by red boxes around the relevant score).

Table 4 – FBC PABS Scoring

Appraisal Criteria	Appraisal Sub-Criteria	Do minimum	Option 2	Option 4	Option 5
Technology Landscape & Integration	Provide a single integrated source of data	1	5	7	6
	Provides options for moving to the cloud	2	5	7	6
Functionality & Process/Data/Reporting	Provide business insight	1	5	7	6
	Challenge decision making	1	5	7	6
	Enable standardisation	2	3	7	5
Ease of implementation	Complexity of procurement project	6	6	4	4
	Level of implementation partners required / Risk of NTA's ability to deliver the project	7	5	5	5
	Levels of change management involved	7	6	4	4
Costs	Meet budget requirements	6	4	3	1
	Additional costs	6	5	5	5
People	Organisational readiness	6	5	5	4
	Automation to support staff and enhance efficiency	1	3	7	6
	Level of project personnel required	6	3	2	2
	Level of NTA staff involvement	6	3	2	3
Governance & Controls	Automation to enhance controls	2	3	7	6

Appraisal Criteria	Appraisal Sub-Criteria	Do minimum	Option 2	Option 4	Option 5
	Automation to avoid manual errors	1	3	7	6
Summary Level of Effectiveness		**3.8**	**4.3**	**5.4**	**4.7**
Ranking		**4**	**3**	**1**	**2**

As can be seen from the table above, these changes reduce the Summary Level of Effectiveness score for option 5 by c.0.3, option 2 by c.0.2 and option 4 by c.0.1 and has no impact on the Do-Minimum option. However, the ranking of options does not change, and Option 4 remains as the highest ranked option.

Furthermore, this section also considers both the financial and economic appraisals to determine, on the balance of the two assessments, which option should be selected as the preferred option. The table below shows the updated results from these appraisals, based on the changes discussed in Section 6 and 7.

Table 5 – The financial and economic appraisals results

Option	Financial Appraisal		Economic Appraisal		ACER* (Net Cost / PABS)		
	NPV	Ranking	PABS Results	Ranking	Net Cost (Opex + Capex - Benefits)	ACER	Ranking
Option 1 (Do Minimum)	-€5,727	4	3.8	4	€6,552	1724	4
Option 2	-€4,890	2	4.3	3	€3,040	707	2
Option 4	-€976	1	5.4	1	-€2,074	-384	1
Option 5	-€5,334	3	4.7	2	€3,460	736	3

***Note:** *It should be noted that this table also presents the average cost-effectiveness ratio (ACER), which wasn't a requirement of the PBC at the time of its development but has since been included within TAR guidance and has therefore been included here.*

As can be seen from the above table, Option 4 is the highest ranked option for each metric in the financial and economic appraisals and is the only option which delivers a negative net cost (i.e. return on investment). Additionally, it is the only option which returns a positive NPV.

As can be seen from the above table, Option 4 is the highest ranked option for each metric in the financial and economic appraisals and is the only option which delivers a negative net cost (i.e. return on investment). Additionally, it is the only option which returns a positive NPV.
Based on the results of these updated appraisals in which Option 4 continually ranks highest, Option 4 remains the preferred option, as was concluded in the PBC. It can therefore be said definitively that the conclusions of the PBC remain valid.

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Qualitative Benefits

The current system does not have the ability to handle the incoming increased volume of activity which is to occur in the near future due to the continued growth of NTA.
A new finance system will allow to:

- Scale the finance system with the growth of the business by offering a finance solution which is flexible as NTA's volume of activities increase.
- Increased governance and controls which will ensure the robustness of the finance reporting function within NTA and reduce the risk of reporting errors due to high activity volumes.
- Make strategic decisions across the business that are driven by reliable and accurate data.
- Minimise the significant cost disruption which could occur to the current system if growth continues without the implementation of the new finance system.

Risk Assessment

Section 8 sets out the risks, mitigating actions, and the risk management strategy for the project in line with the suggested TAF Module 7 approach to evaluating risk. Risks have been identified, assessed, and assigned mitigation actions to reduce impact and to ensure the NTA ultimately maintains an optimal level of risk. In line with the above, the Project Team holds a detailed Risk Register which is actively managed.

Eight high impact risks have been identified for the project being: 1; Procurement Risk 2; Integration Risks 3; Data Migration Risks 4; Contract Risk 5; Vendor/ Partner Engagement Model and Management 6; Change Readiness (Transformation Agenda) 7; Anticipated business benefits significantly lower than anticipated in Final Business Case and 8; Resource Availability Risk. Mitigations to the risks are discussed in section 8.

The process used in the risk assessment involves a stepped approach to fully understand and evaluate risks in accordance with risk management best practices.

Affordability Assessment

In this section the affordability of the preferred option was assessed, in line with the Public Spending Code. The projected cashflows for the preferred option (i.e. Option 4) in terms of incremental capital expenditure and incremental operating costs were set out in Table 40a. It should be noted that there will be no incremental change to revenue as this is a net cost programme.

The table below shows the breakdown of total costs (including preparatory works) for the project. It should be noted that, as outlined within the relevant section of this FBC, the financial appraisal considered benefits to be a cost saving for this project when compared to the status quo (i.e. the difference in the costs of operating and maintaining the system for the preferred option compared to the do-minimum option). However, the figures presented below represent the estimated true cost of the preferred option without comparison to the status quo (i.e. the actual estimated cost of the preferred option, ignoring the variance to the do-minimum). It is for this reason that the total capex and opex presented in the outputs from the financial appraisal are not the same as what is presented below.

Table 5a: Affordability of Preferred Option (€'000s)

Cost Item	Total Cost (excl. VAT)	VAT	Total Cost (incl. VAT)
Preparatory Works	€4,800	€1,104	**€5,904**
Capital Expenditure	€27,974	€6,434	**€34,408**
Total Project Costs	**€32,774**	**€7,538**	**€40,312**
Operating Expenditure	€18,811	€3,014	**€21,825**
Total Costs	**€51,585**	**€10,552**	**€62,137**

Source of Funding

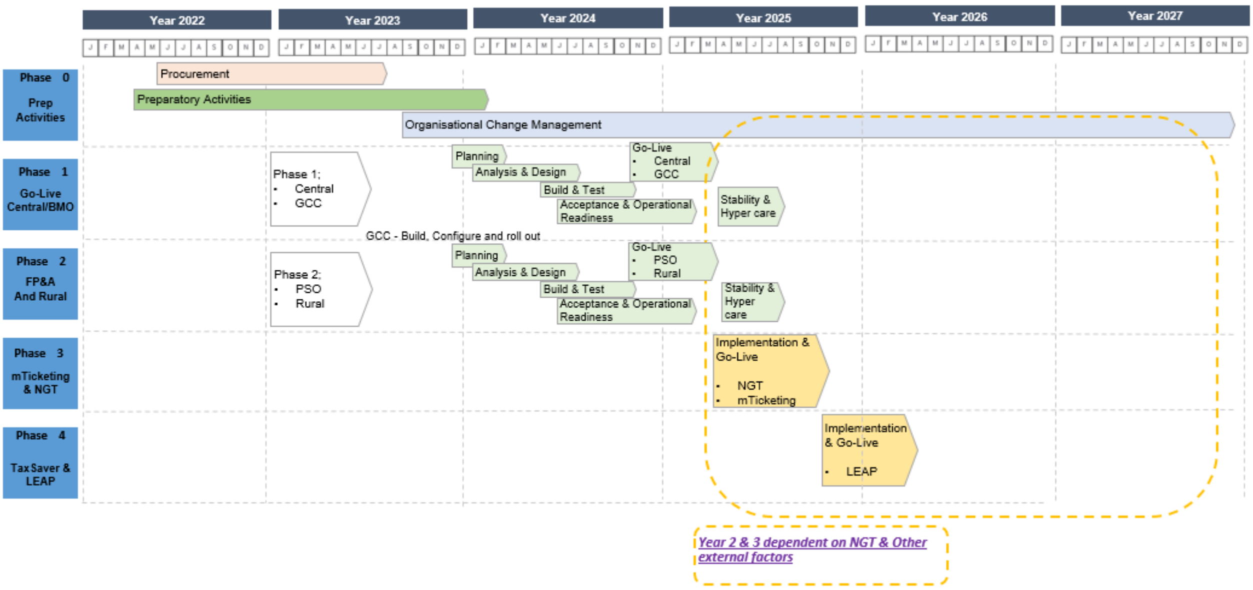
The NTA is charged with devising and implementing projects to enhance people's use of public transport and sustainable travel choices in line with government policy and undertakes a vast array of transport technology projects and programmes in light of the increasing emphasis on the role that technology has to play in the delivery of public transport infrastructure and services.

The Department of Transport (DoT) allocate the NTA an annual exchequer allocation to fund the Capital Investment Programme. This capital expenditure for the replacement finance systems (i.e. the implementation of the new system) is anticipated to be funded through this exchequer allocation. The ongoing operational costs of the system will then be funded by administration grant funding.

Detailed Delivery Schedule

Section 10 presents the anticipated schedule for the delivery and set up of the strategic financial solution. A high-level plan is presented in the following chart and illustrates the overall timeline for Milestone achievement.

Figure 1: Procurement and Implementation Timelines



Benefit Realisation Plan

In accordance with Section 10 of the Transport Appraisal Framework (TAF) Module 6 Final Business Case, the purpose of this Section of the FBC is to provide a clear map for delivering the positive changes targeted by the project (i.e., realising the benefits).

The Benefit Realisation Plan below presents each of the target benefits which are identified and described. Section 10 further presents an approach to measuring their achievement. Furthermore, Section 10 presents which Delivery Milestones each target benefit corresponds to.

Table 6: Benefit Realisation Plan Summary

ID	Target Benefit	Description	Key Achievement
1	Unified Finance System	Provide a unified Finance system for the whole enterprise which is flexible to meet the business needs providing a single source of truth.	• Number of finance systems and/or instances equals one (1). • An integrated FP&A tool will allow for a better understanding of how the business works and provide business leaders with relevant analysis and an associated narrative to make data led decisions quickly.
2	Adoption of finance process leading practices	Enable adoption of finance process leading practices – supported with automation to achieve associated efficiencies whilst adopting innovation and emerging technology	• Existence of OCR, eInvoicing and other automation and technology throughout core finance processes, Procure to Pay, Order to Cash, Record to Report and FP&A. • The month end processes and reconciliations will be significantly reduced through automation and the availability of a single source of truth across the NTA. • Self-service Supplier Portal is in place for Procure to Pay.
3	Move to a Business Partner role	Finance moves to a business partner role providing insight and challenging organisational decision making.	• External Stakeholder satisfaction / feedback • Finance aiding key decisions being made across the NTA • Maximise the capabilities of the business partner role across the NTA • The percentage of time spent processing transactions has decreased. The adoption of the FP&A tool will have a significant impact on this. • Enhancement to reporting packs for Executives and Heads of departments with real time data available.
4	New system incorporates robust controls and governance	Ensure robust controls and governance are incorporated in the project and new system while ensuring efficiency of operations, i.e. ensure we have controls at the right level	• Centre of Excellence (CoE) in existence, with clear roles and responsibilities, to ensure adherence to project design principle. • The CoE will enable the NTA to reduce their reliance on 3rd party suppliers and increase the organisational capabilities across the NTA.
5	Align to the NTA ICT Strategy – cloud-first mindset	Platform used by new Finance Solution is a Cloud platform.	• A "culture shift" among Finance and IT users to accept and work effectively with a Cloud solution • Acceptance of standard "off-the-shelf" solution with reduced ability to customise or configure functionality (assumes core NTA requirements can still be met)

ID	Target Benefit	Description	Key Achievement
			• Need for alignment of Cloud solution with NTA standards, e.g. with respect to integration, access management and information security • Changes to support model to effectively manage a Cloud solution, including "push" system updates. • Cost profile changes from up-front license purchase to annual subscription fee (Opex). Total Cost of Ownership may be higher or lower.

The realisation of these target benefits will be mainly materialised through the performance of the contract between the NTA and the service provider. In addition, throughout the term of the contract, the realisation of the target benefits will be measured and monitored at set timelines to ensure the service provides the desired benefits.

Evaluation Plan

Section 12 defines the Evaluation Plan for the Strategic Finance Solution - the arrangements to be put in place to ongoing monitoring, regular reviews, and ex-post evaluation upon completion.

A summary of the Evaluation Plan is included below:

Monitoring Stage

The programme team will:

- Monitor the process for Contract award;
- Undertake continuous reporting in respect of contract management issues;
- Undertake surveillance of the Programme's progress;
- Provide the Approving Authority with sufficient monitoring reports to enable it to intervene where necessary;
- To ensure the regular monitoring of the contract as part of the contract governance the Service Provider and the NTA shall conduct regular and numerous meetings to carry out reviews, inspections and audits of the Service Provider's operations and records.

Review Stage

During the Review stage, the programme team will produce a Completion Report that reviews the following:

- Whether the rationale, identified need and any assumptions taken for the project or programme proved to be correct;
- Review of project or programme documentation including a quality assessment of the various business cases;
- Review of scheme appraisals including the economic and financial appraisals to assess if they were satisfactory;
- Whether the requirements set out in this guidance and the PSC have been met;
- Review of management procedures including risk analysis and risk management;
- Analysis and commentary on monitoring reports from the implementation stage;
- Initial benefits have been realised, operational performance has been satisfactory, needs have been addressed and outputs have been delivered to the required standard;

- Summary of feedback provided by key stakeholders including contractors and the project management team;
- Conclusions on the project or programme can provide lessons learned for similar schemes and the public investment guidance available in this document, the PSC or elsewhere.

During Ex-Post evaluation, the programme Team will assess the extent to which:

- The expected benefits and outcomes materialised including operational performance;
- The conclusions that can be drawn which are applicable to other projects, to the ongoing use of the asset, or to associated projects.

Findings on the above points will be gathered into a single Ex – Post Evaluation Report.

Conclusion

The award of contract by the proposed intent to award date is dependent on the required approvals being granted by the approval authority. The next steps required in order to prepare for the award of contract to the preferred bidder are detailed in the implementation plan as provided in Section 10 – Detailed Delivery Schedule of this FBC.

In conclusion, this business case recommends and requests the Approval Authority:

1 Approves the project intention to move forward to award of contract based on the analysis conducted during the procurement phase of the contract and included in this FBC, as presented in Sections 5, 6 and 7; and,
2 Approves the anticipated expenditure required for the project, as presented in Section 9.

Once this approval has been granted by the Approval Authority, the project can proceed to Phase 4 Implementation in accordance with the aforementioned Delivery Schedule.

2 Purpose and Methodology

This section describes the sequence of events, activities, and chronology of the project to date, and defines the purpose of the report – being the Final Business Case for the implementation of the NTA's Strategic Finance Solution in advance of the decision to award the contract.

Background

Phoenix was initiated to support the procurement and implementation of a new modern financial solution. Driving phoenix are the following strategic business objectives:

1. Provide a unified financial management solution for the whole enterprise which is flexible to meet the business needs, providing a single source of truth;
2. Enable adoption of finance process leading practices – standardised, efficient, leverage automation and technology;
3. Migrate the Authority's Finance Department to a business partner role providing insight and challenging organisational decision making;
4. Delivery of the Solution on time within the budget to the required benefits realisation and enable the implementation of the Authority's 'Next Generation Ticketing' project within the agreed timelines;
5. Ensure robust controls and governance are incorporated in the Project and Solution while ensuring efficiency of operations; and
6. Ensure the Solution aligns with the Authority's Information and Communications Technology (ICT) Strategy.

Due to the growth, expanded remit and the additional financial requirements from multiple stakeholders, both finance landscape does not support the current or future requirements of the NTA.

Strategic Assessment Report

The purpose of the now approved Strategic Assessment Stage and accompanying Strategic Assessment Report was to examine the rationale for potential policy interventions and ensure the strategic fit of potential projects and programmes with government policy, in particular the National Planning Framework and National Development Plan. This approval was received by the NTA on 21st May 2021.

Please note, on 13th June 2023 a Circular formally announced the publication of the TAF. The TAF replaces the Common Appraisal Framework (CAF) for Transport Projects and Programmes (published in 2016 and subsequently updated). The above report was approved under the previous Government Guidance.

Preliminary Business Case

The Preliminary Business Case Stage aims to develop further the strategic case for the project, consider in more detail the range of options available and decide whether there is a case for proceeding with the proposal. The Preliminary Business Case incorporates detailed options appraisal and, when finalised, will also incorporate assessments of risk along with the proposed approach to implementation of the proposal.

Using the results of the MCA, the following options were short-listed for financial and economic appraisal based on the scores achieved:

- Option 1; 'Do Minimum' - Although 'Do Minimum' did not score highly, it was brought forward for financial and economic appraisal as it acts as the counterfactual for comparison purposes;

- Option 2; Reimplement an Existing Finance System across all NTA;
- Option 4; One Common Financial Solution across all NTA;
- Option 5; One Common Financial Solution excluding LEAP.

Following the Approving Authority's satisfaction that the Preliminary Business Case meets the required standard, that there is a justification for the proposed project, that it is affordable within funding constraints and that it is a high priority relative to competing proposals, it approved the preferred option to proceed to Design, Planning & Procurement Strategy in the Final Business Case Stage. This approval was received by the NTA on 8th November 2021.

As with the above Strategic Assessment Report (SAR), the PBC report was approved under the previous Government Guidance prior to the Government Circular on 13th June 2023, which formally announced the publication of the TAF.

Detailed Project Brief & Procurement Strategy

Design and Planning requires the development of a Detailed Project Brief as part of the Final Business Case which will inform a decision to proceed to procurement or cancel the project.
Developing the Detailed Project Brief is a process that involves adding new information and continuous refinement of initial information made available at the Preliminary Business Case. The Detailed Project Brief is the full and complete statement of the project expressed in output requirements. It defines all design requirements for a project including performance standards and quality thresholds. It is the benchmark for measuring the development of the project and later becomes the basis for the construction of the contract.

In addition, the purpose of procurement is to guide the considered acquisition of works, goods and services in a manner which maximizes value for money, aids the achievement of project and programme objectives, and is consistent with EU and national law and regulations.
The Detailed Project Brief and Procurement Strategy were then sent to the Approving Authority for review. The Approving Authority must check the completeness of the Detailed Project Brief and Procurement Strategy in terms of the requirements set out in the Public Spending Code. This approval was received by the NTA on 10th February 2022.
As with the above SAR and PBC, the Detailed Project Brief was approved under the previous Government Guidance prior to the Government Circular on 13th June 2023, which formally announced the publication of the Transport Appraisal Framework.

Procurement Process

In early 2022, the NTA launched the Procurement process, which was conducted using the competitive procedure with negotiation.

The Procurement comprised three main stages:

- Pre-qualification: based on technical capacity and professional ability of the Service Provider, and their economic and financial standing;
- Negotiation: where meetings were conducted with tenderers after review of their Initial Quality Submissions by the NTA;
- Final Tender: which involved evaluating and assigning scores to identify the most economically advantageous tender for contract award.

Details of the Procurement process are provided in Section 4 Detailed Project Brief of this report.

Purpose of Report

The purpose of this report is to provide a Final Business Case, in advance of the decision to award the contract.
For completeness, the report also describes changes and evolutions to the programme scope and outcomes of the Procurement process, in order to constitute a single reference document for Decision Gate 3 – Approval to Proceed.

Methodology

The Final Business Case has been prepared in accordance with the Public Spending Code (PSC) guidelines. The Final Business Case (FBC) is the culmination of the ex-ante appraisal process for a project or programme. The Final Business Case gives prominence to the preferred intervention option for a project or programme and is expected to outline in detail how the project or programme will be implemented, governed, and reviewed through an ex-post evaluation.

Through a comprehensive assessment of costs, benefits, risks, deliverability and affordability, it provides a sound basis on which to decide whether to proceed with this project to deliver a strategic finance solution.

The content of a Final Business Case should include the following:

- Final confirmation of the rationale and strategic alignment of the proposal;
- Confirmation that the proposal can reasonably achieve the strategic business objectives;
- Outline of the final design and specification;
- Details of the governance structures for the proposal;
- Details of the Project Execution Plan (PEP);
- A reassessment of scheme appraisals, including economic and financial appraisals and the Transport and Accessibility Appraisal (TAA), in light of the tendering process as well as a review of any demand, sensitivity, risk and affordability analysis previously undertaken;
- Benefits Realisation Plan (BRP); and
- Evaluation Plan.

3 Strategic Relevance and Objectives

This section sets out the strategic context, relevance, objectives, and critical success factors for the Strategic Finance Solution.

Strategic Context

National Transport Authority to date

From its initial establishment in 2009, the National Transport Authority (NTA) has grown significantly, both in terms of its organisational responsibilities, the level of grant funding received to deliver its responsibilities and the number of resources tasked with doing so.

Coinciding with this growth in responsibilities, the grant funding allocated to the NTA by the Department of Transport (DoT) to deliver on its remit has substantially grown year on year.

This level of growth is set to continue with the next phase of the NTA's growth intrinsically linked to Project Ireland 2040 and the NTA's BusConnects Programme. These mega scale Projects, of which there are a number to be delivered by the NTA, bring with them a significant requirement for project accounting and reporting responsibilities, both for internal and external stakeholders. In addition, with the NTA's transition to Gross Cost Contracts (GCCs), fare revenue receipts from public transport services, the recognition of total cost of service delivery by the NTA and the requirements for route profitability analysis, the financial demands are significantly increasing for the organisation. Indeed, a key area overall is quick and timely access to a single – significant – source of data for the organisation with which to inform prompt decision making, supported by financial planning and analysis (FP&A) capabilities. These growth areas naturally have a direct impact on the essential supporting activities of the NTA, including personnel, Information and Communication Technology (ICT), facilities and other general expenses.

Continued Future Growth and Requirements

The provision of a well-functioning, integrated public transport system, enhancing competitiveness, sustaining economic progress and enabling sustainable mobility choices for citizens, supports the overall 2040 Project Ireland Framework objectives. The National Development Plan (NDP) makes provision for investment in public transport and sustainable mobility solutions to progressively put in place a more sustainable alternative which aligns and supports the climate agenda and our reduction in carbon emissions.

As a result of the NTA's growth, the NTA has current and future financial requirements that were not part of its original remit. The current finance structure was designed to support this original remit and as such, is now limited in its capabilities to meet these new requirements efficiently and without complex manual processing. These limitations will only continue to manifest and grow if the current structure is not assessed and redesigned to support the NTA in the delivery of its work and realisation of strategic objectives. Such limitations may include:

- Difficulty in meeting the needs of relevant stakeholders due to processing required to compile consolidated information for reporting purpose, including NTA finance, NTA business and external stakeholders;
- Difficulty for the NTA finance team to challenge decision making and provide insight across the organisation due to inadequate systems not providing the level of data required to efficiently partner with the business;
- Potential for the NTA to not remain current and up to date with best practices due to current platforms, current structure, and inherent difficulties in managing multiple instances; and

- Increased costs due to resourcing to meet increased activity because of limited process automation and manual data entry.

Confirmation of Strategic Relevance

As outlined in the PBC, and the above sections, the strategic rationale is for the NTA to improve their financial services ensuring that finance moves towards a strategic business partnership role. The purpose of this is to provide NTA finance, NTA business and external stakeholders (Government, Taxpayer, Rural Transport providers etc.) with timely, accurate insight in analytics which will support and challenge decision making. To support finance moving towards a transformative data culture, the NTA is currently progressing with a programme of work to update and improve its IT and digital platforms. As evidenced above, the strategic rationale has remained relevant since the approval of the PBC.

Project Objectives and Benefits

The NTA's Strategic Finance Solution project is charged with procuring and implementing a new finance and accounting platform to streamline and improve financial process efficiency, provide improved capability for budgeting, forecasting and financial analysis and to replace, on a phased basis, the existing finance legacy systems. Strategic IT projects of this type are often complex and high risk due to technical change but also due to the significant process and organisational change which may be required.

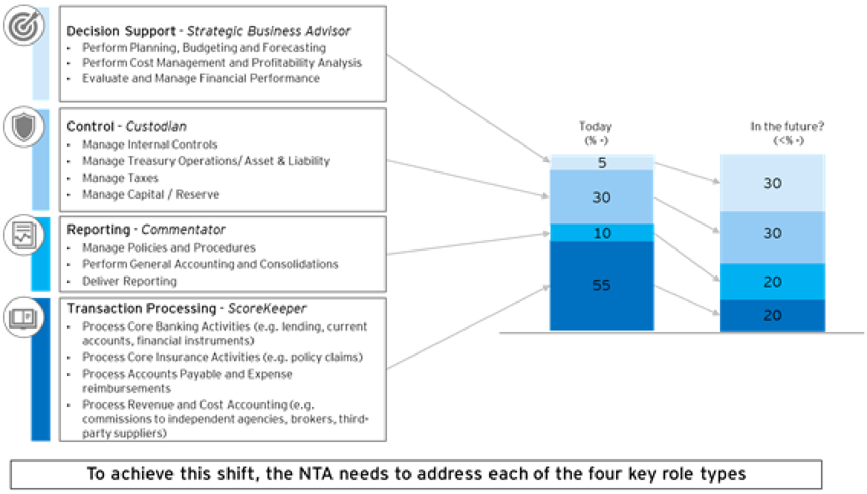
Due to the significant growth and expansion of the NTA over the past 14 years, the NTA will require a financial solution to support its strategic objectives. Critically, the following strategic business objectives align to the requirements of the new finance solution as shown in Table 7 found in Section 4.5 - Functional and ICT Requirements for NTA Finance Solution and subsequently will also form the basis of the Benefit Realisation Plan detailed in Table 44 found in Section 11 – Benefit Realisation Plan.

1. Providing a unified financial management solution for the whole enterprise which is flexible to meet the business needs providing a single source of truth;
2. Enabling adoption of finance process leading practices – standardised, efficient, leverage automation and technology;
3. Migrating the Authority's Finance Department to a business partner role providing insight and challenging organisational decision making;
4. Delivery of the Solution on time within the budget to the required benefits realisation and enable the implementation of the Authority's 'Next Generation Ticketing' project within the agreed timelines;
5. Ensuring robust controls and governance are incorporated in the Project and Solution while ensuring efficiency of operations;
6. Ensuring the Solution aligns with the Authority's Information and Communications Technology (ICT) Strategy.

Furthermore, and as mentioned above, due to the growth, expanded remit and the additional financial requirements from multiple stakeholders, internal and external, the existing finance landscape does not support the current and future requirements of the NTA. As shown in the diagram below, a Strategic Finance Solution would allow the Finance Function to move from finance acting within the Transaction processing space and towards Decision Support – Strategic Business Advisor.

In supporting the NTA to achieve the project objectives, it also ensures the NTA is strategically aligned to Government Policy and Government regulations. To support the procurement and implementation of a new modern financial solution, this project has been approved by key project stakeholders and signed off by a Steering Committee in December 2020.

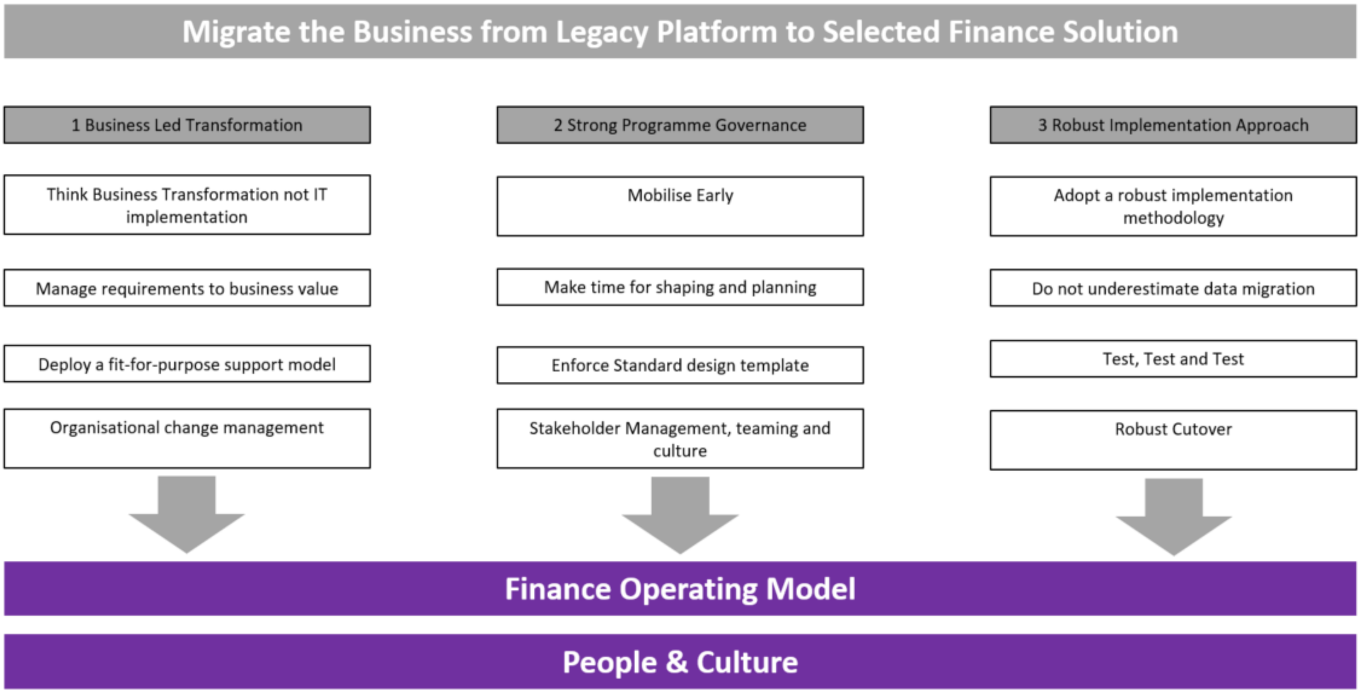
Figure 2: Evolution of Finance Function



Critical Success Factors

Along with adequate resourcing it is important to note that this is a business transformation enabled by a financial solution. Outlined below are some of the critical success factors which include mobilising early and making time for shaping and planning the solution. The NTA commenced planning for the project preparatory activities in October 2021 to prepare the NTA for the Finance solution implementation. These include design of one overall common standard design which includes Chart of Accounts and best in class business processes.

Figure 3: Critical Success Factors



4 Detailed Project Brief

This section describes the scope and requirements set for the Strategic Finance Solution and sets out a Governance Framework which will seek to ensure that the business is operated in a way which optimises value and ensures financial efficiency of public funds. It also details the compliance requirements, Procurement process and key features of the contract that are designed to ensure a specified quality of service and to deliver value for money.

About

Project Phoenix is a major strategic finance solution implementation programme, the objectives of which are detailed in Section 3 – Strategic Relevance and Objectives. In order to support the delivery of the objectives and the NTA's overall Statement of Strategy 2023 – 2025, strong financial governance and oversight is required, and this will be supported by the delivery of an integrated solution which underpins all of the pillars of the NTA's Strategy leading to the following vision:

"Provide a unified Finance platform for the whole NTA enterprise, which is flexible to meet the business needs, providing a single source of truth."

Governance

The Public Spending Code requires there to be a Sponsoring Agency and Approving Authority for the appraisal and delivery of public investment Projects. Based on the guidelines set out in the Public Spending Code, the Sponsoring Agency "has primary responsibility for evaluating, planning and managing public investment Projects", while the Approving Authority "has ultimate responsibility for the Project".

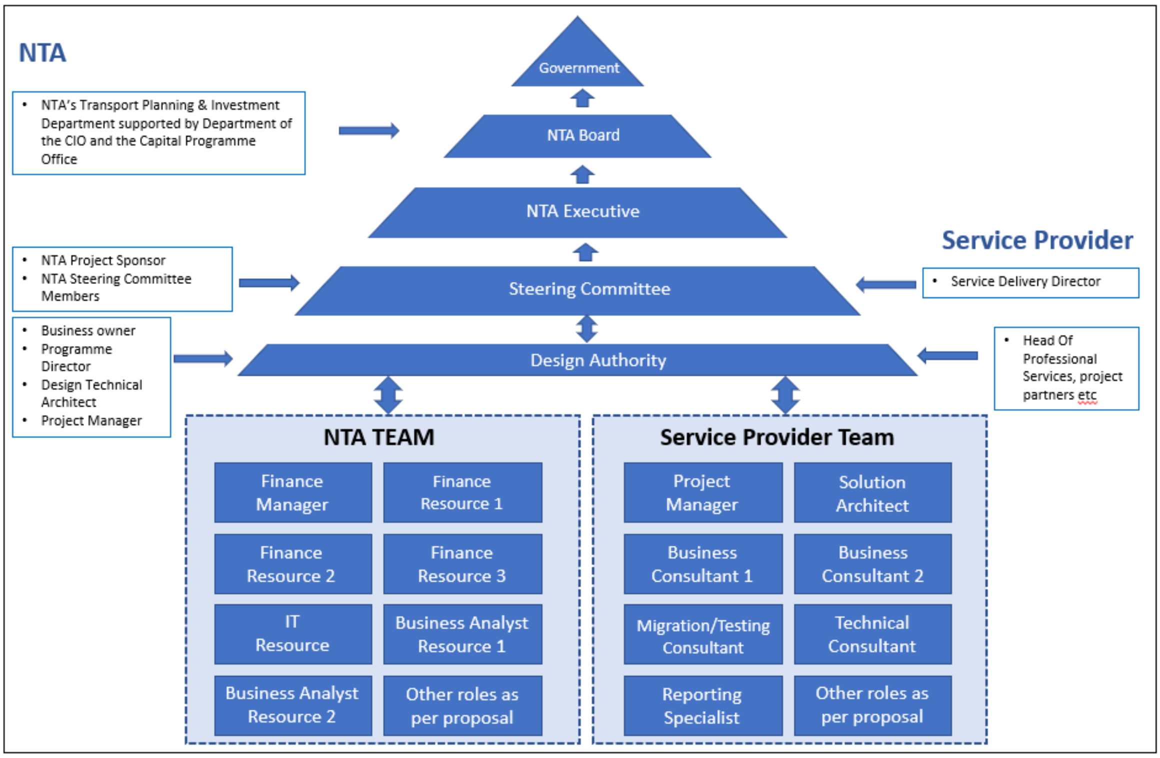
In the case of the Finance System Programme, the NTA is acting as both the Sponsoring Agency and Approving Authority. In January 2020, The Department of Transport (DOT) obtained Government approval that the NTA could take on a dual-governance role, provided there would be a clear separation of the two roles to allow for robust appraisal, scrutiny and oversight. These roles are expanded on below.

The Service Provider and the NTA will operate within a Governance Framework which will seek to ensure that the business is operated in a way which is commercially focused, financially efficient and maintains a positive experience.

The Governance Framework will consist of various layers of interaction between the NTA and the Service Provider. An Executive Committee is in charge and is reported into by the Steering committee who are subsequently reported into by the NTA representative for the NTA team and the operator representative for the operator team. The Executive Committee is responsible for strategically leading the performance of the contract by ensuring that its objectives are met, that it is aligned with NTA business plans and that it promotes best value through continuous improvements. The Steering Committee shall be responsible for the comprehensive oversight of the services and make recommendations to the Executive Committee for changes to maintain an appropriate alignment. The Service Provider's ability to meet the obligations as per agreement will be assessed via the review.

The Governance Framework shall form a key part of the Services and seek to ensure that the Authority's performance of its functions and the Service Provider's performance of the Services are carried out in a way which is commercially focused, financially efficient and proactively manages risk. An overview of the Finance System Project governance structure is set out below in Figure 4.

Figure 4: Governance Arrangement for Finance System Project



The Authority and Service Provider shall operate within a Governance Framework which shall ensure that the following requirements are satisfied:

a) foster and facilitate effective planning and decision making between the parties;
b) maintain and improve the security, effectiveness and efficiency of the Solution and the Services;
c) complete, correct and effective monitoring and evaluation of performance with respect to all aspects of the Services and the Solution;
d) identify efficiencies and changes with respect to all aspects of the Services and the Solution;
e) compliance with Applicable Law (including Data Protection Law), and applicable Authority Policies;
f) monitoring of variations and any changes to the Solution requested or made pursuant to clauses 3.5 and 7 of Schedule 1 (Governance) and Schedule 5 (Change Control);
g) all relevant risks to the operation of the Solution shall be identified, assessed and monitored and suitable measures shall be implemented to protect the Services, the Solution, the Authority and all users of the Solution from such risks; and
h) demonstrate the effectiveness of the Service Provider's internal controls in respect of health and safety (including training and practices) and processes in relation to IT security, access and changes to the Solution and Data Protection Law.

Approving Authority

For public transport projects, the NTA undertakes the role of the Approving Authority. This was performed by the Transport Planning & Investment Department supported by Department of the Chief Information Officer included in this department is the Capital Programme Office role, who reviewed and approved the Preliminary Business Case, granting consent to progress on to the next Phase of the project.

Sponsoring Agency

The Sponsoring Agency role has been undertaken by the Finance and Corporate Services in the NTA. The Sponsoring Agency nominated the project team roles (project manager, technical roles, etc), plan and manage the project and are the contracting agency, i.e. responsible for the procurement, the system integration and the subsequent rollout of the system.

Steering Group and Design Authority

An executive group (the "Steering Group") and a Design Authority established by the Service Provider and the NTA under Schedule 1 which sets out the role and functions. Both the NTA and the Service Provider are represented on both the Steering Group and Design Authority.
Steering Group.

The Steering Group's role is to ensure that Project Phoenix runs smoothly and that the relationship between the NTA and the Service Provider is successfully executed. Communication with external stakeholders was channelled through, and any issues that need to be resolved were addressed at, the Steering Group. The Steering Group shall meet every month; however, it may meet on an ad-hoc basis if necessary.

The Steering Group responsibilities:

a) be responsible for strategically leading the performance of this project and providing guidance to ensure that long-term issues affecting the Solution are properly considered and, where necessary, resolved;
b) ensure that effective communication is taking place;
c) ensure that the objectives of the project are met during the project timeline;
d) be responsible for the promotion of a good relationship between the parties;
e) ensure that the project is aligned with the NTA's business and service plans;
f) agree on proposed efficiencies or changes to the Solution;
g) monitor and deliver on agreed improvement targets;
h) promote best value in respect of the project delivery through monitoring of whole life costing through innovation and improvements;
i) resolve any disputes that arise from the performance of the Service Provider or NTA staff in the delivery or operation of the project, record and discuss issues arising in relation to the project;
j) review governance, risk and compliance matters including contract management, information and systems security (including cyber security and data protection); and
k) consider significant changes to the Solution and the risks associated with such changes.

Design Authority

The Design Authority's role is to ensure agreement is met between the NTA and the Service Provider on a new standardised service model, and to ensure no unnecessary customisations are embedded in the selection or design of the new solution. In light of the Key Design Principles, it is important to note that customisations are to only take place by exception. The Design Authority will also act as the first point of escalation for any issues the NTA and Service Provider working teams may encounter during the integration and will report directly on all updates to the Steering Group on a regular basis.

The Design Authority responsibilities:

a) ensure that the objectives of the project are met during the project timeline;
b) the Design Authority will report to the Steering Group. The Design Authority will escalate unresolved issues to the Steering Group as appropriate;
c) be responsible for the promotion of a good relationship between the parties;
d) ensure that the project is aligned with the NTA's business and service plans;
e) agree on proposed efficiencies or changes to the Solution;

f) monitor and deliver on agreed improvement targets set by the Steering Group;
g) review, discuss and agree on issues arising from performance reports;
h) promote and achieve best value in respect of the project through the monitoring and management of whole life costing through innovation and improvements;
i) identify inefficiencies and discuss and propose changes to processes, procedures and policies to ensure the efficient operation of the Solution;
j) seek to ensure that the project is provided in a manner which optimises value-for-money for the NTA;
k) review the extent to which the project is aligned to the NTA's business, information and customer strategies and make recommendations to the Steering Group for changes to maintain an appropriate alignment;
l) consider significant changes to the Solution and the risks associated with such changes
m) ensure that the proposed processes and solutions meet the goals and objectives of the project as set out in the project design and that the project delivers value to the business and stakeholders. Where appropriate, the Design Authority will review, make recommendations and approve proposed processes and solutions of this project;
n) review issues, risks and dependencies associated with proposed Solution(s);
o) approve Design Change Requests;
p) provide timely information during the design process;
q) resolve design issues escalated to it by the Project Manager;
r) provide approvals. Design Authority approval means that, as a group, it has reviewed, challenged and approved the agreed processes and solutions; and
s) meet weekly/bi-weekly, or otherwise as deemed appropriate.

The Project team will propose and present proposals to the Design Authority including options for review, recommendations and decisions, and for subsequent agreement or approval by the Steering Group.

Project Scope

Implementation of the Solution shall be broken into a number of phases as per the indicative plan in Figure 5 below. The first two phases ("Phase 1" and "Phase 2") will be implemented in parallel and there will be subsequent phases for implementation which will be agreed between the Service Provider and NTA at a later date in accordance with the Change Control Procedure outlined in Schedule 5.

Phase 1 and Phase 2 will include the design, build and implementation of the Solution to meet the overall finance requirements and the CSDP.

Phase 1 will include:

a) the build, configuration, migration, go live and hypercare of the Central Finance system to the Solution;
b) the build, configuration, migration, go live and hypercare of the Gross Cost Contracts ("GCC") to the Solution

Phase 2 will include:

a) the build and configuration of Financial Planning and Analysis ("FP&A"), including FP&A fare revenue, passenger data, operator costs & funding (PSO, DSP, free travel) as part of the Solution;
b) the build and configuration of FP&A for Rural Finance as part of the Solution

Please note that following approval at the PBC stage, an additional increase in project scope in relation to the inclusion of FP&A was approved. Following the NTA review process it was concluded that:

- The current FP&A activities are manual and not integrated;
- High reliance on Excel spreadsheets, for data input, calculations and reporting;
- Data overload preventing targeted analysis and efficient reporting;
- Limited scenario analysis and reporting capabilities due to lack of time and manual work required;
- Potential delays and risk of errors due to manual effort and multiple sources of data / data transfer methods.

Critically, there are also a number of key advantages to the inclusion of an FP&A system at an early stage within the now approved project scope. These advantages are as follows:

- Enhancing FP&A capabilities, allowing the team to conduct impact assessments in an efficient way;
- Increasing the accuracy of budgets and forecasts, reducing the risk undertaken by the NTA on fare revenues of gross cost contracts;
- Streamlining data input, making the FP&A processes more efficient and automated, and allowing Finance teams to focus on more value-added activities;
- Mitigating the reliance on key individuals owning spreadsheets and models, particularly in the RTP Finance team;
- Building on the momentum existing from the ERP implementation launch.

Lastly, the main expected benefits of the inclusion of FP&A within the scope of project Phoenix include:

- Enhanced reporting: on-demand, tailored, dynamic and from a single data repository;
- Data-driven, on-time and integrated budgeting and forecasting: the system will allow budgets and forecasts between Business Units to be linked and updated in real-time;
- Improved capabilities in data processing, KPI calculation and scenario analysis.

Approval for inclusion of FP&A in Fixed Price Scope was received from the Steering Committee on 28th April 2022.

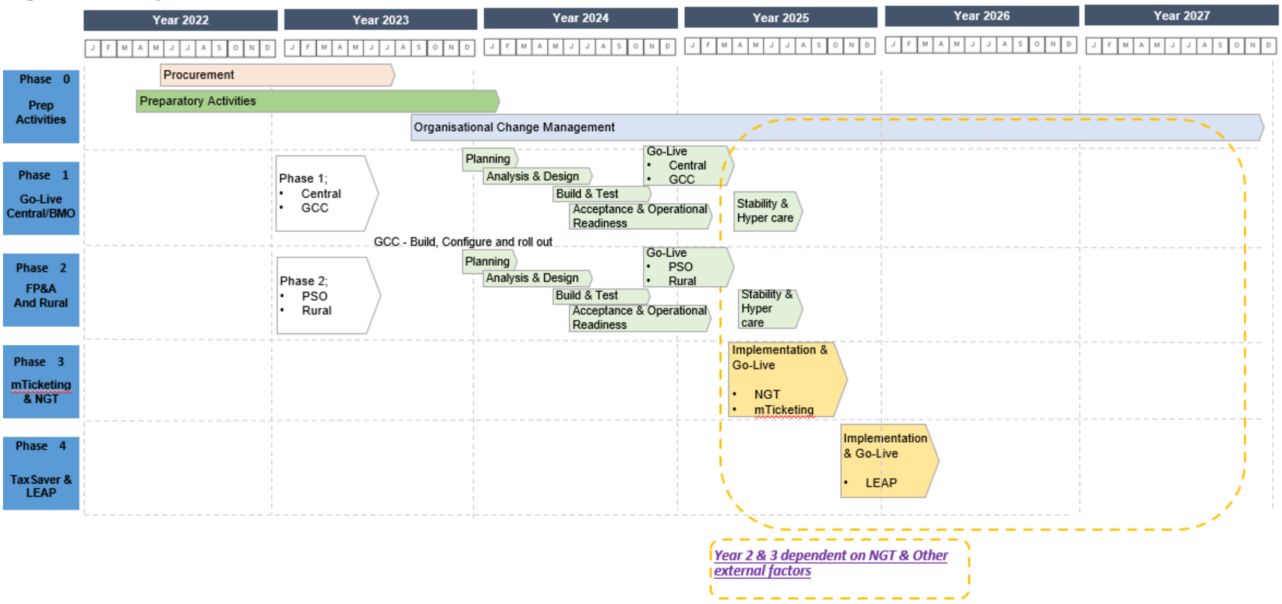
Figure 5: Scope of the Project

In Scope	Out of Scope
✓ Procure to Pay - including travel & expenses	✓ Grant management system
✓ Order to Cash	✓ Contract management system
✓ General Ledger, AP, AR, Taxation, Contracts	✓ Payroll
✓ Fixed Asset Management & Reporting	✓ Integration with PPM Systems
✓ Bank & Treasury Management including reconciliations	✓ Interim parallel steps to improve existing NTA Finance ERP system (e.g. RPA projects)
✓ Reporting/ Analytics	✓ HR Systems
✓ Project Reporting & Accounting	✓ Ticketing Financial Reconciliation Tool
✓ Commitment Accounting	
✓ Basic Budgeting/forecasting	
✓ System Administration & Internal Controls	
✓ Financial Planning & Analysis Tool - Rural & PSO	
✓ Existing Interfaces	

Please note – some of the elements currently out of scope may form part of future phases.

High Level Project Scope and Target Operating Model (TOM)

Figure 6: Project Timeline



High Level Project Scope of the NTA Finance Solution

It is important to note that this is a business transformation enabled with a finance solution. As such, Project Phoenix is not just focused on a financial solution but recognises that to ensure the NTA realises the full benefits of a new solution, the NTA will work with the business, key stakeholders to ensure organisational alignment and readiness to support the transformation. Figure 7 and Figure 8 below present an overview of the seven components of a TOM along with a description of each component.

Figure 7: Target Operating Model (TOM) – 7 Components

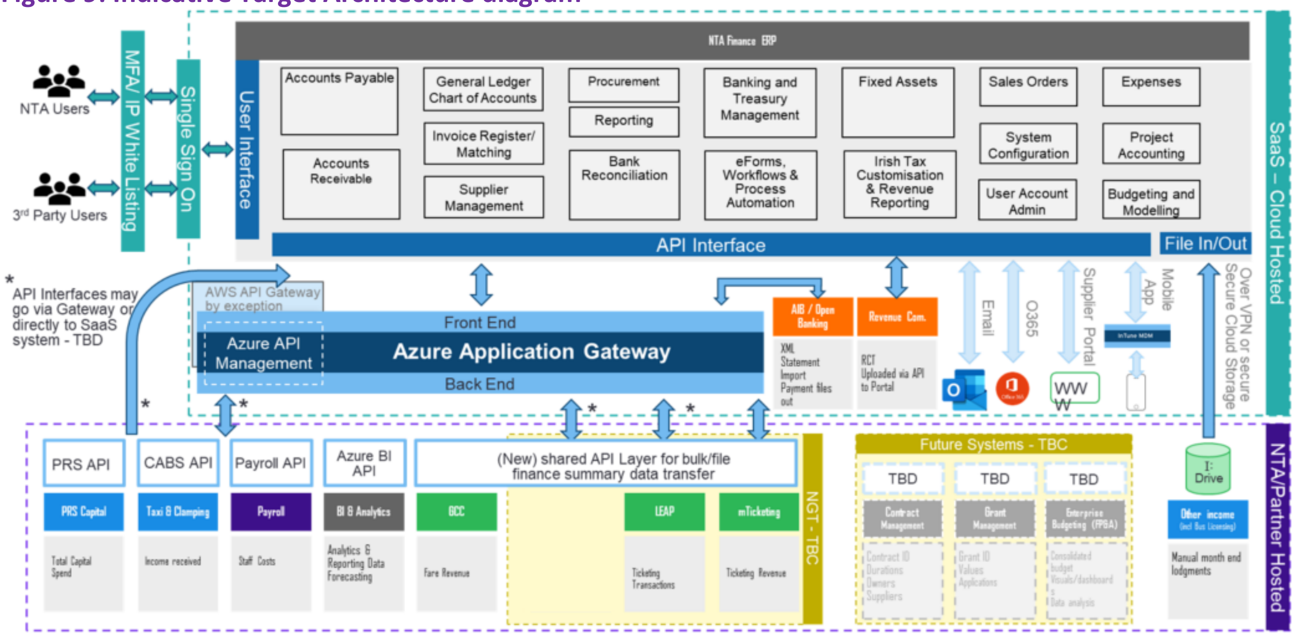
Figure 8: Target Operating Model (TOM) – 7 Components (Defined)

Policy	• Policies are defined centrally and are linked formally to the organization-wide risk management • Policies are regularly reviewed and updated using a risk-based approach and consulted with the business • Responsibility for execution of policies across the Finance is clearly defined and documented
Process	• A defined finance process framework are consistently applied across all Finance teams and group of companies • Each process has a formal process owner who provides visible leadership and drives improvement activity • Finance processes are completely standard across the organisation
Performance measurement	• Performance of Finance is managed consistently using a well-defined set of financial and non-financial measures • Aggregated view of Finance performance measures at the group center allowing comparisons between Finance teams • Targets are set for each performance measure as part of the regular planning / budgeting cycle for Finance and to drive continuous improvement
Organisation	• Finance key functions designed aligned to a global Finance strategy • Organised logically into different organisational classes: central team supporting the corporate group, COE, business area teams and Shared Services / Outsourcing teams • Focused exclusively on business decision support activities, financial control and finalization of financial results, and centralized transaction processing and reporting
Data	• Formal data management (data control and security) across the group including trade, customer, accounting data • A group-wide data model has been established covering all requirements for accounting and reporting • Data are completely consistent. Single sources of data to support statutory, regulatory, and management reporting.
People	• Strong Finance team under leadership of the CFO • Formal career paths to allow role development across teams and these are encouraged • There's a continuous improvement mindset of business partnership. Analytics capability is built to support business decisions.
Technology	• Technology strategy has been designed in response to the vision for Finance and organisation strategy • There is one platform for financial ledgers across the organization • A high degree of automation (e.g. RPA) to facilitate end-to-end accounting and reporting and information flow

At a high level, the scope of the finance solution and its interaction with other NTA systems is given below in Figure 9.

To contextualise this within the NTA, an indicative Target Architecture has been designed which presents a unified Cloud SaaS platform with automated interfaces, supporting technology, data, process, people, reporting, controls and the overall organisation of a redesigned TOM for the NTA.

Figure 9: Indicative Target Architecture diagram



The objective for the target technical architecture is to standardise and automate processes to improve user experience and reduce risk. A key design principle is to operate a cloud-based solution, which will be met by using cloud Software-as-a-Service (SaaS) software licensing. The target NTA finance ERP solution showcases the integration of the finance system, which centralises all systems into a secure, cohesive integrated solution. This target architecture is structured on the following items in and out of scope provided above in Figure 9.

Service Requirements

The scope of the Service requirements is described in detail in contract Schedule 3 – Services Schedule. They can be summarised as follows and align with the Authority's strategic business objectives as detailed in Section 3 – Strategic Relevance and Objectives, in that the service requirements require the procurement of a unified financial management platform, which is sufficiently flexible to meet the Authority's business needs and which provides a single source of truth. This requirement/ objective will be enabled by the Common Standard Design Principles ("CSDP") which includes one single common chart of accounts, common information structures, common processes using standard solution functionality across all of the Authority and only customising by exception.

Functional and ICT Requirements for NTA Finance Solution

The following are high level functional and non-functional requirements which have been collated and reviewed by NTA and external parties over the past 12 months. The comprehensive set of requirements outlined below align with the Authority's strategic business objectives outlined in Section 1.3 of Part A of Schedule 3 – Services Schedule and also Section 3.3 – Project Objectives and Benefits of this FBC. The requirements outlined below form part of the – CSDP and will form part of the overall Solution design.

Table 7: Requirements and Alignment to a new Finance Solution

Business Requirements (Functional and Non-Functional requirements)	Minimum requirement	Alignment to Strategic Business Objectives
1. Core Finance	• Provide the functionality to support multiple companies/ entities/ hierarchies, with a common Chart of Accounts (CoA), on the same instance and provide automatic consolidation and reconciliation of the different companies and CoA through a defined hierarchy and business rules. • Provide functionality to report (example Trial Balance) at individual company level, any combination of companies and overall consolidation. • Ability to automatically create statutory and management accounts/reports. • Provide an integrated Solution, both internally between Solution modules and externally with bespoke or Commercial off the Shelf (COTS) systems as used by the NTA.	✓ 1 ✓ 2 ✓ 3 ✓ 5 ✓ 6
2. Procure to Pay (P2P)	• Provide an online, automated, end to end, standardised and systemised Accounts Payable solution which includes purchase orders, purchase invoices, payments, and reconciliations. • Provide customisable master data, including but not limited to supplier/personnel/expenses, subject to online creation and approval workflows. • Provide online, customisable, multi-level approval workflows with monetary thresholds and audit trail. • Ability to provide supplier self-service, for example: enable supplier to keep their details up to date and to upload and track invoices. • Integration with online banking for domestic and non-domestic payments. • Provide Commitment accounting. • Ability to support machine learning/Artificial Intelligence to detect patterns, for example, potential invoice/payment fraud. • Ability to process invoices received via various channels (e.g. via post, email, and e-invoicing).	✓ 2 ✓ 5 ✓ 6

Business Requirements (Functional and Non-Functional requirements)	Minimum requirement	Alignment to Strategic Business Objectives
3. Travel and Expense Management	• Ability to process travel and expenses in line with business rules and processes. • Provide intuitive online claim forms with multilevel workflows and audit trail.	✓ 2 ✓ 5
4. Order to Cash (OTC)	• Provide an online, automated, end to end, standardised and systemised Accounts Receivable solution, including sales orders, sales invoices, receipting and reconciliations. • Provide customisable master data, including but not limited to customers, subject to online creation and approval workflows. • Provide online, multi-level approval workflows with monetary thresholds and audit trail. • Integrate with online banking platforms and other systems responsible for capturing income at source. • Ability to account for and report on deferred revenue.	✓ 2 ✓ 5 ✓ 6
5. Bank and Treasury Management	• Integrate with online banking platforms and Payment Service Providers (third party company that facilitates and helps merchants in the accepting payments) to support bank reconciliations for Procure to Pay (P2P) and Order to Cash (OTC) processes. • Import and reconciliation of high-volume complex bank accounts (approximately 15m transactions annually with potential of very significant growth). • Provide automatic and manual matching with the provision of exception reports for unmatched items. • Ability to assign approval workflows in the Solution with audit trail. • Provide cash flow management functionality, including current and forecast position.	✓ 2 ✓ 5 ✓ 6
6. Taxation	• The Solution must have the functionality to record and calculate tax appropriately on tax related transactions and integrate with the P2P and OTC solutions. • The Solution must provide automatic tax reports which include the related tax calculations. • The Solution must integrate with Revenue Online Service (ROS). • The Solution must comply with Public sector requirements including PSWT, Relevant Contracts Tax (RCT), Prompt Payment reporting, Tax Clearance Confirmations, Self-charge Value Added Tax (VAT) and eInvoicing.	✓ 2 ✓ 5
7. Fixed Asset Management and Reporting	• Provide a robust and online fixed assets module which supports the effective management and recording of fixed assets and related transactions. • Provide an online fixed asset register with the ability to store supporting documentation. • Ability to setup and amend fixed asset master data and relations. • Provide reporting and reconciliation capabilities.	✓ 2 ✓ 5
8. Reconciliations	• Ability to manage reconciliation processes across all areas of the General Ledger, Accounts Payable (AP), Accounts Receivable (AR), including bank reconciliations and intercompany, Assets. • The Solution must be capable of automatically reconciling data from different reports, systems, and databases, including error and exception reporting with ability for manual matching and intervention also. Reconciliations must be provided for bank accounts, intercompany accounts, control accounts, balance sheet, trial balances and lead schedules. • The end-to-end Solution must be capable of reconciling large volumes of complex data (greater than 100 million+ transactions annually with potential of very significant growth) at source level detail and aggregate if required for data transfer and upload.	✓ 2 ✓ 5 ✓ 6

Business Requirements (Functional and Non-Functional requirements)	Minimum requirement	Alignment to Strategic Business Objectives
	• Provide online, multi-level approval workflows and audit trail.	
9. Reporting/ General Accounting Functionality	• Provide an online, flexible, and easy to use and configure reporting functionality with default, editable report templates. • Provide ability to edit standard reports. • Ability to customise reports. • Provide multilevel reports, including departmental, cost centre, account, product, project, contract, and personnel, with drill down and drill around functionality. • Provide ability to automatically update standard reports as per set business parameters. • Ability to perform all standard accounting processes (journals, batch journals, reversing journals) with month end and year end close – including workflow for approval and audit trail.	✓ 2 ✓ 3 ✓ 5 ✓ 6
10. Budgeting	• Provide an online and flexible budgeting and planning module, which supports budget creation, approval, consolidation, and upload, with multilevel approval workflows and audit trail. • Provide the ability to adjust budgets and forecasts and record version history. • Provide automatic notifications to all users impacted by budget approvals/amendments and not just budget holders. • Provide default, customisable, multilevel reports to track performance against budget, with drill down functionality. • Ability to provide notes against budget lines/amendments. • Ability to link documents/excel spreadsheets to budget lines.	✓ 2 ✓ 5
11. Contract Management	• Ability to introduce contract IDs from an external system. • The Solution must have the capability of holding contract master data in a secure format. • The Solution must have the ability to alert relevant users of any changes to contract master records. • Ability to create a contract master file and use it for finance and commitment tracking purposes.	✓ 2 ✓ 5
12. Project Reporting and Accounting	• Functionality to support project costing and billing with accounting, including multi-level reporting and budgeting, multi annual projects, with approval workflow and audit trails. • Provide a flexible structure/module which facilitates project reporting and accounting functionality for large scale, complex projects with multiple levels/components. • Provide project financial planning capabilities including budgeting and forecasting to completion for multi-annual projects by phase for the full project lifecycle. • Provide project financial reporting capabilities which facilitate frequent monitoring and controlling of project costs (overall and specific expenditure categories), revenues, assets etc. by project phase and on an overall basis. • Provide project reporting and accounting functionality that integrates with the P2P process to track actual project spend versus budget. • Provide functionality to control project budget approval and/or adjustments through user access and workflows with audit trails. • Provide a dashboard for intuitive reporting on cost, budget and KPIs for projects. • Provide time management functionality to capture non-staff contractors' time and cost allocated across projects.	✓ 2 ✓ 3 ✓ 4 ✓ 5

Business Requirements (Functional and Non-Functional requirements)	Minimum requirement	Alignment to Strategic Business Objectives
13. Financial Planning & Analysis (FP&A)	• Provide an online and flexible FP&A module which integrates and reconciles with all relevant modules/systems for data upload and analysis (finance and non-finance). • Provide multilevel reporting/analytics, which can be presented in various formats easily. • Provide reports than can automatically update based on business parameters/requirements. • Support simulation, scenario analysis, predictive analytics, statistical modelling, Machine Learning /Artificial Intelligence to detect patterns and trends and forecasting which will enable more accurate forecasting. • Provide the ability to take data from external systems or data sources. • Provide the ability to interpret data and provide actionable insights. • Provide the ability to integrate data from multiple systems (for example ERP, Payroll, Ticketing) and create a consolidated, strategic budgeting and planning view. • Provide the ability to create visualisations (including dashboards) for timely and efficient data interpretation and analysis.	✓ 2 ✓ 3 ✓ 5 ✓ 6
14. Solution Administration	• Provide the functionality for designated finance users to set up and amend master data, including, but not limited to, departments, cost centres, accounts, projects, and contracts, subject to multilevel approval workflows with audit trail. • Provide the functionality for designated finance users to set up and amend multilevel workflows for transactions, master data and other processes, such as reports and budgets, which also record an audit trail of the workflows. Users must be capable of adding commentary to workflows and reviewing supporting documentation. • Provide the functionality for designated finance users to set up, amend and apply data control to manage the visibility of information as per business requirements, subject to multilevel approval workflows. • Provide the functionality for designated finance users to set up, amend and apply roles and access of finance and non-finance users, subject to approval workflows. This should also extend to the provision of reports on role/access type per user. • Provide the functionality for designated finance users to set up, amend and apply data validation to reduce errors and mis-postings. This includes data validation on cost centres, accounts, and projects for example. • Provide task management functionality, including a dashboard, email and in-app notifications and clear error reporting. • Provide operational reports on Key Performance Indicators (KPIs) and activities. • Provide access to multiple test environments. • Provide batch data input and upload including, but not limited to master data, fixed assets, and transactional entry.	✓ 4 ✓ 5
15. Solution	• The Solution must be a SaaS cloud-based solution. All data must be hosted in the European Economic Area (EEA). • The Solution must have a Business Continuity Plan (BCP) and Disaster Recovery (DR) plan appropriate to the host location.	✓ 1 ✓ 6
16. Performance, Scalability and Capacity	• The Solution must be scalable in terms of user access and system performance. With regard to users, the Solution must be capable of managing a minimum of 50 finance users and 300+ non-finance users.	✓ 6

Business Requirements (Functional and Non-Functional requirements)	Minimum requirement	Alignment to Strategic Business Objectives
	• The Solution performance should be measurable, and an acceptable performance baseline set at go live. • The Solution must be highly available.	
17. Integration	• The Solution must have the ability to integrate with externally hosted or other cloud-based systems, as required. • The Solution must have the ability to integrate with internal NTA systems and file storage repositories. • The Solution must provide an API interface that is capable of supporting both internal and external integration. • Anticipated integration includes replacing the need for manually rekeying data between systems, integrating with high volume ticketing and bank reconciliation systems and exporting data to the NTA BI platform.	✓ 2 ✓ 5 ✓ 6
18. User Access (internal and external)	• The Solution must be accessible to other NTA suppliers from outside of the NTA network with the appropriate security controls in line with NTA security policies for example IP whitelisting and Multi-Factor Authentication (MFA).	✓ 2 ✓ 5
19. Security	• The Solution must have the ability to provide single sign on (SSO) for users and support MFA in line with NTA security policies including Azure AD as our preferred Cloud Identity Provider. • The Solution must have measures in place to prevent access from unauthorised networks or users.	✓ 5 ✓ 6
20. Data Protection	• The Solution must meet the security requirements under Data Protection Law; and ISO/IEC 27001:2013 standard and guidelines (or equivalent). • The Solution must demonstrate compatibility with General Data Protection Regulation (GDPR). • The Solution must have clear data control procedures and processes to ensure that information is secure and visible to approved users only in line with NTA security policies.	✓ 5
21. Data Upload, Export and Migration	• The Solution must be capable of securely importing and exporting data in bulk. • The Solution must be capable of importing existing finance data as part of a data migration exercise. • The Solution must be capable of exporting data in the event of a future solution replacement.	✓ 2 ✓ 3 ✓ 5
22. User Access Management (UAM)	• The Solution must provide for User Access Management (UAM) based on roles and personas and the functionality to manage and audit user access in line with NTA security policies.	✓ 5
23. User Acceptance Testing (UAT) System	• The Solution must provide a UAT system capable of holding dummy/anonymised data.	✓ 5

Compliance

As per Schedule 1 – Governance Schedule, the Service Provider shall develop, agree with the Authority and implement a process for compliance management which documents and tracks the compliance of the Solution with Applicable Law and any accreditation or other requirements set out in the Schedule including where relevant:

- the Authority Policies;
- Data Protection Law; and
- Freedom of Information Act 2014.

The Service Provider shall also be responsible for designing, implementing, achieving and maintaining compliance management in accordance with the process agreed with the Authority.

Supplementary Systems

The current finance landscape does not meet the current and future requirements of the NTA as it was originally developed for a very different NTA organisation and nor is it scalable and flexible to adapt and incorporate new initiatives. The current finance landscape consists of four (4) separate finance system instances across the NTA, including three instances of Unit4 Agresso Business World (ABW) and one instance of SAP Business One (SAPB1).

Each separate instance is owned and controlled by a different finance area. Each separate instance has its own system design – that is its unique Chart of Accounts (CoA) and information structures (such as department, cost centre and project). This means that there are four different CoA in the NTA and as such, four different ways of recording information and four different ways of interpreting information that is common to the NTA as a single organisation.

Table 8: Current Finance Landscape

Legend - Finance System instances by Business area		
#	Finance Business Area	Finance system
1	Corporate Finance (includes Central Finance, Capital Programme Office & RTP)	Unit 4 Agresso Business World (ABW)
2	Gross Cost Contracts (GCCs)	Unit 4 Agresso Business World (ABW)
3	Leap	Unit 4 Agresso Business World (ABW)
4	mTicketing	SAP Business One (SAPB1)

Due to this significant growth and expansion in terms of its organisational responsibilities, the level of grant funding received to deliver its responsibilities and the number of resources tasked with in doing so over the past 12 years, shows the need to move towards a unified financial platform that will act as an integral finance solution to support NTA's strategic objectives, aligning them with Project Ireland 2040.

Procurement Process

Overview and Timeline

The NTA published the Contract Notice on the 11th April 2022. The NTA conducted this procurement using the competitive procedure with negotiation in accordance with the European Union (Award of Public Authority Contracts) Regulations 2016.

The procedure that is being followed for the purposes of this procurement comprises three main stages:

- Pre-Qualification: Interested parties completed the Pre-Qualification Questionnaire (PQQ), which sought responses in relation to their technical capacity and professional ability, and their economic and financial standing. The Authority evaluated the PQQ responses and selected the 5 highest ranking qualified candidates.
- Negotiation: The pre-qualified Tenderers were then invited to participate in the negotiation stage. An Invitation to Negotiate (ITN) was issued to tenderers, inviting Initial Quality Submission. The Authority reviewed the Initial Quality Submission and used these as a basis for the negotiation meetings.
- Final Tender: This stage is governed by the Invitation to Submit Final Tender (ISFT) which has been issued to those Tenderers remaining in the procurement following the formal closure of the negotiation stage. Final Tenders are evaluated and assigned scores to identify the most economically advantageous tender in accordance with the award criteria and methodology set out in the ISFT

document (together with any such further information as may be issued by the Authority through the course of the procurement).

Pre-qualification – Qualitative Assessment

Table 9: Outlines actual and estimated (where future) key event dates for the procurement process

Key Event	Event date (Indicative where future)
Publication of Contract Notice	11th April 2022
Deadline for Submission of Questions for Clarifications	13th May 2022
Deadline for receipt of PQQ Submissions	27th May 2022
Invitation to Negotiate (ITN) issued to shortlisted Candidates	8th August 2022
Deadline for receipt of Initial Quality Submission and Financial Response Workbook comments or feedback	5th October 2022
Negotiation meetings	w/c 5th December 2022
Invitation to Submit Final Tender	26th January 2023
Deadline for clarification relating to the ISFT	20th March 2023
Deadline for receipt of Final Tenders	3rd April 2023
Contract Award (indicative)	October 2023

Evaluation and Award Criteria

Pre-qualification – Minimum Criteria for Participation

As part of the initial Pre-Qualification Questionnaire, candidates were requested to demonstrate that they met criteria in relation to their economic and financial standing, minimum turnover, insurance requirements and proposed Solution Minimum Functionality on 27th May 2022, in order to qualify for the competition. The five highest ranking Candidates were selected based on PQQ responses.
Each of these criteria will be assessed on a pass/fail basis and any Candidate who fails in any criterion will be excluded from the competition.

Economic and Financial Standing

The purpose of the Economic and Financial Standing evaluation was to assess the ability of each candidate to meet the financial requirements and contingencies that might arise from contract award, and to ensure that candidates have sufficiently robust economic and financial standing so as not to pose an unreasonable risk to delivery of the contract. Appendix 1 of the Information Memorandum details the following as minimum requirements for this assessment:

- Operating Margin (Operating Profit / Revenue)
- Net Income
- Acid Ratio (Current Assets – Inventories)/ Current Liabilities)
- Net Debt to EBITDA ratio
- Net Assets
- Net Interest Paid Cover

Minimum Turnover

A Candidate must have an annual turnover of a minimum of €5,000,000 excluding VAT, over the three previous financial years (from the Contract Notice date). Consideration will be given to the impact of Covid-19 on revenues throughout 2020 and 2021.

Insurance Requirements

The Successful Tenderer will be required, at a minimum, to take out and maintain at its sole cost and expense the minimum insurance levels stated in Section 2.2 of the Memorandum, for the benefit of the NTA at all times for the duration of the Contract, and for such further time as is reasonable and / or may be required in the circumstances or by law.

Proposed Solution Minimum Functionality

The Solution being proposed by a Candidate must include certain functionality. Candidates must provide an overview of their proposed Solution in the PQQ response, including the name and a brief description of the proposed Solution. Candidates must provide a written response briefly describing the proposed Solution with details on any third-party modules, tools or customisations that will be used, including any relevant diagrams/screenshots.
In order to shortlist down to a maximum of 5 candidates, those candidates that met the aforementioned minimum criteria were then further ranked in accordance with a number of qualitative criteria as outlined on the following page:

Table 10: Qualitative Criteria

Selection Criteria	Overall Weighting (minimum)	Selection Sub-Criteria	Weighting within Criterion
5.A Organisational Capacity	10% (4%)	Organisational Capacity	100%
5.B Previous Experience	50% (20%)	5.B.1 Reference Project 1	50%
		5.B.1 Reference Project 2	50%
5.C Previous Experience – Specific Examples	40% (16%)	5.C.1 Reporting and Insights	22.5%
		5.C.2 Project Accounting	15%
		5.C.3 Standard Functionality versus Customisation	15%
		5.C.4 FP & A	10%
		5.C.5 Technical Change Management	15%
		5.C.6 Integration	22.5%

Tender Award Criteria

Each Tender will be evaluated using the following two-stage evaluation procedure:

- Stage 1: Assessment of the completeness and compliance of each Tender in accordance with ISFT. Tenders which are not complete, not compliant, and/or do not include all documentation in the required form may be eliminated from the Tender Process.
- Stage 2: Evaluation of each Tender in accordance with the Award Criteria set out below.

The Award Criteria as set out in the table below identifies the most economically advantageous Tender.

Table 11: Award Criteria

	Primary Award Criteria	Secondary Award Criteria	Secondary Award Criteria Weighting	Secondary Award Sub-Criteria	Secondary Award Sub- Criteria Weighting
(A) Cost	30%	1 Financial Proposal	30%	1.1 Cost of Core Services	70%
				1.2 Cost of Change and Optional Services	30%
(B) Quality	70%	2. Project Implementation Approach	10% (Minimum 5% required)	2.1 Objectives, aims and governance	15%
				2.2 Service provider delivery methodology	30%
				2.3 Indicative project timeline and detailed-level plan	30%
				2.4 Risk Management	10%
				2.5 Benefits Realisation	15%
		3. Resources	10% (Minimum 5% required)	3.1 Resources Experience in Similar Type Projects	80%
				3.2 Resource Variation	20%
		4. Functional Fit to NTA	25% (Minimum 12.5% required)	4.1 Procure to pay (Including T&E)	17.5%
				4.2 Order to cash	5%
				4.3 Reporting	15%
				4.4 Budgeting and Forecasting (Including FP&A)	12.5%
				4.5 Banking and treasury	5%
				4.6 Fixed assets	7.5%
				4.7 Project accounting reporting	12.5%
				4.8 System governance, data control and Solution Roadmap	10%
				4.9 Business Transformation & Strategic Partnering	15%
		5.Infrastructure/ Integration Requirements Technology and Scalability	15% (Minimum 7.5% required)	5.1 Architecture	17.5%
				5.2 Data Management	17.5%
				5.3 Integration	25%
				5.4 Security & Compliance	30%
				5.5 System Characteristics	5%
				5.6 User Interface / User Experience	5%
		6. Post Go-Live (Managed Service)	10% (Minimum 5% required)	6.1 Information Security Management	40%
				6.2 Systems Management Maintenance -	30%
				6.3 Support	30%

Tender Process

Following the completion of the qualification stage, Submissions returned by Candidates, which are not eliminated for completeness/ compliance reasons are assessed as described in the Pre-Qualification Documents and received a ranking. The highest-ranking Candidates will be shortlisted and selected to proceed to the tender stage of the process.

The tender phase comprised two stages – Initial Quality Submission and final tender.

Tenderers submitted Initial Quality Submission which were reviewed against the award criteria. Feedback was provided by the NTA to tenderers, from quality and commercial/financial perspectives.

Details of the final tender evaluation are provided in Section 5 of this report.

Key Commercial Features

Payment Mechanism

The Charges payable by the Authority for the Services provided by the Service Provider in an Agreement Month will be calculated and made in accordance with Part B of Schedule 2 – Payments Schedule.

Milestone Payments

On the first Working Day of the Agreement Month following the issue of a Milestone Acceptance Certificate in relation to a Milestone, the Service Provider will be entitled to deliver a pro forma invoice to the Authority seeking the Milestone Payment set out opposite such Milestone Event in Part 2 of Schedule 2. The aforementioned schedule provides additional detail as procedures for delayed payments and also invoicing arrangements, payment following invoicing, additional costs and customisations and enhancements.

Table 12: Milestone Payments Central Finance & GCC

Milestone	Description	Milestone Payment %
1	Planning Completion	10
2	Solution analysis and design completion	15
3a	Solution build completion (Central)	15
3b	Solution build completion (GCC)	5
4a	Solution acceptance and readiness (Central)	20
4b	Solution acceptance and readiness (GCC)	7.5
5a	Go live (Central)	10
5b	Go live (GCC)	5
6a	Services acceptance of Central (3 month)	7.5
6b	Services acceptance of GCC (3 month)	5
Total Milestone Payments		100%

Table 13: Milestone Payments FP&A Rural Finance & PSO

Milestone	Description	Milestone Payment %
FP&A 1	Planning Completion	10
FP&A 2	Solution analysis and design completion	15
FP&A 3a	Solution build completion (Rural Finance)	15
FP&A 3b	Solution build completion (PSO)	5
FP&A 4a	Solution acceptance and readiness (Rural Finance)	20
FP&A 4b	Solution acceptance and readiness (PSO)	7.5
FP&A 5a	Go live (Rural Finance)	10
FP&A 5b	Go live (PSO)	5
FP&A 6a	Services acceptance of Rural Finance (3 month)	7.5
FP&A 6b	Services acceptance of PSO (3 month)	5
	Total Milestone Payments	100%

Licences

Where the Authority requires that a License be provided, the amount payable in respect of such License shall be in respect of the Licenses required by the Authority, including any additional support. License usage shall be subject to review.

Additional Costs

An Additional Cost, one that is not already covered in the Solution requirements licence price must have prior agreement of the Authority before the Service Provider is entitled to charge any Additional Costs.

- Transaction Fee;
- Application Programming Interfaces (API) Calling;
- Solution Storage Plan;
- Managed Service Fee; and
- Additional Environment(s) Fee.

The rates for the Additional Costs listed above will be approved by the Authority prior to Agreement signature. The Service Provider is not entitled to charge for any Additional Costs, if applicable, until Milestone 6b for Central and GCC have both been successfully achieved.

Performance Management

Schedule 4 – Performance Schedule includes a number of Key Performance Indicators and Performance Indicators. The performance management model seeks to:

- facilitate linkage between the NTA's desired business objectives and the activities to be performed by the operator;
- support the achievement of best value by ensuring that performance is continually measured, and lessons learned to achieve continuous improvement in the provision of the services.

Each KPI and PI has its own performance description, measurement frequency, target service level, type of performance point calculation and performance points.

The KPIs and Performance Indicators (PI's) were calibrated by the authority and have been set in a way which will help to ensure that the services are of a consistently high quality and meet the requirements of the authority. It will also provide a mechanism whereby the authority can attain meaningful recognition of inconvenience and / or losses resulting from any failure by the operator. Separate contract provisions cover other types of breaches by the operator of its obligations.

In addition to the extensive detail provided in Schedule 4 – Annex B, the Evaluation Plan included in this document will provide additional detail as to the management and evaluation of performance.

High Level Changes to the Contract following Negotiations

It is important to note that there have been some minor changes to the draft Contract the consultation meetings during ITN, either from the meetings themselves or from further clarifications received. All Tenderers have been informed of all changes.

The Authority may propose a Change in accordance with Part B of Schedule 5 - Change Control Schedule. It states the Authority shall not propose a Change where:

a) the implementation of the Change will infringe any Applicable Law or is inconsistent with Good Industry Practice;
b) the implementation of the Change will have a material adverse effect on the health and safety of any person;
c) the implementation of the Change will cause any Necessary Consent to be revoked or rendered unobtainable (unless an adequate new or substitute consent is obtainable);
d) the implementation of the Change will have a material adverse effect on the provision of the Services, other than those aspects of the Services specified in the Authority Notice of Change; **or**
e) the Change relates to any proposal developed by the Service Provider in accordance with Part C of the Change Control Schedule that has been rejected by the Authority.

To propose a Change, the Authority must serve an Authority Notice of Change upon the Service Provider. Alternatively, The Service Provider may propose a Change in accordance with Part C of Schedule 5 for any reason, provided that the Service Provider serves on the Authority a Service Provider Change Notice.

In the event of an emergency, where there is not sufficient time available for the parties to carry out their respective obligations as set out in the Change Control Procedure, the Service Provider shall use reasonable endeavours to satisfy the Change Request on an emergency basis (an "Emergency Change").

5 Overview of Tenders Received

Background to tender process

Tender Description

The tender process comprised of three phases – a pre-qualification phase to establish the suitability of Candidates, an Initial Quality Submission phase which provided an opportunity for the Authority to give feedback to Tenderers on their Initial Quality Submissions, and a subsequent tender phase. Details of each stage are set out in subsequent sections.

Phase 1 - Pre-Qualification Phase

In April 2022, the NTA published the Pre-Qualification Questionnaire for the competition for the Provision, Implementation, Maintenance and Support of a Financial Management System (April 2022), with a response deadline of the 27th May 2022.

List of Candidates

For the Pre-Qualification Questionnaire, submissions were received from eight Candidates.

Pre-qualification Evaluation

The evaluation of this phase consisted of a number of criteria which had to be met to progress to the next stage. The pass/fail criteria were as follows:

- Grounds for Exclusion;
- Minimum Turnover;
- Economic and Financial Standing;
- Insurance Requirements; and
- Proposed Solution Minimum Functionality.

All eight candidates were adjudged to have satisfied this criterion.

All Candidates that achieved a pass mark in the outlined criteria above were then assessed against the following qualitative criteria:

- Organisational Capacity;
- Previous Experience; and
- Previous Experience – Specific Examples.

Six of the Candidates that passed the Pass/Fail prequalification criteria exceeded the minimum required mark in the qualitative assessment. The other two Candidates failed to achieve the minimum score required in more than one criteria.

No more than five Candidates were required to be shortlisted for the next stage of the competition. The lowest marked Candidate in the qualitative assessment was therefore eliminated from the competition.

The five remaining Candidates were invited through to the next stage of the competition.

Phase 2 – Initial Quality Submission Phase

Following the pre-qualification assessment, the five successful Candidates from that phase were then invited to tender for the Provision, Implementation, Maintenance and Support of a Financial Management System (April 2022).

The Initial Quality Submission was a submission of the quality questions for each award criterion. The submissions were reviewed by NTA with reference to the requirements as set out in the ITN Documents. The purpose of the Initial Quality Submission was to:

- ensure that the Tenderers understand the NTA's requirement prior to the ISFT;
- enable the NTA to have an understanding of how the Tenderers proposed approach will meet the requirement; and
- identify areas in the Initial Quality Submissions where the NTA may require further information or detail including features, technical design and functionality in order to understand how the outcomes will be achieved.

Initial Quality Submissions were received from four Tenderers. Tenderer 5 communicated on 22nd September 2022 confirming that they were withdrawing from the competition and "will not be putting in a response to the current tender that is on-going".

Each of the Initial Quality Submissions was reviewed by the evaluation team, individually first, and then as a consensus group, where feedback notes both positive and negative were collated for each submission. The feedback notes were then used as discussion points during negotiation meetings with each of the Tenderers. The negotiation meetings provided an opportunity for Tenderers to clarify their understanding of NTA's requirements and to facilitate development of compliant Final Tenders. Any queries raised by Tenderers during these meetings were treated in accordance with NTA's general arrangements applying to queries and clarifications as set out in the ITN documentation. There was one negotiation meeting held for each Tenderer, with all negotiation meetings having the same set meeting agenda.

Following the meetings, NTA made some minor amendments to the draft Agreement reflecting the content of Initial Quality Submissions and the subsequent discussions with Tenderers. These amended requirements were reflected in the ISFT documentation. The minor amendments did not alter the NTA's core/material requirements as set out in the Schedules.

Overview of Final Tenders (Quality)

This section sets out the details of the tenders submitted at Final Tender Stage, and the findings of the Quality evaluation and Commercial evaluation teams assessments. It also details the scoring assigned to each submission.

[Note for published version: An updated / redacted version of this section with confidential and/or commercially sensitive information removed will be prepared prior to the publication of the FBC. In particular, the Price Evaluation details must not be publicly published, it would result in confidential information being put in the public domain.]

Scoring

This section provides a comparison of the Tenderers' qualitative submissions at Final Tender stage. The table below sets out the Primary Award Criteria (and weightings) that the NTA will use in assessing the Tenders. The Primary Award Criteria (and weightings) in the table, which in turn are broken into Secondary Award Sub-Criteria (and weightings).

In line with the Invitation to Submit Final Tender ('ISFT') and in order to ensure consistency and equity, the evaluation team assigned scores for quality of response to the qualitative requirements using the scores and the indicators below. A score of out five (5) shall be allocated to the Tender in respect of each Secondary Award Sub Criterion, bearing in mind the scoring guidance set out in the table below. A full worked example of the scoring can be found in Appendix C of the ISFT Document.

Table 14: Scoring for quality of tender response

Score Band	Interpretation	Score Band	Score Band
Excellent	An excellent response. Demonstrates extensive capability. Provides a high degree of confidence in the Tenderer's ability to deliver the required outcomes. Raises few reservations.	5	100% of the maximum score available
Very Good	A very good response. Demonstrates good capability. Provides a good degree of confidence in the Tenderer's ability to deliver the required outcomes. Some reservations.	4	80% of the maximum score available
Good	A good response. Demonstrates reasonable capability. Provides a reasonable degree of confidence in the Tenderer's ability to deliver the required outcomes. Several reservations.	3	60% of the maximum score available
Poor	A poor response. Demonstrates limited capability. Provides little confidence in the Tenderer's ability to deliver the required outcomes. Major reservations.	2	40% of the maximum score available
Very Poor	A very poor response. Demonstrates very limited capability. Provides little or no confidence in the Tenderer's ability to deliver the required outcomes. Profound reservations.	1	20% of the maximum score available
	No response.	0	0% of the maximum score available

Minimum Threshold

The raw scores out of five (5) awarded for each Secondary Award Sub-Criterion will be divided by the maximum available for that Secondary Award Sub-Criterion (i.e. 5) and then multiplied by the weighting applicable to that Secondary Award Sub-Criterion in order to obtain the weighted score for that Secondary Award Sub-Criterion. The weighted scores for the Secondary Award Sub-Criteria will then be added together to obtain an aggregate score for each Secondary Award Criterion.

The weightings at the Secondary Award Criteria level will then be applied to the figures obtained to derive a weighted score for each Secondary Award Criterion. The scores for each Secondary Award Criterion are then added together to derive a total score under the Quality Primary Award Criterion.

The minimum thresholds required are detailed in table 17 below, a full worked example of the scoring can be found in Appendix C of the ISFT Document.

Evaluation

The qualitative evaluation was initially completed by the individual evaluation team members against the quality Award Criteria. Following this exercise, evaluation team members met within their relevant Award Criterion sub-teams to achieve consensus on the scores to be allocated. The results of the quality evaluation are presented in Table 17.

Overview of Final Tenders (Price)

The Cost Criterion (A) involves an assessment of the financial proposal to be submitted by Tenderers. The Cost Criterion will account for 30% of the Primary Award criteria with Quality making up the remaining 70%. As shown in the below table The Financial Proposals Primary Award Criterion evaluation will be completed in two (2) parts:

- Cost of Core Services; and
- Cost of Changes and Optional Services

Table 15: Financial Proposals Primary Award Criterion

Primary Award Criteria	Secondary Award Criteria	Secondary Award Criteria Weighting	Secondary Award Sub-Criteria	Secondary Award Sub-Criteria Weighting
30%	1. Financial Proposals	30%	1.1 Cost of Core Services	70%
			1.2 Cost of Change and Optional Services	30%

In both cases the lowest cost Tender (that has not been eliminated) shall be awarded the maximum score available under this criterion.
The cost of Tenders (which have not been eliminated) shall be calculated using the following formulae:

a) Cost of Core Services:
A percentage score out of 70% shall be allocated to each Tender based on the cost of delivery of the Core Services, as identified in Proforma 1a for that Tender, relative to the lowest cost tendered, by applying the formula set out below:

$$\textit{Score for Tender under Secondary Award Criterion 1.1} = 70\% \times \frac{\textit{Lowest cost tendered for the delivery of Core Services}}{\textit{Cost for the delivery of Core Services for the Tender being evaluated}}$$

b) Cost of Changes and Optional Services:

A percentage score out of 30% shall be allocated to each Tender based on the cost of delivery of a stated number of future Changes (as set out in Proforma 1b) relative to the lowest cost tendered for the delivery of those Changes, by applying the formula set out below:

$$\text{Score for Tender under Secondary Award Criterion 1.2} = 30\% \times \frac{\text{Lowest cost tendered for the delivery of stated future Changes and Optional Services}}{\text{Cost for the delivery of stated future Changes and Optional Services for the Tender being evaluated}}$$

On completion of the calculations set out above, the weighting for the Financial Proposals Primary Award Criterion shall be applied to the sum of the scores allocated to the Tender under Secondary Award Criteria 1.1 and 1.2 to derive an overall score for the Tender under the Financial Proposals Primary Award Criterion.

Summary of Evaluation of Tenders (Quality)

Introduction

This section presents the findings of the quality evaluation team's assessment of submissions at Final Tender stage. The assessment has been conducted in accordance with the evaluation criteria and procedures set out in the ISFT. For the purposes of evaluation, Tenderers were required to respond to all of the quality Award Criteria /sub-criteria

Quality Award Criteria

The table on the following page outlines the award Criteria, the weighting of each and the total marks available for each criterion/sub-criterion.

Table 16: Award Criteria

Primary Award Criteria	Secondary Award Criteria	Secondary Award Criteria Weighting	Secondary Award Sub-Criteria	Secondary Award Sub- Criteria Weighting
70%	2. Project Implementation Approach	10% (Minimum 5% required)	2.1 Objectives, aims and governance	15%
			2.2 Service provider delivery methodology	30%
			2.3 Indicative project timeline and detailed-level plan	30%
			2.4 Risk Management	10%
			2.5 Benefits Realisation	15%
	3. Resources	10% (Minimum 5% required)	3.1 Resources Experience in Similar Type Projects	80%
			3.2 Resource Variation	20%
	4. Functional Fit to NTA	25% (Minimum 12.5% required)	4.1 Procure to pay (Including T&E)	17.5%
			4.2 Order to cash	5%
			4.3 Reporting	15%
			4.4 Budgeting and Forecasting (Including FP&A)	12.5%
			4.5 Banking and treasury	5%
			4.6 Fixed assets	7.5%
			4.7 Project accounting reporting	12.5%
			4.8 System governance, data control and Solution Roadmap	10%
			4.9 Business Transformation & Strategic Partnering	15%
	5.Infrastructure/ Integration Requirements Technology and Scalability	15% (Minimum 7.5% required)	5.1 Architecture	17.5%
			5.2 Data Management	17.5%
			5.3 Integration	25%
			5.4 Security & Compliance	30%
			5.5 System Characteristics	5%
			5.6 User Interface / User Experience	5%
	6. Post Go-Live (Managed Service	10% (Minimum 5% required)	6.1 Information Security Management	40%
			6.2 Systems Management Maintenance -	30%
			6.3 Support	30%

Scoring of Award Criteria

The competitive procedure with negotiation proved very beneficial. The consultation meetings with the vendors gave the Authority the opportunity to provide feedback to the candidates based on their initial submissions. This improved the overall quality of the final submissions and enabled the Tenderers to understand the Authority's requirements prior to the ISFT.

Please note prior to the ISFT submission deadline, Tenderer 4 communicated in writing on 14th February 2023 confirming that they were withdrawing from the competition and were therefore not intending to submit a final tender response. Tenderer 4 stated - “having carefully considered this competition further, we do not believe that we are best positioned to offer the most economically advantageous Tender based on your requirements”.

The table below presents the scores awarded to each Tenderer for each individual award criterion/sub-criterion as part of the quality evaluation:

Please note in the interests of equity and fairness in the procurement process all tenders have been anonymised.

Table 17: Scoring of Award Criteria for Vendors

Quality Criteria	Tenderer 1	Overview	Tenderer 2	Overview	Tenderer 3	Overview
2. Project Implementation Approach	9.40%	The response describes a detailed best practise approach to project implementation and how this approach is taken, including detail on Methodology. The governance models outlined are well aligned to the NTA governance model. A high level RACI Matrix was provided.	5.60%	The submission describes a best practice, generic approach to project implementation. The Tenderer provided a good overview of risk and benefits management.	7.30%	A good overview of project implementation methodology was provided with some detail on roles and responsibilities. The Tenderer provided a good overview of risk and benefits management
3. Resources	8.00%	The Tenderer provided very good Curriculum Vitaes (CV), role description, good resource variation methodology.	6.80%	The Tenderer provided a good overview of roles and responsibilities, good organisational hierarchy, good CV's.	6.00%	The Tenderer provided a good diagram of project hierarchy, good CV's.
4. Functional Fit to the NTA	22.25%	The Tenderer provided very good detail on controls, benefits capabilities very well outlined and how the solution met the requirements including gaps.	16.25%	The Tenderer provided good detail on controls and customisations provided.	16.00%	The Tenderer provided good evidence of the capabilities and innovations of the solution using examples.
5. Infrastructure Integration Requirements	9.00%	The Tenderer provided a good response to NTA requirements. Good details on monitoring and solution availability provided. Good response in relation to data quality.	9.15%	The Tenderer provided a good response to NTA requirements. Ability to deliver the solution requirements was clearly demonstrated.	7.88%	The Tenderer provided a good response to NTA requirements.
6. Post Go-Live	5.40%	The Tenderer provided a good level of detail on how the management of their solution would be completed.	6.00%	The Tenderer provided a good level of detail on how the management of their solution would be completed. The response was well aligned to NTAs expectations.	5.40%	The Tenderer provided a good level of detail on how the management of their solution would be completed.
Total	**54.05%**		**43.80%**		**42.58%**	

Minimum Marks Threshold

In Table 16 it sets out the minimum marks required for each of the 5 Criterion. As seen in Table 17 above, all 3 tenderers have met or exceeded the minimum marks required for every criterion/sub-criterion.

Highest Scoring Tenderer

The table below presents the total weighted scores awarded to each Tenderer in respect of the quality and price evaluations.

Table 18: Total weighted scores awarded to each Tenderer

	Cost	Quality	Total
Tenderer 1	12.49%	54.05%	66.54%
Tenderer 2	30.00%	43.80%	73.80%
Tenderer 3	27.36	43.18%	70.54%

In conclusion, Tenderer 2 was determined as the highest scoring Tenderer, achieving the highest combined evaluation score of 73.80%. Now that preferred bidder has been identified there proposed pricing is used to update the Financial Appraisal completed in the PBC stage and is detailed in Section 6 – Financial Appraisal.

6 Financial Appraisal

In accordance with the Public Spending Code (PSC), a financial appraisal of the Strategic Finance Solution has been undertaken, based on up-to-date cost, benefit, and delivery information that emerged during the Procurement process. This section presents the outcome of the appraisal.

Introduction

As per the PSC, the Financial Appraisal comprised the following main steps:

- Inclusion of the costs submitted by the Service Provider at Final Tender Stage, which represent the costs to the NTA that are in the Service Provider's remit;
- Update to the incremental cash inflows and outflows of the NTA that are not in the Service Provider's remit;
- Discounting the cash flows to take account of the time value of money using the discount rate which is applicable under PSC guidelines (i.e. 4% and unchanged since PBC); and
- Reporting and commenting the results, based on financial ratios and indicators where they have been included in the 2021 Business Case.

A specific emphasis is dedicated to the review and comparison of the costs submitted by the Service Provider at Final Tender Stage against the cost of the preferred option in the 2021 Business Case.
This review of the costs submitted by the Strategic Finance Solution Service Provider at Final Tender Stage is of particular importance as, since the 2021 Business Case was completed and the preferred option assessed, economic conditions have changed, and there is a deeper understanding of how the Strategic Finance Solution should be delivered.

The costs submitted at Final Tender Stage therefore provide the NTA with an up-to-date and robust market view, evidenced via a competitive tendering process, of the anticipated costs (capital and operational) to deliver the Strategic Finance Solution.

Preparatory Works

As per the PSC Financial Appraisal guidelines, costs which have already been spent or committed and cannot be changed by the decision under consideration should be ignored in a financial appraisal. However, the quantum of sunk costs is noteworthy. The table below shows the preparatory works presented within the PBC alongside an updated version for this FBC. All preparatory works are assumed to be subject to VAT.

Table 19: Preparatory work

Activity	Previous Cost – PBC (€000s)	Updated Cost – FBC (€000s)	Variance	%Change
Procurement	265	759	(886)	(54%)
ERP Centre of Excellence (CoE)	49			
Expanded Business Case	141			
Additional Advisory	730			
Finance Operating Model & Change Management	220			
Processes, Policies & Procedures	240			
Chart of Accounts & Data Architecture	248	625	200	47%
Reporting Requirements & Framework	177			
NTA Resourcing	1,749	3,416	1,667	95%
Total (excl. VAT)	3,819	4,800	981	26%
VAT (at 23%)	878	1104	226	26%
Total (incl. VAT)	4,697	5,904	1,207	26%

This increase in preparatory works has been driven mostly by an extension to the procurement timeline.

Following the initial Pre-Qualification Questionnaire (PQQ) evaluation, only two (2) prospective suppliers remained in the competition which led to concerns around ensuring the procurement process was competitive enough to ensure value for money was delivered. As a result, a decision was made by the Steering Committee to terminate the in – progress procurement and restart the process which resulted in a delay in the anticipated Contract Award. This extended timeline inevitably led to an increased level of additional advisory from external advisors, including legal advice and additional support in the financial evaluation of tenders, review of FP&A, and a review of the COA design and key business processes.

Financial Appraisal Approach

As a detailed Financial Appraisal was carried out as part of the PBC, the focus of the FBC is to validate the selection of the Preferred Option at PBC stage, based on updated costings and a more detailed understanding of delivery and operation of the services following the procurement process.
The shortlisted options in the PBC were as follows:

- Option 1 – 'Do Minimum';
- Option 2 – Reimplement an Existing Finance System across all NTA;
- Option 4 – One Common Financial Solution across all NTA; and
- Option 5 – One Common Financial Solution excluding LEAP.

Option 4 was identified as the preferred option in the PBC. This Financial Appraisal looked to update the core assumptions across all of these options to validate whether Option 4 would still be selected as the Preferred Option if the more detailed knowledge of the project, following procurement, had been known at the time of the development of the PBC.
Updating the Financial Appraisal from PBC stage was done in six (6) key steps which are discussed in turn in Section 6.4. These are:

1 Uplifting PBC figures to 2023 prices (Table 22);
2 Updating of Optimism Bias (Table 23);
3 Updating of Supplier Costs (Table 26);
4 Updating of Internal NTA Costs (Table 28);
5 Updating of Anticipated Benefits (Table 30); and

6 Inclusion of VAT (Table 31).

All other assumptions from the PBC have remained constant as these have not needed to be updated as a result of the procurement.

Updating of PBC Financial Appraisal

This section takes each of the aforementioned amendments to the PBC Financial Appraisal in turn, explaining the rationale and associated assumptions for each amendment.
Uplift to 2023 Prices

The uplifting to 2023 prices was a two-step approach which consisted of first uplifting costs in line with inflation, and then updating the monetary value of FTE requirement savings (i.e. the benefit of a reduced ongoing NTA resource requirement for delivering the services when compared to the Do-Minimum option) in line with NTA salary increases.

Uplifting Costs in line with Inflation

The economy saw a sharp rise in inflation in 2022 in the aftermath of the COVID-19 pandemic. As such, the first step in updating the Financial Appraisal was to re-baseline all figures in 2023 prices as opposed to 2022. This involved uplifting all profiled costs (except the monetary value of FTE requirement (see below)) by CBI in 2022 (i.e. 8.5%[2]).

Updating the monetary value of FTE requirement savings

For one particular item within the PBC financial appraisal, the NTA can provide greater accuracy for the change in price to what was assumed at PBC stage, and that is internal salaries. When the PBC was completed in 2021, estimates were made for 2023 staff rates based on the known 2021 rates. Due to the passage of time the NTA now know what actual staff rates are for 2023, therefore the financial appraisal has been updated to reflect this.

Staff rates are a key driver of the profiled FTE requirement savings. At PBC stage, this benefit was modelled as the comparative saving in resources when compared to the Do Minimum option. As such, this benefit only applies to the Do Something options, based on the following tables.

Table 20: Staff Rates

Grade	2023 Rate (PBC)	2023 Rate (FBC)
ASE	€194,972	€190,219
POE	€126,826	€123,478
PA1E	€103,762	€99,797
PA2E	€89,511	€84,723
HEOE	€71,913	€69,693
EOE	€52,829	€56,015

This two-step uplift to 2023 prices affected the key financial metrics as shown in the tables below (PBC outputs included for comparison purposes).

[2] https://www.centralbank.ie/publication/quarterly-bulletins/quarterly-bulletin-q1-2023

Table 21: Financial Appraisal Summary – PBC Outputs

€000s	Benefits	Opex	Capex	Net Cost	NPV	Rank
Option 1 (Do Minimum)	€ -	-€ 871	-€ 4,038	€ 4,910	**-€ 4,291**	**4**
Option 2	€ 42,857	-€ 9,388	-€ 15,885	-€ 17,584	**€ 12,077**	**2**
Option 4 (Preferred Option)	€ 42,857	-€ 8,674	-€ 15,885	-€ 18,298	**€ 12,517**	**1**
Option 5	€ 42,354	-€ 9,045	-€ 19,294	-€ 14,014	**€ 9,154**	**3**

Table 22: Financial Appraisal Summary – Uplift to 2023 Prices

€000s	Benefits	Opex	Capex	Net Cost	NPV	Rank
Option 1 (Do Minimum)	€ -	-€945	-€4,382	€5,327	**-€4,656**	**4**
Option 2	€45,740	-€10,186	-€17,235	-€18,318	**€12,318**	**2**
Option 4 (Preferred Option)	€45,740	-€9,411	-€17,235	-€19,094	**€12,796**	**1**
Option 5	€45,252	-€9,814	-€20,934	-€14,504	**€9,188**	**3**

Updating of Optimism Bias (OB)

The next step was to update the assumed Optimism Bias to be applied to costs. At PBC stage, a rate of 38.8% has been added to the Project's capital costs and 9.7% to the operating costs based on the 'MMD Optimism Bias Estimator: Equipment / Development & Outsourcing' which uses a series of scales for risk mitigation to determine the level of OB for the project.

At FBC stage, the mitigation levels were updated for two of the contributory factors in the MMD Optimism Bias Estimator. These changes are summarised in the table below, alongside the rationale for these changes.

Table 23: Mitigation levels were updated for two of the contributory factors in the MMD Optimism Bias Estimator

Contributory Factor	Mitigation Level (PBC)	Mitigation Level (FBC)	Rationale
Poor Contractor Capabilities	80%	95%	As part of the procurement, potential suppliers were first assessed through the PQQ stage which assessed their ability to deliver the services based on previous experience and financial standing. As such, the successful bidder has demonstrated their capabilities and therefore this factor has been almost fully mitigated.
Inadequacy of the Business Case	75%	100%	Given the PBC was since approved and the procurement has since been successfully delivered, this factor has been fully mitigated. Note that the FBC is based on known pricing of the supplier and therefore this factor does not apply at this stage.

All other mitigation levels were kept constant with those at the PBC stage. This resulted in an updated optimism bias of 28.6% for capital costs, and 6.1% for operating costs.

Note that this change in optimism bias was not applied directly to options but was considered in calculations for the steps which follow below.

Updating of Supplier Costs

As part of the procurement, Tenderers were required to submit their proposed pricing for the services based on key assumptions determined by the NTA as set out in the ISFT. The pricing of the preferred bidder is to be set out in the contract and is therefore a much more accurate reflection of the anticipated cost of the services than what was available at PBC stage. As such, the Financial Appraisal from the PBC has been updated, replacing the old cost estimates with the profiled costs from the preferred bidder. This profiled cost is shown in the tables below and is taken from the pricing schedule submitted by the preferred bidder at Final Tender. Note that, since the first years of the contract forms part of the overall project costs, the cost of changes and licences during this period is considered to be capex and after this period is considered to be opex.

Table 24: Updated Capex

Updated Capex (excl. contingency & OB)	2023	2024	2025	2026	2027
Milestone Payments Central Finance & GCC	€160,891	€1,246,905	€201,114	€ -	€ -
Proforma 2b Milestone Payments FP&A Rural Finance & PSO	€172,752	€1,338,828	€215,940	€ -	€ -
Cost of Changes	€-	€558,890	€892,748	€892,748	€-
Cost of Licences	€13,290	€126,380	€493,265	€376,880	€-

Table 25: Updated Opex

Updated Opex (excl. contingency & OB)	2023	2024	2025	2026	2027*
Cost of Changes	€ -	€ -	€ -	€ -	€781,462
Cost of Licences	€ -	€ -	€ -	€126,840	€507,360

***Note:** The pricing schedule for the procurement only considered the 3-year core term of the contract. As such, values from 2027 have been assumed as the previous three-year average for changes (i.e. ~€781k) and the final monthly licence fee in the three-year profile (i.e. €42,280) multiplied by 12 to provide an annual licence fee of ~€507k. Both these values are assumed to continue for the duration of the appraisal period (i.e. 10 years up to 2032).*

Support and maintenance costs are assumed to be 20% of the relevant licence fee, in line with what was assumed at PBC stage (which ranged from 15% to 22% depending on the relevant licence).

These updated costs are applied to all options except for Option 1 (Do Minimum) as new supplier services are not required under this option. It should also be noted that updated costings are not available for Options 2 and 5. However, since such costs were assumed equivalent across Options 2, 4 and 5 at PBC, this assumption has been retained for FBC for consistency.

These updates resulted in an increase in assumed operating costs but a slight reduction in capex. The table below shows how this has impacted on the NPV of each of the shortlisted options (also taking account of the updated optimism bias values, as applicable).

Table 26: Financial Appraisal Summary – Updating of Supplier Costs

€000s	Benefits	Opex	Capex	Net Cost	NPV	Rank
Option 1 (Do Minimum)	€ -	-€945	-€4,382	€5,327	**-€4,656**	**4**
Option 2	€45,740	-€17,267	-€20,320	-€8,153	**€4,602**	**2**
Option 4 (Preferred Option)	€45,740	-€13,110	-€20,320	-€12,310	**€7,784**	**1**
Option 5	€45,252	-€13,513	-€24,019	-€7,720	**€4,177**	**3**

Updating of Internal NTA Costs

The next step was to update other costs assumed by the NTA to support the implementation, including internal NTA resource, third party supplier/contracts (excluding the preferred bidder) and an assumed requirement for payment of legacy licences (read only) during implementation so the existing system can continue to be utilised. The updated assumed costs are presented below.

Table 27: Updated NTA Costs

Updated NTA Costs (excl. contingency & OB)	2023	2024	2025	2026
NTA Resource *(capex)*	€1,002,738	€6,042,907	€3,731,294	€303,799
Third Party Suppliers / Contracts *(capex)*	€ -	€848,000	€437,000	€235,000
ERP Legacy Licencing *(capex)*	€ -	€100,000	€50,000	€50,000

These updated costs were developed by the NTA team through extensive consultation with key stakeholders and workstream leads, and also using similar projects delivered by the NTA to sense check the estimates.

As was the case for the updating of supplier costs, these updated costs are applied to all options except for Option 1 (Do Minimum) as this option does not involve the implementation of a new system.
These updates resulted in a slight increase in assumed operating costs and a significant increase in capex. The table below shows how this has impacted on the NPV of each of the shortlisted options (also taking account of the updated optimism bias values, as applicable).

Table 28: Impact on NPV from updated Capex and Opex

€000s	Benefits	Opex	Capex	Net Cost	NPV	Rank
Option 1 (Do Minimum)	€ -	-€945	-€4,382	€5,327	**-€4,656**	**4**
Option 2	€45,740	-€17,267	-€28,073	-€400	**-€2,268**	**2**
Option 4 (Preferred Option)	€45,740	-€13,110	-€28,073	-€4,557	**€914**	**1**
Option 5	€45,252	-€13,513	-€31,772	€33	**-€2,694**	**3**

Note that, based on the updates made so far, Option 4 is the only option which results in a positive NPV.

Updating of Anticipated Benefits

The next step was to update the anticipated benefits which are to be delivered. The PBC assumed three types of benefits:

- Monetary Value of FTE Requirement Savings;
- Monetary Value of Upgrades No Longer Required; and,
- Monetary Value of Current Costs not required.

How each of these benefits have been updated are summarised in the subsections which follow.

Monetary Value of FTE Requirement Savings

This benefit had already been updated based on 2023 prices, as discussed earlier, but was also revisited in terms of the number of FTE assumed.

In the PBC, and hence for the purposes of this FBC, this is the benefit of a reduced ongoing NTA resource requirement for delivering the services when compared to the Do-Minimum option and, as such, the assumed FTE for all four options was considered.

In the case of the Do-Minimum option, the PBC had assumed 2 FTE (one PA1E and one PA2E) would be required from 2023 as part of the delivery of TaxSaver. However, it is now understood that TaxSaver is unlikely to progress and therefore these 2 roles have been removed. Note that it is the Do-Minimum option against which each of the other options is compared, so a lower baseline position for the Do-Minimum option means a lower benefit for each of the Do-Something options.

For the Do Something options, the level of resource assumed is driven by the scope of the services being procured. Based on the decision to include FP&A and Project Accounting in the scope of the procured service, as discussed in Section 11, it is considered reasonable to assume that there would be an increase in the level of benefits which would be delivered. An increase in scope under the same supplier would be expected to provide improved efficiencies across the services being delivered.

Through consultation with the NTA project team, it has been assumed that the additional benefits for each of the 'do something options' (i.e. options 2, 4 and 5) is the equivalent of two PA1E roles (one for each increase in scope, i.e. FP&A and Contract Accounting). This equates to an additional saving of c. €225k per annum, which resulted in an increase in benefits for Options 2, 4 and 5.

For more details on this calculation, please see Appendix B (Underlying Cost Assumptions).

Monetary Value of Upgrades No Longer Required

This benefit profiled the estimated future costs of upgrades which would be required should the Do Minimum option be selected and profiled this as a benefit for the Do Something options (i.e. a cost saving). As part of this FBC, the upgrades assumed at PBC stage were reviewed and considered by the project team in terms of their relevance today.

This review took into account the more up-to-date status of the existing infrastructure and software (compared to what was assumed at PBC stage) as well as the known, planned and anticipated programme of works related to the existing system. The table below shows the total cost of these upgrades assumed at PBC stage, revised for this FBC, and the variance between them.

Table 29: Impact on NPV from updated Capex and Opex

Upgrades & Maintenance	Total Cost (PBC)	Total Cost (FBC)	Variance
System Integration (Corporate/Leap/GCC)	€1,250,000	€1,250,000	€-
NGT	€2,625,752	€2,625,752	€-
Server Upgrade & Maintenance	€9,083,126	€5,168,703	-€3,914,422
Upgrade (Corporate)	€1,800,000	€2,400,000	€600,000
Upgrade (GCC)	€900,000	€1,100,000	€200,000
Upgrade (Leap)	€600,000	€1,100,000	€500,000
Upgrade (mTicket)	€300,000	€380,000	€80,000
Upgrade (TaxSaver)	€300,000	€-	-€300,000
Total	***€16,858,878***	***€14,024,455***	***-€2,834,422***

It should be noted that the updated estimates for this FBC presented above were developed based on a bottom-up approach. For more detail on this, and to see the profiled cost over the appraisal period, please see Appendix A ("FBC Financial Model").

This updated profiling reduced the benefits for each of the Do Something options (i.e. options 2, 4 and 5) by €2.83m.

For more details on this calculation, please see Appendix B (Underlying Cost Assumptions).

The table below shows how the changes discussed above have impacted on the NPV of each of the shortlisted options (also taking account of the updated optimism bias values, as applicable).

Monetary Value of Current Costs not required

This benefit was reviewed, and the project team concluded that no further updates were required to the PBC assumptions.

Impact on Appraisal

The combined impact of each of the updates to benefits described above in this sub-section are presented in the table below.

Table 30: Financial Appraisal Summary – Updating of Anticipated Benefits

€000s	Benefits	Opex	Capex	Net Cost	NPV	Rank
Option 1 (Do Minimum)	€-	-€945	-€4,382	€5,327	**-€4,656**	**4**
Option 2	€44,472	-€17,267	-€28,073	€868	**-€2,717**	**2**
Option 4 (Preferred Option)	€44,472	-€13,110	-€28,073	-€3,289	**€466**	**1**
Option 5	€43,984	-€13,513	-€31,772	€1,301	**-€3,142**	**3**

Inclusion of VAT

The final step was to include VAT on relevant costs, in accordance with PSC Guidance for Financial Appraisals. VAT was added at a flat rate of 23% to all options for all costs except for internal NTA resources (note VAT was still applied to NTA resources which were assumed to be filled by contractor staff).

This increased the costs for Option 1 (Do Minimum) by 23% as internal NTA staff did not form part of the core cost base for this option (NTA resources were used to calculate the relative benefit for Options 2, 4 and 5 compared to Option 1).

For Options 2, 4 and 5 this resulted in a 23% increase in both OpEx and CapEx as this did not include any internal NTA staff (it is assumed that the staff required to support the implementation of the project are contractors and are therefore subject to VAT). Benefits increased across each of these options as the baseline operational staff for the Do-Minimum option includes contractor staff, whereas the operational staff for the Do Something options was assumed to be solely internal staff, meaning the variance (i.e. cost savings) increased.

The table below shows how this has impacted on the NPV of each of the shortlisted options (also taking account of the updated optimism bias values, as applicable).

Table 31: Impact on NPV from updated Capex and Opex

€000s	Benefits	Opex	Capex	Net Cost	NPV	Rank
Option 1 (Do Minimum)	€-	-€1,163	-€5,389	€6,552	**-€5,727**	**4**
Option 2	€52,729	-€21,238	-€34,530	€3,040	**-€4,890**	**2**
Option 4 (Preferred Option)	€52,729	-€16,125	-€34,530	-€2,074	**-€976**	**1**
Option 5	€52,241	-€16,621	-€39,080	€3,460	**-€5,334**	**3**

Sensitivity Analysis

It is prudent to consider the impact of sensitivity analysis with respect to the ranking of options. For consistency with the PBC, it was decided that sensitivity analysis be carried out on the achievement of Benefits, in other words, what would the impact be on the NPV of each option if the level of Benefits delivered was to increase or decrease.

Sensitivity analysis – 1) FTE Savings Only and 2) All Benefits considered

1) **FTE Saving Only -** Given the relative certainty with regards to the current costs and upgrades which would no longer be required under the Do-Something options (i.e. they are based mostly on known actuals and planned activities), the main benefit to which sensitivities should be applied is the

monetary value of FTE requirement savings as this is more uncertain. As such, the profiled benefit of FTE savings for each option was amended by different percentage values in the FBC model from a reduction of 30% to an increase in 20%. The results are shown in the table below.

Table 32.a - Financial Appraisal Summary - NPV

€000s	Option 1 (Do Minimum)	Option 2	Option 4 (Preferred Option)	Option 5
FTE Benefit Reduced by 30%	-€5,727	-€11,105	-€7,191	-€11,445
Rank	1	3	2	4
FTE Benefit Reduced by 20%	-€5,727	-€9,034	-€5,119	-€9,408
Rank	2	3	1	4
FTE Benefit Reduced by 10%	-€5,727	-€6,962	-€3,048	-€7,371
Rank	2	3	1	4
Baseline	-€5,727	-€4,890	-€976	-€5,334
Rank	4	2	1	3
FTE Benefit Increased by 10%	-€5,727	-€2,818	€1,096	-€3,297
Rank	4	2	1	3
FTE Benefit Increased by 20%	-€5,727	-€747	€3,167	-€1,260
Rank	4	2	1	3
Average Rank	2.83	2.50	1.17	3.50

2) **All Benefits in the FBC -** As such, the profiled benefits for each option were amended by different percentage values in the FBC model from a reduction of 30% to an increase in 20%. The results are shown in the table on the following page.

Table 32.b- Financial Appraisal Summary - NPV

€000s	Option 1 (Do Minimum)	Option 2	Option 4 (Preferred Option)	Option 5
Benefits Reduced by 30%	-€5,727	-€17,671	-€13,757	-€18,010
Rank	1	3	2	4
Benefits Reduced by 20%	-€5,727	-€13,411	-€9,496	-€13,785
Rank	1	3	2	4
Benefits Reduced by 10%	-€5,727	-€9,150	-€5,236	-€9,559
Rank	2	3	1	4
Baseline	-€5,727	-€4,890	-€976	-€5,334
Rank	4	2	1	3
Benefits Increased by 10%	-€5,727	-€630	€3,284	-€1,108
Rank	4	2	1	3
Benefits Increased by 20%	-€5,727	€3,630	€7,545	€3,117
Rank	4	2	1	3
Average Rank	2.67	2.50	1.33	3.50

Note that, since benefits were modelled for the Do Something options as a cost savings against Option 1 (Do Minimum), no benefits were modelled for Option 1 and therefore this sensitivity analysis did not impact its NPV.

As can be seen from the above tables, Option 4 ranks the highest on average across all sensitivities, further validating its selection as the Preferred Option.

It should be noted that although Option 1 appears to be the highest rank if benefits were to reduce significantly, this is not a true reflection of this option as Option 1 would have been discounted at the long-list stage of the PBC due to unviability but was brought forward solely for comparison purposes.

Additionally, following a detailed resourcing assessment completed by the NTA, as mentioned Option 1 – Do Minimum is not a viable option. Assessment of this option concluded:

- In a do minimum scenario, the five existing finance systems are not scalable, not integrated and were configured when NTA had a different line of business and operating models;
- Current structure demands that finance resources spend a significant amount of time consolidating, mapping, validating information and do not have sufficient time to interrogate and provide timely reporting and analysis;
- Increased regulation and compliance using existing systems will demand additional resources;
- Current situation will prevent finance moving to a strategic business partnership model;
- Significant Growth across the NTA – e.g. Capital – current systems cannot support this and will require additional resources to compound this growth;
- Manual controls/risk of fraud – to mitigate risk additional resources are required;
- Multiple sources of the truth with increased volumes and activities will require additional resourcing to define a significant version of the truth;
- Additional resources required for additional reporting/reconciliations.

Furthermore, additional commentary as to why Option 1 'Do Minimum' is not a viable option from a strategic point of view can be found in Section 3.1 – Strategic Context of the FBC.

Financial Appraisal Results

The table below summarises the results of the updated Financial Appraisal.

Table 31 (repeated) - Financial Appraisal Summary - NPV

€000s	Benefits	Opex	Capex	Net Cost	NPV	Rank
Option 1 (Do Minimum)	€-	-€1,163	-€5,389	€6,552	**-€5,727**	**4**
Option 2	€52,729	-€21,238	-€34,530	€3,040	**-€4,890**	**2**
Option 4 (Preferred Option)	€52,729	-€16,125	-€34,530	-€2,074	**-€976**	**1**
Option 5	€52,241	-€16,621	-€39,080	€3,460	**-€5,334**	**3**

As can be seen from the above, Option 4 continues to provide the highest NPV, with the relative difference increasing significantly between this and other options when compared to the PBC results.

These results are discussed in more detail, alongside the results of the economic appraisal, in Section 7 as part of the validation of the preferred option.

7 Economic Appraisal

Introduction

In accordance with the Public Spending Code (PSC), a detailed economic appraisal of the Strategic Finance Solution has been undertaken as part of the PBC. An economic appraisal is required in the case of public contracts of this nature. At PBC stage, the appraisal considers the external or non-financial impacts of the short-listed options, evaluated from the perspective of society. At FBC stage, this section revisits the appraisal carried out as part of the PBC, based on knowledge gained for the project since the PBC was completed, in accordance with the new Transport Appraisal Framework[3] to determine the validity of the exercise from the PBC.

Decision on appraisal methodology

As was discussed within the PBC, there are two primary approaches to economic appraisals outlined in the Public Spending Code: Cost Benefit Analysis (CBA) and Cost Effectiveness Analysis (CEA). In both methodologies, the objective is to account for wider benefits and impacts that are not captured in the financial analysis. While CBA is considered the preferred approach according to the PSC, is not applicable to all situations.

A CBA requires the monetisation of economic impacts which is difficult to do in this case due to the nature of benefits (i.e. the services which are being procured are not customer-facing or revenue generating), data restrictions, and the proportion of analysis that would be based on assumptions only. We also believe the nature of a missing meaningful counterfactual makes this service particularly difficult to value in a prudent way.

A CEA is often applied in the case of a project or intervention to assess which option is the most economically efficient to provide. Similar to the CBA approach, this looks at the average cost-effectiveness of one option, relative to another. Unlike CBA, a CEA does not determine whether the benefits will outweigh the costs in absolute terms.

At PBC stage it was agreed with the NTA that in the absence of a robust methodology for monetising economic benefits, a CEA is the most appropriate approach. This approach has carried forward for this FBC.

Summary of Economic Appraisal from the PBC Stage

At PBC stage, a Multi-Criteria Analysis (MCA) (was used to filter the long list of options down to the following short-list:

- Option 1 – 'Do Minimum' - Although 'Do Minimum';
- Option 2 – Reimplement an Existing Finance System across all NTA;
- Option 4 – One Common Financial Solution across all NTA; and
- Option 5 – One Common Financial Solution excluding LEAP.

Note that although 'Do Minimum' did not score highly, it was brought forward as part of the short-list as it acts as the counterfactual for comparison purposes.

[3] gov.ie - Transport Appraisal Framework (TAF) (www.gov.ie)

A further detailed MCA was subsequently carried out for each shortlisted option. The detailed MCA looked at the qualitative aspects of each option to assess their level of effectiveness in achieving the objectives. Each impact was scored qualitatively on a scale of 1 (major or highly negative) to 7 (major or highly positive), with a score of 4 representing neutral or minimal impacts. It was concluded that 1 to 7 was an appropriate scale as it allows for sufficient differentiation between the options and also aligns to PBC guidance. The integer score assigned according to the scale of impacts is outlined in the MCA Scores table below:

Table 33 – MCA Scores

Score	Description
7	Major or highly positive
6	Moderately positive
5	Minor or slightly positive
4	Not significant or Neutral
3	Minor or slightly negative
2	Moderately negative
1	Major or highly negative

The appraisal criteria were derived from the project specific objectives identified in the Strategic Assessment Report (SAR). These were adopted following consultations between the NTA and external parties. The criteria are outlined in the table below:

Table 34 – Appraisal Criteria

Appraisal Criteria	Appraisal Sub-Criteria	Description
Technology Landscape & Integration	Provide a single integrated source of data	Fully integrated and standard systems to meet the business needs of providing a single source of truth, by providing a single integrated source of data. The current disparate systems cannot meet this requirement. A Cloud, Software as a Service (SaaS) unified Finance Solution is a necessity for the effective delivery, management, and control of project investments by the NTA
	Provide options for moving to the cloud	Aligning to the NTA ICT Strategy (cloud-first mindset) as well as the Public Service ICT Strategy[4]
Functionality & Process/Data/Reporting	Provide business insight	Provide insight to the business stakeholders through predictive and transformative data. Having a unified data source will allow for more in-depth analysis of data that can provide business insight which would not be possible when looking at disparate data sources.
	Challenge decision making	Enable finance function to be a Transformative Strategic Business Partner. The finance system should enable the finance function to transform from acting within the "Transaction processing" space towards a role of "Decision Support – Strategic Business Advisor"
	Enable standardisation	Common standard design with single chart of accounts across NTA. Agreed/common/shared processes, supporting collaboration
Ease of implementation	Complexity of procurement project	The chosen method of procurement, as well as the number of different tenderers and system implementations will influence procurement complexity.
	Level of implementation partners required / Risk of NTA's ability to deliver the project	The number of implementation partners and the level of risk /complexity involved in implementation. Note: NTA will appoint one SI partner who will manage a multi-vendor solution and implementation. From a support perspective this will mean one application help desk, one escalation point, one point of contact
	Levels of change management involved	The extent of change management that will be required. Note: NTA are scoping a preparatory project phase which includes a change management stream
Costs	Meet budget requirements	Overall expected programme costs
	Additional costs	Additional costs due to the complexity of the programme. Note: NTA have derived a set of project estimates which have been internally reviewed and discussed with Gartner. These estimates will be reviewed on a regular basis and updated as required
People	Organisational readiness	ERP initiatives bring with them substantial business process and organisational changes. Assessing the readiness for change in the NTA should not be overlooked. Readiness for change is not a one-time event, and requires sustained effort and focus from all stakeholders
	Automation to support staff and enhance efficiency	Reduce time pressure on staff to perform activities manually, frees up time for more value-added activities
	Level of project personnel required	Number of project personnel required to implement option. Note: Detailed resource scoping exercise has commenced – this will outline resources, activities, and timeframes to support the preparatory activities, procurement, change management etc
	Level of NTA staff involvement	Level of NTA staff involvement required
Governance & Controls	Automation to enhance controls	Risk-based preventive controls integrated into existing systems. Manual processes take more time and increase the risk for errors. Accordingly, automation provides for greater control and reduces the scope for manual errors.
	Automation to avoid manual errors	Automation to limit the risk of manual errors. Manual processes increase the time needed to complete tasks and are associated with a higher risk for errors to be made. Manual reconciliation of high-volume, low-cost transactions is ineffective, time consuming and it is proved to increase the number of human resources needed over time.

[4] For more on the Public Service ICT Strategy see: https://www.gov.ie/en/publication/0814f-public-service-ict-strategy/

Using the above scoring table and appraisal criteria, each of the shortlisted options were assessed against the counterfactual in their ability to meet the appraisal criteria.

The scores were then presented in the form of the below Project Appraisal Balance Sheet (PABS) which aimed to determine the relative welfare gain from the implementation of the proposed project. Please see the PBC for detailed rationale of the scores presented in the above table.

Table 35 – PBC PABS Scoring

Appraisal Criteria	Appraisal Sub-Criteria	Do minimum	Option 2	Option 4	Option 5
Technology Landscape & Integration	Provide a single integrated source of data	1	5	7	6
	Provides options for moving to the cloud	2	5	7	6
Functionality & Process/Data/Reporting	Provide business insight	1	5	7	6
	Challenge decision making	1	5	7	6
	Enable standardisation	2	3	7	5
Ease of implementation	Complexity of procurement project	6	6	4	4
	Level of implementation partners required / Risk of NTA's ability to deliver the project	7	5	5	5
	Levels of change management involved	7	6	4	4
Costs	Meet budget requirements	6	5	4	2
	Additional costs	6	5	5	5
People	Organisational readiness	6	5	4	4
	Automation to support staff and enhance efficiency	1	3	7	6
	Level of project personnel required	6	4	3	3
	Level of NTA staff involvement	6	4	3	4
Governance & Controls	Automation to enhance controls	2	3	7	6
	Automation to avoid manual errors	1	3	7	6
Summary Level of Effectiveness		**3.8**	**4.5**	**5.5**	**5.0**
Ranking		**4**	**3**	**1**	**2**

As shown in the PABS table above, Option 4 was identified as the highest-ranking option with respect to the CEA analysis.

Updated Economic Appraisal for FBC Stage

In accordance with PBC and TAF guidance, a key activity within an FBC is to revisit the economic appraisal carried out at PBC and test that the conclusions remain valid. In the case of this project, this involves testing the scores allocated to each option as part of the MCA from the PBC and adjusting for any known changes to the project since the PBC was completed.

In reviewing the PBC scores, each criterion was first considered as to whether the baseline position has changed since the PBC; either through a greater understanding of the project now the procurement phase has been completed or whether the market has changed significantly over the same period. This identified four criteria where the scores were agreed they should be revisited. These are presented in the table below, alongside the proposed amendment(s) and rationale for the changes.

Table 36 – Amendment to PBC scoring

Appraisal Criteria	Appraisal Sub-Criteria	Amendment to Scoring	Rationale for Change
Costs	Meet budget requirements	Reduction of score by 1 point for each of the Do Something options (i.e. Options 2, 4 and 5)	Due to an increase in the scope of the project (i.e. the supplier is now providing FP&A and Project Accounting services) and significant increases in inflation since the PBC, the anticipated cost of the services has increased for each of the Do Something options. Note that Option 1 would not change as this is the Do Minimum option and therefore the scope would not have changed for this option.
People	Organisational Readiness	Increase of score by 1 point for Option 4	Since the PBC, the NTA have continued to prepare for the delivery of the new finance system through continued engagement with stakeholders. As such, the organisation is in a better position in terms of readiness for this change when compared to the PBC stage.
People	Level of project personnel required	Reduction of score by 1 point for each of the Do Something options (i.e. Options 2, 4 and 5)	Due to project extensions and increases in scope, it is anticipated that more personnel would be needed to support the implementation of the services.
People	Level of NTA staff involvement	Reduction of score by 1 point for each of the Do Something options (i.e. Options 2, 4 and 5)	Due to project extensions and increases in scope, it is anticipated that more NTA personnel would be needed to support the implementation of the services.

The impact that the above changes would have on the PABS table is presented in the following table (note changes are indicated by red boxes around the relevant score).

Table 37 – FBC PABS Scoring

Appraisal Criteria	Appraisal Sub-Criteria	Do minimum	Option 2	Option 4	Option 5
Technology Landscape & Integration	Provide a single integrated source of data	1	5	7	6
	Provides options for moving to the cloud	2	5	7	6
Functionality & Process/Data/Reporting	Provide business insight	1	5	7	6
	Challenge decision making	1	5	7	6
	Enable standardisation	2	3	7	5
Ease of implementation	Complexity of procurement project	6	6	4	4
	Level of implementation partners required / Risk of NTA's ability to deliver the project	7	5	5	5
	Levels of change management involved	7	6	4	4
Costs	Meet budget requirements	6	4	3	1
	Additional costs	6	5	5	5
People	Organisational readiness	6	5	5	4
	Automation to support staff and enhance efficiency	1	3	7	6
	Level of project personnel required	6	3	2	2
	Level of NTA staff involvement	6	3	2	3
Governance & Controls	Automation to enhance controls	2	3	7	6
	Automation to avoid manual errors	1	3	7	6
Summary Level of Effectiveness		3.8	4.3	5.4	4.7
Ranking		4	3	1	2

As can be seen from the table above, these changes reduce the Summary Level of Effectiveness score for option 5 by c.0.3, option 2 by c.0.2 and option 4 by c.0.1 and has no impact on the Do-Minimum option. However, the ranking of options does not change, and Option 4 remains as the highest ranked option.

Summary of Economic and Financial Appraisal

This section considers both the financial and economic appraisals to determine, on the balance of the two assessments, which option should be selected as the preferred option. The table below shows the updated results from these appraisals, based on the changes discussed in Section 6 and 70.

Table 38– The financial and economic appraisals results

Option	Financial Appraisal		Economic Appraisal		ACER* (Net Cost / PABS)		
	NPV	Ranking	PABS Results	Ranking	Net Cost (Opex + Capex - Benefits)	ACER	Ranking
Option 1 (Do Minimum)	-€5,727	4	3.8	4	€6,552	1724	4
Option 2	-€4,890	2	4.3	3	€3,040	707	2
Option 4	-€976	1	5.4	1	-€2,074	-384	1
Option 5	-€5,334	3	4.7	2	€3,460	736	3

***Note:** It should be noted that this table also presents the average cost-effectiveness ratio (ACER), which wasn't a requirement of the PBC at the time of its development but has since been included within TAF guidance and has therefore been included here.*

Cost effectiveness ratios are used to draw comparison across scenarios in terms of value for money. The ACER gives the cost per unit of output where units are the PABS results (i.e. the ratio between the cost of the option to the qualitative benefit score identified as part of the economic appraisal). The lower the ACER, the more cost-effective an option is.

Given the financial appraisal at PBC stage profiled cost savings as benefits, the net cost has been used here in calculating the ACER to ensure a fair comparison across options.

As can be seen from the above table, Option 4 is the highest ranked option for each metric in the financial and economic appraisals and is the only option which delivers a negative net cost (i.e. return on investment).

It should be noted that this project is centred around the replacement of an internal finance system (and is therefore not a new service) which does not generate revenue and is not customer-facing. As such, the quantifiable benefits for the project are limited. As such, NPV should be used for comparison across options as opposed to an indication of the success of a single option in isolation.

As mentioned above, the majority of the benefits for this project cannot be quantified and are therefore qualitative in terms of improvements to the services. The most prominent of these are aligned to the strategic objectives for the project, as identified in the PBC:

1. Provide a unified finance system for the whole enterprise which is flexible to meet the business needs providing a single source of truth;
2. Enable adoption of finance process leading practices – standardised, efficient, leverage automation and technology;
3. Finance move to a business partner role providing insight and challenging organisational decision making;
4. Delivery of the project on time within the budget to the required benefits realisation and enable Next Generation Ticketing NGT implementation within the agreed timelines;
5. Ensure robust controls and governance are incorporated in the project and new system while ensuring efficiency of operations, i.e. ensure we have controls at the right level; and
6. Align to the NTA ICT Strategy – cloud-first mindset.

Others include the ability to use data-driven insights to enable more informed strategic decision-making, as well as centralisation of governance and control which, under the existing services, is spread across four different systems.

Based on the results of these updated appraisals in which Option 4 continually ranks highest, Option 4 remains the preferred option, as was concluded in the PBC. It can therefore be said definitively that the conclusions of the PBC remain valid.

8 Risk Assessment

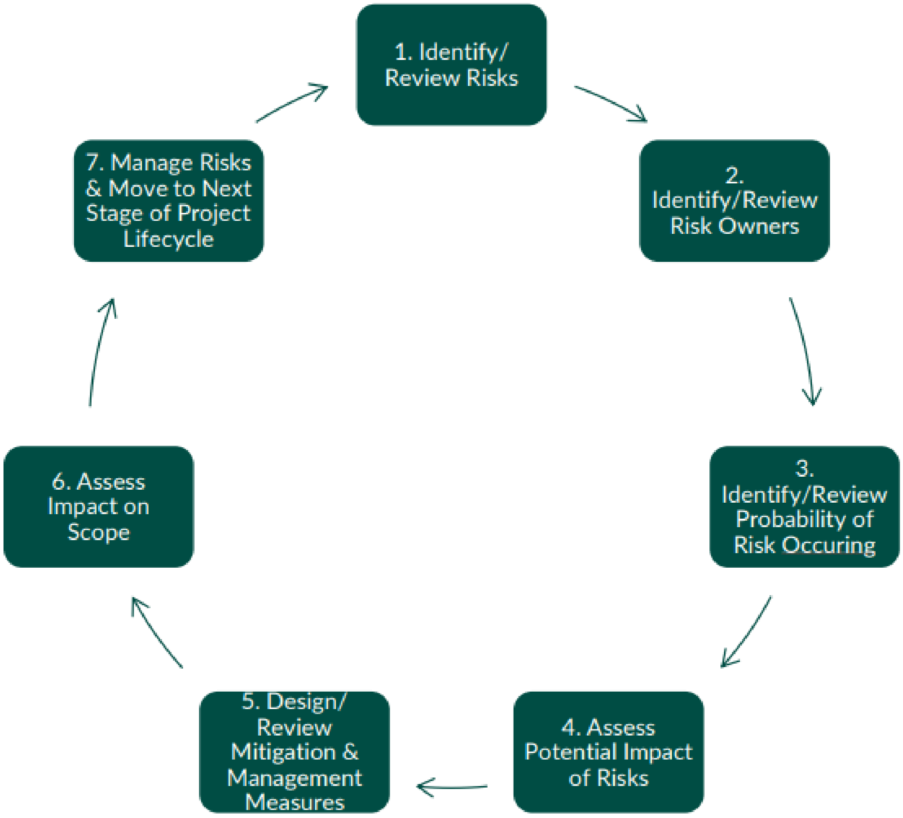
Overview & Risk Management Strategy

Capital projects are exposed to an inherent level of risk and uncertainty due to their complexity. As mentioned in Section 4 the Detailed Project Brief, given the level of change to established operational processes, procedures, and connections, as well as the span and scope of the project, there are a number of risks that need to be managed and mitigated.

This section addresses risks that may arise at a project level during the operational phase of the NTA Strategic Finance Solution. Project level risks that cannot be fully mitigated will need to be provided for by way of a contingency which is included in the financial appraisal.

The process used in this assessment is derived from the TAF approach to evaluating risk. Module 7 – Detailed Guidance on Appraisal Techniques suggests the following risk management cycle:

Figure 10: Risk Management Cycle



As per the aforementioned TAF Module, Risk Registers can vary in layout and detail. Fields recommended in a risk register as per Module 7 are as follows:

- Name of risk
- Brief description of the risk
- Risk owner
- Risk likelihood
- Risk impact; and
- Brief description of risk mitigation

In addition to the above, a further explanation as to the categorisation of the below risks is provided as follows:

- Risk Identification - The purpose of this step is to identify risks that may impact the implementation and operating environment of the NTA Strategic Finance Solution.
- Assessing Impacts - The impacts are assessed on a scale of high / medium / low, in relation to the risks level of impact on the overall project.
- Measuring Probability - The probability of each risk materialising under each of the short-listed options is measured on a scale of high / medium / low.
- Ability to Mitigate - the 4T approach to risk management is used to assess whether the level of mitigation of each of the risks:

    - Terminate – these risks can be avoided / eliminated.
    - Treat – these risks can be controlled or reduced.
    - Transfer – these risks can be transferred through mechanisms such as insurance and contract terms.
    - Tolerate – these are risks that are unavoidable and must be accepted.

In Table 39, below, the NTA Strategic Finance Solution risks have been identified, the impacts have been assessed, the probability of each risk occurring under each option has been measured and approaches to mitigating the risks have been outlined

Table 39: Project Risk

Name of Risk	Risk Owner	Brief Description of Risk	Risk Likelihood	Risk Impact	Ability to mitigate	Brief Description of Risk Mitigation
Cost Escalation Risk	NTA	It is common that risks for projects that incur cost will exceed cost estimates. A detailed, baselined budget and plan is essential to track and manage the project costs and minimise the risk of project cost over-runs. While the initial budget may be estimated based on project requirements, unforeseen factors can drive up expenses throughout the implementation process. Customisations, integrations with existing systems, and data migration complexities can often exceed the anticipated scope, leading to additional costs	Medium	Medium	Possible to treat and mitigate. Mitigation will be ongoing	Both the capital and operational costs have been reviewed independently, where possible. In addition to these underlying costs, the financial appraisal takes account of sensitivities and optimism bias to enhance the robustness of the capital costs by factoring in the risk and uncertainty of cost estimations across the lifeline of the project. The creation of competitive tension through the tendering stage, assists in achieving the most competitive pricing. Strong governance and reporting structures will allow robust management of costs, which may be monitored against budget to keep cost escalation to a minimum. In addition, a robust contract and a well-developed commercial model including payments, performance requirements, termination considerations, reporting, governance, mobilisation and exit requirements will enable risk transfer to the private sector operator. Contract management throughout the process will be continuously monitored.
Procurement Risk	NTA	There is a risk that the results of the Procurement could be challenged or called into question if any of the activities within the evaluation and approval process are not carried out in a thorough, proper, and well-documented manner. During any such challenge, the programme would be on hold until the challenge was concluded – a significant detriment to the programme's ability to complete within its established timeframes. At this stage, many of the associated procurement risks have been mitigated however, with the remaining stages yet to be reached this risk will need to be monitored closely.	Medium	High	Possible to treat and mitigate. Mitigation will be ongoing	To mitigate this risk, the Procurement process and approach to evaluation and approval has been rigorously defined, and tightly managed. All contributing evaluators have been asked to prioritise their energy and focus for the duration of the evaluation, to reduce the risk of error. In addition, substantial time has been invested in submission clarifications including consensus meetings and notes on vendor responses were taken and other due diligence activities undertaken.

Name of Risk	Risk Owner	Brief Description of Risk	Risk Likelihood	Risk Impact	Ability to mitigate	Brief Description of Risk Mitigation
Deliverability Risk	NTA	This risk relates to the impact of delays on the project and ultimately whether the project can be rolled out on time. A lack of robust planning (operational and financial) process across the business. This could be made worse by unrealistic expectations, based on perceived "industry averages" or executive experience. ERP initiatives must be built into business plans, since it will require resources, focus, and spend across the impacted areas of the organisation. A mature, disciplined planning process will facilitate the necessary planning for ERP. If planning processes are weak or fragmented, then allow extra time to plan the initiative and secure real commitments over funding and resourcing. Imposing artificial limits and constraints on an ERP initiative is a sure-fire way to fail. It is important to build a plan and budget bottom-up based on the realities of your organisation and not on some perceived "average" benchmark information or arbitrary target date for completion. Additionally, external resources will be required support the internal delivery capability and capacity. Identification of key resource gaps early in the project will assist in securing the appropriate external support, whether via external delivery partners, individual contractors, redeployment of existing staff or new staff hires	Medium	Medium	Possible to treat and mitigate. Mitigation will be ongoing	Development of a detailed delivery plan to be included in the procurement and contract linked with milestone payments. Delivery methodology includes reviewing BAU resource draw and availability on a regular basis to ensure availability for input and review of processes, documents etc. This can be negotiated and agreed with the potential operators to ensure it is achievable for the market in advance of contract signing. The NTA have vast project management experience and have factored the cost of project management into the financial appraisal. Technically skilled consultants and direct hires will be used where any gaps exist. These mitigating factors should allow for a seamless role out of the NTA Finance System. The NTA will rely on all in scope finance bodies and their associated finance personnel to help roll out the finance system. The NTA will supplement their resources to ensure this is available.
Project Management Risk	NTA	The implementation of a strategic finance solution within an organisation introduces the risk of project management challenges. This risk arises when inadequate planning, coordination, and oversight occur during the implementation process. Project management challenges can result in delays, cost overruns, and suboptimal outcomes, potentially impeding the successful deployment of the strategic finance solution.	Medium	Medium	Possible to treat and mitigate. Mitigation will be ongoing	The NTA have vast project management experience and proven methodologies into the mitigation. The NTA have factored the cost of project management into the financial appraisal. The NTA adheres to the NTA Project Approval Guidelines (PAG), Public Spending Code Stage Gate process and has a Peer Review Group. Technically skilled consultants and direct hires will be used where any gaps exist. These mitigating factors should allow for a seamless role out of the NTA Finance System. The NTA will rely on all in scope finance bodies and their associated finance personnel to help roll out the finance system. The NTA will

Name of Risk	Risk Owner	Brief Description of Risk	Risk Likelihood	Risk Impact	Ability to mitigate	Brief Description of Risk Mitigation
						supplement their resources to ensure this is available.
Integration Risks	NTA	These risks arise due to the complex nature of integrating the new finance solution with existing systems, processes, and data sources. Compatibility issues, data migration complexities, customisation, and technical hurdles often emerge during the implementation phase, posing a significant risk to the success of the project. It is crucial for businesses to identify and address these integration risks proactively to minimise the potential impact on the overall effectiveness and efficiency of their strategic finance solution implementation.	Medium	High	Possible to treat and mitigate. Mitigation will be ongoing	Prioritise a thorough assessment of integration requirements and compatibility with current systems. The NTA have embarked on preparatory activities to ensure NTA have an understanding of the integration points required for the successful deployment of Phoenix. Engage the IT department and involve relevant technical experts to evaluate integration feasibility. Customisation for certain aspects of the system will naturally be required. These areas should be identified early and given significant importance as there is a high risk of issues if not currently implemented. Customisations should be called out in the contract separately.
Data Migration Risks	NTA	One of the significant risks involved in implementing a new strategic finance solution in a business is the challenge of data migration. This process can be intricate and prone to challenges. The complexity arises from the need to map data structures, formats, and standards between the old and new systems. Inconsistencies in data quality, such as incomplete or inaccurate records, can further complicate the migration process. The risk of data loss or corruption during transfer is also a concern.	Medium	High	Possible to treat and mitigate. Mitigation will be ongoing	Develop a comprehensive data migration Strategy and plan that includes data governance, data mapping, cleansing, and validation processes. Engage experienced data migration specialists and allocate sufficient time for testing and validation. Consider running parallel systems for a period to ensure accuracy and identify any data discrepancies.
Contract Risk	NTA	There is a risk the contract is poorly written and ultimately there is a risk that the contract will not be signed as negotiation on the contract is yet to take place. A key aspect of the vendor contract will be the terms and conditions accompanying the contract. There is a risk of both significant financial and operational risks in terms of the contract. Improper contract management can put the NTA at risk for financial liabilities like costly rework or early termination fees.	Medium	High	Possible to treat and mitigate	It will be imperative to the success of the project that the contract is rigorously reviewed and approved by appropriate stakeholders, consideration will be given to appointing a contract manager to manage the contract. Third party expert advice where possible should also be sought to mitigate this risk.

Name of Risk	Risk Owner	Brief Description of Risk	Risk Likelihood	Risk Impact	Ability to mitigate	Brief Description of Risk Mitigation
Vendor Reliability and Support	NTA	The success of the implementation and subsequent operations heavily relies on the vendor's ability to deliver a robust and dependable solution. If the vendor lacks reliability, it can lead to various challenges, such as unexpected system downtime, poor performance, and inadequate support during critical situations.	Medium	Medium	Possible to treat and mitigate. Mitigation needs to start prior to contract signing	Clearly define service level agreements (SLAs) in the contract and establish escalation procedures to address any support issues. Service levels around performance have been specified in contract Schedule 4 to ensure an appropriate level of service quality is provided in the form of KPI's, PI's and associated ex-post monitoring. A performance guidebook will be created post vendor on boarding. Further detail surrounding performance measurement and monitoring can be found in Evaluation Plan of this document.
Vendor/ Partner Engagement Model and Management	NTA	If there is no or a poor vendor / partner engagement model there will be an impact resulting in the new solution failing to meet performance expectations or experiences technical issues that hinder its functionality. Poor performance can result in inefficient financial processes, data inaccuracies, and a negative impact on the organization's overall financial management.	Medium	High	Possible to treat and mitigate. Mitigation needs to start prior to contract signing	The risk can be mitigated by analysing various vendor/partner engagement models prior to contracting including a performance guidebook and assigning a contract manager from the outset. Assigning responsibility for managing this risk throughout the project is crucial to successfully managing this risk. Following the vendor procurement process, effective ongoing vendor management and tracking progress against KPIs, is essential to mitigating the vendor relationship risks.
Change Readiness (Transformation Agenda)	NTA	There is a risk that employees are not adequately prepared or trained to understand and utilize the features and functionalities of the new finance solution. Inadequate training can result in inefficiencies, errors, and missed opportunities, potentially undermining the effectiveness and success of the strategic finance solution. Alignment of people and processes across finance and the NTA business is essential to project success. The ERP implementation project will have a significant impact across the entire NTA. Individual end users are those who will be impacted on a day-to-day basis when the initiative is undertaken. People issues often represent the most significant challenge to project success.	Medium	High	Possible to treat and mitigate. Mitigation needs to start prior to contract signing	A focus on a clearly communicated case for change, role and individual impact readiness and stakeholder management ensure the business is ready to accept the new solution and achieve planned benefits. The NTA must be prepared to dedicate key resources to ensure the right solution is implemented. ERP must be a business-owned initiative from the outset, therefore, committing resources from the organization is imperative. These resources need to be supported by change champions with a robust change management programme which aligns and

Name of Risk	Risk Owner	Brief Description of Risk	Risk Likelihood	Risk Impact	Ability to mitigate	Brief Description of Risk Mitigation
						supports any new finance target operating model. To mitigate the risk of inadequate training and lack of awareness as to the solution's functionalities and organisation specific customisations, it is crucial to establish a comprehensive training and support program. This program should focus on equipping employees with the necessary skills and knowledge to effectively utilize the new finance solution through the development of training needs assessments, the availability of training and associated material and ongoing support.
Anticipated business benefits significantly lower than anticipated in Final Business Case	NTA	Benefits stated in the business case will not be realised if there is significant gaps in current view of benefits and there is a lack of ownership of benefit delivery within business functions. Additionally, cost of the programme is likely to rise significantly as a result of revised implementation schedules and business benefits.	Medium	High	Possible to treat and mitigate. Mitigation needs to start prior to contract signing, will be ongoing	Restate business benefits owners to identify accountability for benefit delivery and restate benefits per function/directorate in quantitative and qualitative terms. Confirm implementation costs and include cost and schedule contingency where uncertainty exists. As part of the final business case the NTA will need to decide on the award criteria in relation to the split between cost and price. Socialise business case across programme and business: cascade down the messaging around the business benefits the programme wants to achieve as part of the desired business outcomes. Upon completion, formalise business case acceptance.
Resource	NTA	There is a risk we do not get the required access to NTA BAU resources to provide Subject Matter knowledge on key areas during Preparatory & project implementation Activities. This includes NTA not getting the right resources on boarded / backfilled in time to commence preparatory activities.	High	High	Possible to treat and mitigate. Mitigation needs to start prior to contract	Several activities will need to take place to mitigate this risk including early and advance meeting requests, further reviews and updates of BAU resource tracker to be undertaken ensure Project priority remains high to ensure resources are allocated accordingly, top-down

Name of Risk	Risk Owner	Brief Description of Risk	Risk Likelihood	Risk Impact	Ability to mitigate	Brief Description of Risk Mitigation
					signing, will be ongoing	communication from Senior Stakeholders requesting BAU resources to prioritise Project activities as part of BAU. (Biweekly meetings with Pillar Leads and all appropriate steps are taken to ensure the project get the right resources on boarded in time.

9 Affordability Assessment

In line with the Public Spending Code, this section assesses the affordability of the preferred option.

Projected Costs and Savings

Table 40 below shows the Projected cash flows for the preferred option in terms of incremental capital expenditure and incremental operating costs. Note that, as this is a net cost programme, there will be no incremental change to revenue.

Table 40a: Affordability of Preferred Option

Affordability of Preferred Option (€ 000s)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Increase in Revenue										
Increase in Revenue	€-	€-	€-	€-	€-	€-	€-	€-	€-	€-
Total Revenue	€-	€-	€-	€-	€-	€-	€-	€-	€-	€-
Benefits										
Monetary Value of FTE requirement savings	€1,826	€2,220	€2,452	€2,509	€2,565	€2,634	€2,774	€2,913	€2,983	€3,052
Monetary Value of Current Costs not required	€-	€1,061	€1,061	€1,061	€1,061	€1,061	€1,061	€1,061	€1,061	€1,061
Monetary Value of upgrades no longer required	€4,279	€582	€1,830	€1,379	€1,738	€924	€2,441	€453	€1,768	€1,856
Total Benefits	€6,105	€3,864	€5,344	€4,949	€5,364	€4,619	€6,275	€4,427	€5,812	€5,969
Operating Costs										
Salaries	€-	€-	€-	€-	€-	€-	€-	€-	€-	€-
Licenses	€-	€-	€-	-€224	-€2,276	-€2,276	-€2,276	-€2,276	-€2,276	-€2,276
Hosting Costs	€-	€-	€-	€-	€-	€-	€-	€-	€-	€-
Support & Maintenance	-€81	-€121	-€251	-€255	-€256	-€256	-€256	-€256	-€256	-€256
Total Operating Costs	-€81	-€121	-€251	-€479	-€2,532	-€2,532	-€2,532	-€2,532	-€2,532	-€2,532
Net Cash Flow from Operating Activities	€6,024	€3,743	€5,093	€4,470	€2,832	€2,087	€3,743	€1,895	€3,280	€3,437
Capex	-€2,487	-€18,125	-€10,635	-€3,283	€-	€-	€-	€-	€-	€-
Residual Value	€-	€-	€-	€-	€-	€-	€-	€-	€-	€-
Net Cash Flow From Investing Activities	-€2,487	-€18,125	-€10,635	-€3,283	€-	€-	€-	€-	€-	€-
Net Cash Flow	€3,538	-€14,383	-€5,542	€1,188	€2,832	€2,087	€3,743	€1,895	€3,280	€3,437

The table above details the total annual incremental cost to the Exchequer for the preferred option, Option 4.

The table below shows the breakdown of total costs (including preparatory works) for the project. It should be noted that, as outlined within the relevant section of this FBC, the financial appraisal considered benefits to be a cost saving for this project when compared to the status quo (i.e. the difference in the costs of operating and maintaining the system for the preferred option compared to the do-minimum option). However, the figures presented below represent the estimated true cost of the preferred option without comparison to the status quo (i.e. the actual estimated cost of the preferred option, ignoring the variance to the do-minimum). It is for this reason that the total capex and opex presented in the outputs from the financial appraisal are not the same as what is presented below.

Table 40b: Affordability of Preferred Option (€'000s)

Cost Item	Total Cost (excl. VAT)	VAT	Total Cost (incl. VAT)
Preparatory Works	€4,800	€1,104	**€5,904**
Capital Expenditure	€27,974	€6,434	**€34,408**
Total Project Costs	**€32,774**	**€7,538**	**€40,312**
Operating Expenditure	€18,811	€3,014	**€21,825**
Total Costs	**€51,585**	**€10,552**	**€62,137**

Source of Funding

The NTA is charged with devising and implementing projects to enhance people's use of public transport and sustainable travel choices in line with government policy and undertakes a vast array of transport technology projects and programmes in light of the increasing emphasis on the role that technology has to play in the delivery of public transport infrastructure and services.

The Department of Transport (DoT) allocate the NTA an annual exchequer allocation to fund the Capital Investment Programme. This capital expenditure for the replacement finance systems (i.e. the implementation of the new system) is anticipated to be funded through this exchequer allocation. The ongoing operational costs of the system will then be funded by administration grant funding.

10 Detailed Delivery Schedule

Under the requirement of Module 6 of the Transport Appraisal Framework, the purpose of this section is to provide an overview of the delivery and implementation approach for the new strategic finance solution, outlining key phases, milestones and project governance.

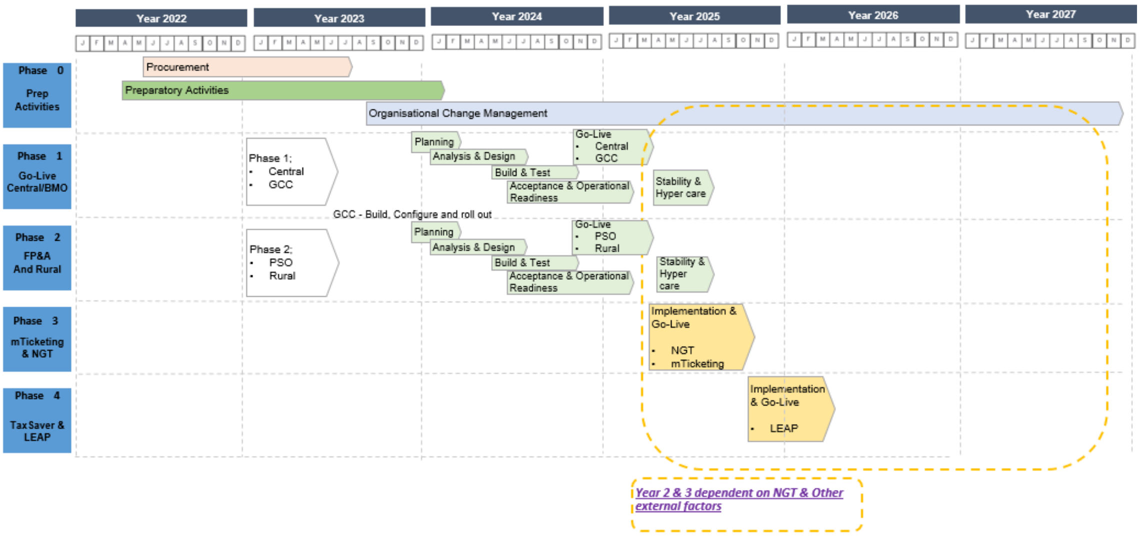
Implementation Approach and Scope Overview

In addition to the detail provided in the Detailed Project Brief as per section 4, the Project implementation is split into a number of Phases:

- Phase 1 which includes Central Finance and Gross Cost Contracts;
- Phase 2 which includes FP&A for the Rural Transport Programme and PSO;
- Phase 3 which includes NGT and mTicketing;
- Phase 4 which includes Leap.

Phase 1 & Phase 2 will occur in parallel as per the Indicative timeline outlined below. Upon contract award and Service Provider on-boarding, this timeline will be baselined.

Figure 11: Procurement and Implementation Timelines



Phase 1 will include (Finance):

- the build, configuration, UAT and migration of the Central Finance Agresso to the Solution;
- the build, configuration, UAT and migration of the BMO Agresso to the Solution;

Phase 2 will include (FP&A):

- the build, configuration and UAT of Financial Planning and Analysis ("FP&A"), including FP&A fare revenue, passenger data, operator costs & funding (PSO, DSP, free travel) as part of the Solution; and
- the build, configuration and UAT of FP&A for Rural Finance as part of the Solution.

Table 41: Finance Areas and their Associated Current Finance Systems

Finance Area	Current Finance System	Phase
Central Finance	Agresso Business World	Phase 1
Gross Cost Contracts	Agresso Business World	Phase 1
LeapCard	Agresso Business World	Future Phase
mTicketing	SAP B1	Future Phase
Next Generation Ticketing	N/A	Future Phase
FP&A	N/A	Phase 2

The table below provides summary as to the functionality in scope for the new Finance solution. Additional detail as to the project scope can be found in Section 4 – Detailed Project Brief.

Table 42: Functional and non-functional requirements

Functional Requirements	
Procure to Pay	Phase 1
Travel & Expenses	Phase 1
Order to Cash	Phase 1
Record to Report & General	Phase 1
Strategic Business Partnering	Phase 1
Budgeting & Forecasting	Phase 1
Bank & Treasury Management	Phase 1
Fixed Asset Management & Reporting	Phase 1
Project Reporting & Accounting	Phase 1
Financial Planning & Analysis (FP&A)	Phase 2
System Administration	Phase 1 & Phase 2
Inventory Management	Optional Future Phase
Non-Functional Requirements	
Architecture	Phase 1 & Phase 2
Security & Compliance	Phase 1 & Phase 2
Integration	Phase 1 & Phase 2
Data Management	Phase 1 & Phase 2
System Characteristics	Phase 1 & Phase 2
User Interface / User Experience	Phase 1 & Phase 2

Delivery Milestones

Phase 1 & Phase 2

Phase 1 Central and GCC Finance and Phase 2 FP&A Rural Finance and PSO will be delivered in accordance with the Milestones set out below. The Service Provider shall comply with the requirements set out in respect of each Milestone by the required Milestone Completion Date. The Service Provider shall notify the Authority of any anticipated delay in a Milestone prior to the Milestone Completion Date and within a timeframe specified for each Milestone within the Schedule.

The completion of Milestones shall be certified in accordance with the Certification Procedure set out in Annex B – Certification Procedure of Schedule 3 – Services Schedule.

Table 43: Phase 1 &2 Milestones

Phase 1			
Milestone	**Description**	**Month**	**Date**
1	Planning Completion	2	Nov-23
2	Solution analysis and design completion	7	Apr-24
3a	Solution build completion (Central)	11	Aug-24
3b	Solution build completion (GCC)	11	Aug-24
4a	Solution acceptance and readiness (Central)	13	Nov-24
4b	Solution acceptance and readiness (GCC)	13	Nov-24
5a	Go live (Central)	15	Jan-25
5b	Go live (GCC)	15	Jan-25
6a	Services acceptance of Central (3 month)	18	Apr-25
6b	Services acceptance of GCC (3 month)	18	Apr-25
Phase 2			
FP&A 1	Planning Completion	2	Nov-23
FP&A 2	Solution analysis and design completion	6	Mar-24
FP&A 3a	Solution build completion (Rural Finance)	10	Jul-24
FP&A 3b	Solution build completion (PSO)	10	Jul-24
FP&A 4a	Solution acceptance and readiness (Rural Finance)	14	Dec-24
FP&A 4b	Solution acceptance and readiness (PSO)	14	Dec-24
FP&A 5a	Go live (Rural Finance)	15	Jan-25
FP&A 5b	Go live (PSO)	15	Jan-25
FP&A 6a	Services acceptance of Rural Finance (3 month)	18	Apr-25
FP&A 6b	Services acceptance of PSO (3 month)	18	Apr-25

Please note the above table represents indicative dates and subject to initial planning with Service Provider assuming contract signing October 2023. It also assumes Month 1 is October 2023. Timelines will be subject to potential revision depending on outcome of board decision.

10.3 Acceptance and Contractual Conditions

Schedule 3 – Services Schedule specifies that for each milestone to be successfully achieved, the Service Provider must have completed acceptance testing to the satisfaction of the NTA.

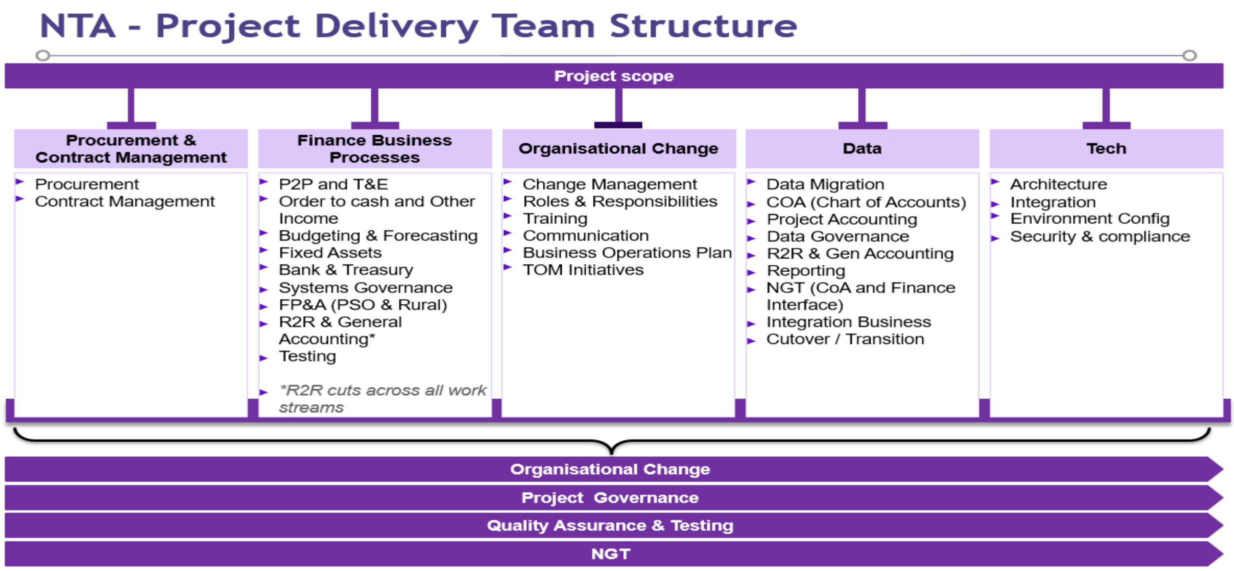
In addition, for each of the aforementioned milestones, Schedule 3 defines a strict timeframe for delivery, with the option for the NTA to reduce payments to the Service Provider.

If a Milestone outlined in the Detailed Delivery Section above has not been achieved by the relevant Milestone Completion Date, then the Service Provider shall pay Delay Payments to the Authority for each Working Day that the delay continues after the Milestone Completion Date for Milestones 5a or 5b or FP&A 5a or FP&A 5b.

10.4 Project Delivery Team Structure

The purpose of this section is to give an overview of the Project Delivery Team structure that is being applied to ensure the successful delivery of the solution. In addition, detail in relation to project governance can be found in Section 4 – Detailed Project Brief.

Figure 12 – Project Delivery Team Structure



Each Pillar has been divided into a number of key Workstreams for delivery as per the diagram above. Below is a high-level overview of each pillar:

Procurement & Contract Management

- Focused on the Procurement of the new solution and the Contract Management process for the NTA.

Finance Business Processes

- Focused on “As Is” and “To Be” NTA finance business Processes.

People & Organisation

- Focused on the change and transformational aspects, delivery of training and operational readiness across both the Finance and the wider NTA Organisation.
- Includes the deployment strategy and management of cutover.

Data

- Focused on COA Design, Data Migration, Data Governance, Business Interfaces and Project Accounting

Technical Delivery

- Encompasses system build, security and infrastructure (critical to underpinning the new solution).

Programme Governance

- Manages governance reporting and delivery across all pillars.

10.5 Project Delivery Team

The purpose of this section is to give an overview of some of the Project Delivery team members that are being applied by the NTA and the Service Provider to ensure the successful delivery of the solution.

Table 44: Project delivery team members

Key Person	Summary of Key Responsibilities / Capabilities
Project Manager	• Responsible for overseeing, planning and driving all elements for the successful completion of the Project, • Managing stakeholder engagement, cross functional alignment and effective change management oversight; • Reporting and resolution of key project issues and risks; • Managing project costs, alignment with the budget;
Business Solution Architect	• Overall delivery owner that works hand in hand with Project Manager to provide the end to end Solution; • Responsible for providing strategic direction throughout the project; • Leading product/solution design workshops; • Responsible for designing the Solution to meet business requirements, ensuring that it is fit for purpose; • Accountable for following the Solution design principles;
Technology Solution Architect	• Responsible for providing inputs, validation of solution on Key architectural guidelines and principles on reporting, Integration, Security etc.; • Responsible for designing overall technical architecture which includes security, sizing, review functional & technical and security architecture, integration of the Solution with internal data • Responsible for architecting the integration of the Solution in line with Authority security and architectural standards; • Accountable for following the technical design principles;

Test/QA	• Developing testing plans and test scripts to test the Solution; • Development of automated scripted tests; • Responsible for all quality assurance ("**QA**") testing prior to any releases to user acceptance testing ("**UAT**"); • System integration testing (SIT) and regression testing;
Reporting /Analytics Specialist	• Responsible for development of analytics/reports within the Solution; • Responsible for training the Authority's super users; • Bringing experience from previous implementations to use for the Authority's reporting requirements and strategies; • Ability to use analytical and business skills to turn data into a meaningful information/insight for the Authority;
FP&A Specialist	• Responsible for enterprise business forecasting and planning; • Align the Solution build to the development and delivery of the FP&A strategy; • Responsible for translating the Authority's business requirements into leading practice processes in the overall Solution; • Responsible for configuring workflow in line with the Authority's business rules;
Business Implementation Consultant	• Responsible for ensuring a smooth transition from legacy systems to the Solution from a business perspective and the smooth integration of the Solution with existing infrastructure; • Responsible for system configuration in line with the Authority's requirements and agreed processes; • Prototype testing and validation of the Solution; • Accountable for following the business solution design principles;
Technical Implementation Consultant	• Responsible for Providing technical expertise to the project team, allowing a comprehensive Solution to be delivered; • Responsible for overseeing migration of information/data from legacy systems to the Solution; • Accountable for following the Solution design principles; • Provide and train the Authority on templates for data migration • Responsible for all security configuration to align with the Authority and solution standards; • Assist with development of and review of technical training Material Provide test scenarios for SIT and UAT;
Account Manager (Service Provider Representative)	• Responsible for all resources of the Service Provider's team providing the Services under this Agreement. • Responsible for ensuring that the Service Provider's organisation fulfils its role in providing the Services in accordance with this Agreement. • Responsible for all agreement related matters arising throughout the implementation project and the business-as-usual phase. • Responsible for all change management matters arising throughout the project implementation and business as usual phase.

11 Benefit Realisation Plan

In accordance with the Public Spending Code 'Guide to Evaluating, Planning and Managing Public Investment' (the PSC), the purpose of this section of the FBC is to provide a clear map for delivering the positive changes targeted by the project (i.e. realising the benefits).

As per the Transport Appraisal Framework 2023 suggests that the Benefit Realisation Plan (BRP) should build upon the project or programme execution plan and outline the steps required to the deliver the project or programme in a manner that ensures the positive impacts expected will materialise. The table set out in Section 10 presents the delivery Milestones 1 to FP&A 6b. Each Milestone presented in Section 10 contributes to the realisation of the objectives and benefits of the project.

The BRP Table below presents the BRP where each of the project's target benefits are described, and an approach to measuring their achievement is outlined. Furthermore, this table also indicates which Section 10's Delivery Milestones each target benefit corresponds to.

As detailed throughout this FBC and specifically Sections 6 and 7 – Financial and Economic Appraisals, it is important to maintain that this project is centered around the replacement of an internal finance system (and is therefore not a new service) which does not generate revenue and is not customer-facing. As such, the quantifiable benefits for the project are limited. Furthermore, and as mentioned previously in section 7.2 – Decision on Appraisal Methodology, at PBC stage it was agreed with the NTA that in the absence of a robust methodology for monetising economic benefits, a CEA is the most appropriate approach. This approach has carried forward for this FBC.

Table 45: Benefit Realisation Plan Table

ID	Target Benefit	Description	Key Achievement	Measuring the achievement	Delivery Milestones # from Section 10.2 Milestone Table	Owner
1	Unified Finance System	Provide a unified Finance system for the whole enterprise which is flexible to meet the business needs providing a single source of truth.	• Number of finance systems and/or instances equals one (1). • An integrated FP&A tool will allow for a better understanding of how the business works and provide business leaders with relevant analysis and an associated narrative to make data led decisions quickly.	• Number of days taken for month end reporting • Number of days taken for year-end reporting • Percentage of Master Data Accuracy (Chart of Accounts, Cost Centres, Costings, Customers and enhanced data governance) • Percentage of Master Data Quality (Finance System) • Time taken and accuracy of forecasting capabilities • Time taken to deliver ad hoc financial reports for requests under Freedom of Information (FOI) and Public Accounts Committee.	• Milestone 6b and Milestone FP&A 6b	• NTA • Service Provider
2	Adoption of finance process leading practices	Enable adoption of finance process leading practices – supported with automation to achieve associated efficiencies whilst adopting innovation and emerging technology	• Existence of OCR, eInvoicing and other automation and technology throughout core finance processes, Procure to Pay, Order to Cash, Record to Report and FP&A will result in increased levels of efficiencies whilst	• Percentage of process Steps Automated with Workflow (Finance Processes) • Percentage of automated Reporting from Finance System • Percentage of invoices, supplier reconciliations completed	• Milestone 6b and Milestone FP&A 6b	• NTA • Service Provider

ID	Target Benefit	Description	Key Achievement	Measuring the achievement	Delivery Milestones # from Section 10.2 Milestone Table	Owner
			ensuring a move more value-add tasks such as analysis and the provision of insight to support and challenge decision making. • As the NTA becomes increasingly project-centric the efficiencies mentioned throughout will ensure the ability to both manage and report on such projects accordingly. • The month end processes and reconciliations will be significantly reduced through automation and the availability of a single source of truth across the NTA. • Self-service Supplier Portal is in place for Procure to Pay.	automatically without manual intervention		
3	Move to a Business Partner role	Finance moves to a business partner role providing insight and challenging organisational decision making.	• External Stakeholder satisfaction / feedback • Finance aiding key decisions being made across the NTA	• Level of information available on time for the business • Percentage of ad-hoc tasks required for the business	• Milestone 6b and Milestone FP&A 6b	• NTA

ID	Target Benefit	Description	Key Achievement	Measuring the achievement	Delivery Milestones # from Section 10.2 Milestone Table	Owner
			• Maximise the capabilities of the business partner role across the NTA • The percentage of time spent processing transactions has decreased improving transaction efficiency. The adoption of the FP&A tool will have a significant impact on this. • Enhancement to reporting packs for Executives and Heads of departments with real time data available.	• FP&A tool to be assessed in relation of timeliness and accuracy of reporting • Business Partner acting as a driver of business performance and delivering insight to support and challenge decision making • Increase in the level of challenge the business received from Finance over decision making and operations • Access to download and input data from external 3rd parties (in the case of rural)		
4	New system incorporates robust controls and governance	Ensure robust controls and governance are incorporated in the project and new system while ensuring efficiency of operations, i.e. ensure we have controls at the right level	• Centre of Excellence in existence, with clear roles and responsibilities, to ensure adherence to project design principle. • The CoE will enable the NTA to reduce their reliance on 3rd party suppliers and increase the organisational capabilities across the NTA.	• Percentage of compliance with System Controls • Percentage of Policies & Processes up to Date • Percentage of Processes Automated / Systemised • Percentage of Risks with Valid Mitigations • Reduction in the number of findings from the Comptroller and Auditor General (C&AG)	• Milestone 6b and Milestone FP&A 6b	• NTA • Service Provider

ID	Target Benefit	Description	Key Achievement	Measuring the achievement	Delivery Milestones # from Section 10.2 Milestone Table	Owner
5	Align to the NTA ICT Strategy – cloud-first mindset	Platform used by new Finance Solution is a Cloud platform.	• A "culture shift" among Finance and IT users to accept and work effectively with a Cloud solution • Acceptance of standard "off-the-shelf" solution with reduced ability to customise or configure functionality (assumes core NTA requirements can still be met) • Need for alignment of Cloud solution with NTA standards, e.g. with respect to integration, access management and information security • Changes to support model to effectively manage a Cloud solution, including "push" system updates. • Cost profile changes from up-front license purchase to annual subscription fee (Opex). Total Cost of Ownership may be higher or lower.	• Finance and IT team satisfaction surveys to be performed before project starts and to compare to project completion in order to show how the project improves. • Improved alignment to the NTA ICT Strategy • Improved satisfaction of wider business as Finance move to business partnering role • Time required for updates being made to the system (upgrades will be pushed to the NTA resulting in the solution complying with latest releases in a timely manner)	• Milestone 6b and Milestone FP&A 6b	• NTA

In addition to the above, Schedule 4 – Performance Schedule of the service contract details the relevant list of KPI's and PI's which shall measure performance on a continuous basis during the term of the service contract.

11.1 Measurement and Evaluation

The target benefits listed in the table above will be measured (where applicable) at set timelines. It is envisioned that these measurements occur at the Review stage (several months after the Transition Completion Date) and the Ex-Post Evaluation stage (end of the third year following the Operational Start Date), as set out in the Evaluation Plan in Section 12.
Key to the realisation of the benefits will be:

- The full implementation of clauses and mechanisms in the Services Contract relating to performance monitoring (including consequences on payments made to the Service Provider).
- The approach to contract management and its associated governance, for which an outline is included in Section 12 - Evaluation Plan.

12 Evaluation Plan

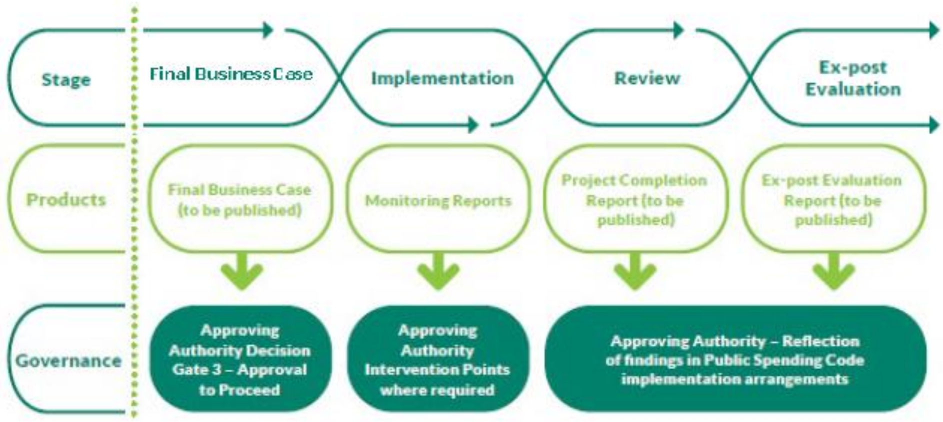
In accordance with Module 6 'Final Business Case' which states, in addition to the Benefit Realisation Plan, the Sponsoring Agency should outline a monitoring and evaluation plan that sets out how the broader aspects and effectiveness of the project or programme are to be assessed. This includes monitoring and evaluating the project or programme during its implementation and upon its completion i.e., ex-post evaluation.

The PSC specifies the following review requirements and stages:

- **Monitoring** during the Implementation Stage (i.e., following the FBC Stage);
- **Review Stage** the key output of which will be a Project Completion Report; and
- **Ex-Post Evaluation Stage** following the Review Stage, the key output of which will be an Ex-Post Evaluation Report

These stages are illustrated in the following abridged diagram from the PSC:

Figure 13: PSC Review and Stages



The arrangements to be put in place at each stage to evaluate effectiveness of the budget allocation to the project are outlined below.

Governance

The Service Provider and the NTA will operate within the Governance Framework detailed in Section 4.2 of the Detailed Project Brief. The Governance Framework shall form a key part of the Services and seek to ensure that the Authority's performance of its functions and the Service Provider's performance of the Services are carried out in a way which is financially efficient and proactively manages risk.
The Governance Framework will consist of various layers of interaction between the NTA and the Service Provider and is detailed in Section 4. The responsibilities of each of the involved parties is also detailed in the aforementioned section.

The Steering Group's role is to ensure that Project Phoenix runs smoothly and that the relationship between the NTA and the Service Provider is successfully executed. Communication with external stakeholders will be channeled through, and any issues that need to be resolved will be addressed at the Steering Group. The Steering Group shall meet every month; however, it may meet on an ad-hoc basis if necessary.

Additionally, the Executive Committee will meet semi-annually for a general review of contract management to analyse the purpose, control and operation of the services contract, advise on progress and address any issues arising that may impact the Services. As part of its overall operational performance review (for each reporting period), the Steering Committee will cover contractual matters including disputes, change approvals and management.

Monitoring Stage

The Service Provider will supply in-depth reporting in relation to the status and health of the Solution. Schedule 4 – Performance Schedule provides an extensive list of Solution Performance Reports required by the Service Provider. These reports vary in frequency and cover the following areas:

- KPI/ PI Reporting
- Service Desk Services
- Customer Service
- Operations Service
- Security Monitoring Operations Service
- Data Protection.

The Service Provider shall ensure that the project reports and contents of each report (including but not limited to status reports and reports prepared by the Steering Committees) are agreed with the Authority, and develop contingency plans where required as an appropriate risk mitigation measure or were instructed to do so by the Authority.

The Service Provider shall also schedule and hold meetings in accordance with the Governance Schedule to review status reports and to agree the actions required to successfully carry out the implementation requirements, ensure status reports shall be issued to the Authority a minimum of two (2) Working Days prior to any meetings; and produce and provide to the Authority a draft record of actions, decisions and recommendations made at each meeting within three (3) Working Days of each meeting

The table below details the various matters to be discussed and the frequency of each of the respective meetings.

Table 46 – Project Meeting Schedule

Meeting	Description	Frequency
Executive Meeting	General review of strategy and service delivery performance.	Quarterly
Governance, risk and compliance review	General review of governance, risk and compliance matters including contract management, information and systems security (including cyber security) and data protection as provided for in this Schedule.	Every six (6) months
Audit review	Review of performance in relation to audits completed as part the Service. Provider's audit plan for the following twelve (12) months.	Annually
Annual performance review	Overall review of operational and financial performance. Additional costs, Licenses and trends, including budget and communication matters. Overall review of innovation and automation performance and trends and impacts to budget. Review of any proposed changes to Delivery Plans and Authority's ICT Strategy.	Annually
Steering Committee	As set out in Section 3.3 of Part A of Schedule 1.	Monthly

Meeting	Description	Frequency
Overall operational performance review	Review of operational performance, including against Target Service Levels and reports as described in this Schedule (Governance), the Services Schedule and the Performance Schedule. Contractual matters including disputes, Service change request approvals and management and performance. Review of management of the Solution as set out in the Services Schedule. Planning of initiatives for the management and enhancement of the Services (continuous improvement).	Monthly
Service Desk Services review	Review the status and progress of Services pending or recently conducted. Review the status and progress of Incidents pending or recently resolved. Review of performance in relation to Incident related KPIs.	Monthly
Finance Solution Governance & Operational Services Review	Review of the KPI's Review of performance in relation to data backup management related KPIs. Review of adherence to Authority Policies relating to ICT security and security improvement. Review of Solution and hosts backup schedules and reports.	BI - Monthly
Security Monitoring Operations Services review	Overall review of security operations monitoring including attacks and threats detected and responded to, use case and threat intelligence indications of compromise, Incidents or events triggered as part of Security Operations, Event management, Problem Management and Incident Management. Review of performance in relation to security monitoring related KPI's.	Monthly
Risk management and compliance review	Review of the Service Provider's Risk Log; and performance in relation to the services and compliance matters set out in the Services Schedule. Review of performance in relation to the Service Provider's audit plan and audit planning for the following twelve (12) months.	Quarterly
Exit management	Review of the Exit Management Plan.	Annually or at such other intervals as may be provided for in the Exit Management Schedule.
Business continuity	Overall review of Business Continuity /Disaster Recovery Plan. Review the status and progress of risks and actions implemented under Business Continuity /Disaster Recovery Plan. Discussion of any proposed improvements or changes required. Review results of required testing.	Every six (6) months
Operations planning and continuous improvement review	Planning of initiatives for the improvement of the Services. Review of Solution roadmap and relevant benefits to the NTA.	Quarterly

Further details on the meeting schedule and required attendees can be found in Schedule 1 Governance and are summarised below.

Project Implementation and Transition Plan

In addition, the Service Provider shall develop and agree with the Authority a set of Delivery Plans. This consists of the Project Implementation and Transition Plan, the Operations Plan, the Business continuity / Disaster Recovery plan, Data Migration Project Plan, Testing Plan, Training Plan, Compliance Plan and Exit Management Plan in accordance with the requirements of Schedule 1. The Delivery Plans shall describe how the relevant Services and the Solution shall be delivered, including migration and cutover from legacy system(s) and shall address any other matters specified in this Agreement.

Performance monitoring

The Service Provider shall provide the Solution Performance Reports in accordance with the Performance Schedule. Further detail as to these reports can be found in Schedule 4 – Performance Schedule.

The Service Provider shall provide these reports two (2) days in advance of each meeting for weekly reviews, by the 5th Working Day of the following month for Monthly review meetings and 15 Working Days of the following quarter for Quarterly Meetings. The reports shall provide a view of the previous performance review and the up-to-date progress report on current activities and cover areas such as:

- High priority topics;
- Status of work in progress projects/ action items including next steps;
- Monthly performance data;
- Support queries;
- Additional Costs and License charges;
- Discussion items/issues/risks;
- Overall project update.

Additional detail as to Contract Management performance metrics are outlined in Schedule 4 – Performance schedule (Section 3).

Risk

The Service Provider shall develop, agree with the Authority, and implement a structured, consistent, and continuous process for identifying, documenting, tracking, assessing, deciding on responses to, and reporting on risks, and designing and implementing mitigating controls to the provision of the Services and the Solution. As part of this process, the Service provider shall establish and maintain a risk register.

Compliance

The Service Provider shall develop, agree with the Authority, and implement a process for compliance management which documents and tracks the compliance of the Solution with Applicable Law and any accreditation or other requirements set out in Schedule 1.

Continuous Improvement

The Service Provider shall, regularly and on an on-going basis throughout the Term (not being less than once per quarter), proactively review its provision of, and seek to improve, the Services and the Solution.

As outlined in section 4 - the Detailed Project Brief, it is the responsibility of the Design Authority to consider and propose changes in order to maintain efficiencies and ensure the objectives set out are continuously delivered. In addition, the Design Authority is also responsible for the approval of Change Requests. As detailed in Section 4 of the Detailed Project Brief, any improvement proposals which constitute changes to the Solution shall be dealt with in accordance with the Change Control Procedure in accordance with Schedule 5 (Change Control).

Audit

The Service Provider shall, as a minimum, perform a series of audits set out in Schedule 1 on an annual basis.

Additionally, the Service Provider is responsible for the operation of a robust system of internal controls and for the maintenance of evidence to demonstrate such controls are designed and operating effectively. The Service Provider shall be responsible for providing the Authority with assurance on an annual basis with respect to the on-going effectiveness of the controls set.

Data Management and Security

The Service Provider shall put in place processes and procedures to ensure security (physical and technological) of all data related to the Services.

Review Stage

Purpose

During the Review stage, the Programme Team will produce a Completion Report that reviews the extent to which:

- Whether the rationale, identified need and any assumptions taken for the project or programme proved to be correct;
- Review of project or programme documentation including a quality assessment of the various business cases;
- Review of scheme appraisals, including the economic and financial appraisals, to assess if they were satisfactory;
- Whether the requirements set out in this guidance and the PSC have been met;
- Review of management procedures including risk analysis and risk management;
- Analysis and commentary on monitoring reports from the implementation stage;
- If initial benefits have been realised, operational performance has been satisfactory, needs have been addressed and outputs have been delivered to the required standard ;
- Summary of feedback provided by key stakeholders including contractors and the project management team;
- If conclusions on the project or programme can provide lessons learned for similar schemes and the public investment guidance available in this document, the PSC or elsewhere.

Timing

Module 9 of the recent TAF publication recommends that a review of the project should take place just prior to the completion of a project to allow the reviewer to access feedback from the contractor, project team and the suite of monitoring reports which should have been produced over the course of implementing the scheme.
The following list provides a targeted listed of items for assessment by the NTA at the Review Stage, based on the full list of the PSC:

Business case and management procedures review

The following list provides a targeted list of items for assessment by the NTA at the Review Stage, based on the full list of the PSC:

Business Case

To what extent were:

- the requirements of the PSC met
- the options appraisal (before procurement launch) developed;
- the differences between tendered prices and estimated costs understood.

Design & Planning

To what extent were:

- any scope changes effectively and efficiently managed;
- statutory requirements including procurement rules complied with.

Implementation

To what extent were:

- governance, contract management, monitoring and dispute resolution structures efficient and effective
- contract obligations met on time and to the required quality standard
- key risks that materialised identified in the risk assessment and effectively and efficiently mitigated.

Realisation of initial benefits

Some benefits associated with the financial solution will take longer to accrue than the timing of the Review stage. As such, the assessment of the extent to which benefits have been realised will be more appropriately assessed at Ex-Post Evaluation (the last stage in the project lifecycle). That being said, the Review will identify any initial benefits to the extent possible.

Lessons Learned

The project team will undertake an internal workshop and include in the Completion Report any lessons learned. The team will then apply lessons learned, as relevant, in the ongoing operations contract management and in other comparable NTA projects and programmes.

Ex Post Evaluation

The Ex-Post Evaluation is the last stage in the project lifecycle. It is similar in scope to the review stage with an emphasis on analysing the outcomes of a scheme and assessing if any lessons learned can be drawn out and applied to the development of other schemes and to the available guidance documentation.

During Ex-Post evaluation, the Project Team will assess the Project's success to determine the extent to which:

- The expected benefits and outcomes materialised including operational performance
- The conclusions that can be drawn which are applicable to other projects, to the ongoing use of the asset, or to associated projects.

Timing

In accordance with Module 9 of the TAF, Ex-post evaluations should only be undertaken following the completion of a project and ideally, within 5 years of the completion date.

Expected benefits and outcomes

An important element of the Ex-Post Evaluation is to determine if expected benefits and outcomes for the scheme materialised. Specifically, the following should be addressed:

- If the outcomes, operational performance and benefits as identified in the business case documentation and the Benefits Realisation Plan were achieved;
- If the benefits management process assisted in the deliverance of the realised benefits effectively and was proportionate to the scale and complexity of the Strategic Finance Solution project;
- The accuracy and appropriateness of the assumptions and appraisal models used to evaluate the project;
- If the appropriate KPIs and metrics were identified;
- If risks were managed effectively;
- If there are any medium/long–term impacts arising from the project; and
- If there are any lessons learned for other schemes.

The Contract sets out the necessary terms, conditions, and KPIs to be met for an optimal delivery of the services. The nature of such services requires that an optimal and efficient execution at all times.

Regular reviews of performance against KPIs set out in the Contract will ensure the achievement of NTA's strategic priorities and objectives throughout the term of the contract. The performance data gathered as part of the regular reviews performed during the implementation and monitoring of the service contract will be used to assess the overall realisation of benefits which will be presented in the Ex-Post Evaluation report.

Lessons learned

The project team will undertake an internal workshop and include in the Ex-Post Evaluation Report any lessons learned. The project team will then apply these lessons learned, as relevant, in the ongoing project and contract management and in other comparable NTA projects. These lessons learned will be of particular importance to inform a decision by NTA whether to exercise a contract extension and/or to procure a next service provider.

13 Recommendation to Approving Authority

Following the publication of the TAF Appraisal Guidelines for Capital Investments in Transport, a clear recommendation to the Approving Authority on whether the scheme should not continue or should proceed to the implementation stage must be completed. A recommendation should include the following:

- The issues or opportunities identified at the outset of the appraisal process which still require action through the preferred option of intervention;
- If the project or programme still retains strategic relevance in terms of national and local government policies;
- If there have been any significant increases in costs as a result of the tendering process;
- If there have been any significant changes in viability following reviews of demand and benefits;
- If any significant risks have developed.

Based on a comprehensive appraisal process and in line with the requirement specified above, it is recommended that the Strategic Finance Solution project proceed to the implementation stage. The project clearly retains strategic relevance in relation to both national and local government policies. The issues and opportunities at the outset of the appraisal process and detailed throughout this Final Business Case, namely Section 1 – Executive Summary, necessitate action through the preferred intervention option, One Common Financial Solution across all NTA. As discussed in Section 6 – Financial Appraisal, the anticipated costs for the new finance system, including internal NTA costs, have increased for a number of reasons, including increased scope, increased duration of the procurement and significant cost inflation. The updated/ anticipated costs of the project, and associated affordability, have been summarised in Section 9. As demonstrated within this FBC, these increased costs do not change the outcome of the financial and economic appraisals carried out at the PBC stage and therefore decision to select the preferred option remains valid.

Furthermore, following reviews of demand and benefits, there have been no significant changes in the viability of the project. Following the reassessment and update as to the various risks detailed in Section 8 - Risk Assessment, it is critical to monitor any newly identified risks identified throughout the project lifecycle thus far whilst maintaining diligence in relation to those which may arise during the implementation phase. By addressing these points, the Sponsoring Agency recommends the continuation of the Strategic Finance Solution project to the implementation stage of the project lifecycle.

Appendix A – FBC Financial Model

NTA Finance Systems
- FBC Model v3.0 (VA

Appendix B – Underlying Cost Assumptions

This paper documents the underlying assumptions for the Financial Appraisal of the Preferred Option, the outputs of which are presented in this FBC. Note that this only considers the Preferred Option, i.e. Option 4, as this FBC validated the conclusions from the PBC and, as such, the other options have no material standing going forward.

It should also be noted that this paper does not explain the difference in assumptions between the PBC and FBC in detail as this is presented in section 6 of the FBC. The purpose of this paper is to act as a traceability paper, defining the drivers of the cost profiles for the Preferred Option at the time this FBC is approved.

In presenting the underlying cost assumptions, this paper looks at 3 key cost categories. These are:

1. Operating Costs;
2. Capital Costs; and,
3. Benefits.

Each category has a number of specific cost items within it, and each is discussed in turn below.

Note preparatory works are presented and discussed in section 6.2 of the FBC and are not considered within the Financial Appraisal, and therefore are not considered within this paper.

Operating Costs

Operating costs were broken down into two main elements for the financial appraisal. These are the cost of licences and change, and the associated support & maintenance. Note that staff costs were modelled as a benefit based on the differential between this option and the Do-Minimum option and are considered a benefit and therefore discussed later in this paper.

Licence Costs and Change

The table below shows the profile of licence costs and change assumed for the Preferred Option and included as part of the Financial Appraisal. Note that during the original term of the contract, the below charges are considered Project Costs and are therefore treated as capital expenditure at that time. These costs are considered operating expenditure thereafter.

Appraisal Year	**Licence Costs**	**Cost of Changes**	**Total**	**Total** (incl. contingency & OB)	**Total** (incl. VAT)
2023	€13,290	€ -	€13,290	€19,084	€23,473
2024	€126,380	€558,890	€685,270	€984,048	€1,210,379
2025	€493,265	€892,748	€1,386,013	€1,990,315	€2,448,087
2026	€503,720	€892,748	€1,396,468	€2,005,328	€2,466,553
2027	€507,360	€781,462	€1,288,822	€1,850,748	€2,276,420
2028	€507,360	€781,462	€1,288,822	€1,850,748	€2,276,420
2029	€507,360	€781,462	€1,288,822	€1,850,748	€2,276,420
2030	€507,360	€781,462	€1,288,822	€1,850,748	€2,276,420
2031	€507,360	€781,462	€1,288,822	€1,850,748	€2,276,420
2032	€507,360	€781,462	€1,288,822	€1,850,748	€2,276,420

Source

The profile of licence costs and change is based purely on the preferred supplier's financial submission as part of their Final Tender. Licence costs will be contractually agreed for the duration of the contract, once signed, whereas the cost of changes is based on an assumed amount of change, for evaluation purposes, which remains the best estimate at the time of writing the FBC.

Key Assumptions

Timing – The proformas which were completed by bidders at Final Tender profiled licence and change costs on a monthly basis, whereas the Financial Appraisal is based on annual profiles. As such, contract award was assumed to be October 2023, meaning the first three months of the proforma related to the financial year 2023, the next 12 months related to 2024, and so on.

Post-Contract for Licences – The proformas only covered the core term of the contract (i.e. 36 months) whereas the Financial Appraisal spanned a 10-year appraisal period, as per the PBC. As such (and based on the Timing assumption outlined above) the final month of charges based on the Preferred Bidder's proforma was September 2026 (36 months from the assumed October 2023 contract start). In order to extrapolate these charges over the duration of the appraisal period, the last monthly charge of €42,280 was assumed to continue on a monthly basis throughout the remainder of the appraisal period.

Post-Contract for Changes – As mentioned above, the proformas only covered the core term of the contract (i.e. 36 months) whereas the Financial Appraisal spanned a 10-year appraisal period, as per the PBC. In order to extrapolate these charges over the duration of the appraisal period (i.e. from 2027 onward), the average level of change from the previous three years was assumed (i.e. €781k).

Contingency & Optimism Bias – the level of contingency assumed has remained consistent with the 15% assumed at PBC and an Optimism Bias of 6.1% has also been applied to these costs, as discussed in section 6.4 of the FBC.

VAT – VAT is applied to all of these costs at 23%.

Support & Maintenance Costs

The table below shows the profile of software & maintenance (S&M) costs assumed for the Preferred Option and included as part of the Financial Appraisal.

Appraisal Year	**S&M Costs - Core System** (incl. contingency & OB)	**S&M Costs - Other** (incl. contingency & OB)	**Total** (incl. contingency & OB)	**Total** (incl. VAT)
2023	€3,817	€62,248	€66,065	€81,260
2024	€36,296	€62,248	€98,544	€121,209
2025	€141,666	€62,248	€203,913	€250,813
2026	€144,668	€62,248	€206,916	€254,507
2027	€145,714	€62,248	€207,962	€255,793
2028	€145,714	€62,248	€207,962	€255,793
2029	€145,714	€62,248	€207,962	€255,793
2030	€145,714	€62,248	€207,962	€255,793
2031	€145,714	€62,248	€207,962	€255,793
2032	€145,714	€62,248	€207,962	€255,793

Source

The profile of S&M costs is based on a combination of sources, namely the preferred supplier's financial submission as part of their Final Tender for the 'Core System', and assumptions which haven't changed since PBC stage for 'Other'.

Key Assumptions

Core System – As with the PBC, S&M for the core system elements is based on an assumed percentage of the associated licence costs. At PBC stage, this ranged from 15-22%. 20% was assumed for FBC stage.

Other – These costs are assumed to be consistent with the PBC assumptions and are made up of an annual S&M charge for Aurum (or other) and project accounting software, of €40,000 and €6,000, respectively, plus contingency and optimism bias.

VAT – VAT is applied to all of these costs at 23%.

Capital Costs

Capital costs are essentially the implementation costs for the new system, based on milestone payments paid to the Supplier delivering the implementation, and internal costs within the NTA in supporting the implementation.

Milestone Payments (MPs)

The table below shows the profile of supplier charges assumed for the Preferred Option and included as part of the Financial Appraisal. These are made up of two components, the implementation of the central finance & GCC, and the implementation of the FP&A rural finance & PSO.

Appraisal Year	**Central Finance & GCC MPs**	**FP&A Rural Finance & PSO**	**Total**	**Total** (incl. contingency & OB)	**Total** (incl. VAT)
2023	€160,891	€172,752	€333,643	€479,111	€589,307
2024	€1,246,905	€1,338,828	€2,585,733	€3,713,113	€4,567,129
2025	€201,114	€215,940	€417,054	€598,889	€736,633
2026	€-	€-	€-	€-	€-
2027	€-	€-	€-	€-	€-
2028	€-	€-	€-	€-	€-
2029	€-	€-	€-	€-	€-
2030	€-	€-	€-	€-	€-
2031	€-	€-	€-	€-	€-
2032	€-	€-	€-	€-	€-

Source

As with licence costs and the cost of change, these costs are based purely on the preferred supplier's financial submission as part of their Final Tender and will be contractually agreed for the duration of the contract, once signed.

Key Assumptions

Timing – The proformas which were completed by bidders at Final Tender profiled milestone payments on a monthly basis, whereas the Financial Appraisal is based on annual profiles. As such, contract award was assumed to be October 2023, meaning the first three months of the proforma related to the financial year 2023, the next 12 months related to 2024, and so on.

Contingency & Optimism Bias – the level of contingency assumed has remained consistent with the 15% assumed at PBC and an Optimism Bias of 28.6% has also been applied to these costs, as discussed in section 6.4 of the FBC.

VAT – VAT is applied to all of these costs at 23%.

Internal NTA Costs

The table below shows the profile of internal NTA costs assumed for the Preferred Option and included as part of the Financial Appraisal. These are made up of resources to support the implementation of the new system, as well as other third-party suppliers/contracts.

Appraisal Year	**NTA Resources**	**Third Party Suppliers/ Contracts**	**Total**	**Total** (incl. contingency & OB)	**Total** (incl. VAT)
2023	€1,002,738	€-	€1,002,738	€1,439,932	€1,771,116
2024	€6,042,907	€848,000	€6,890,907	€9,895,342	€12,171,271
2025	€3,731,294	€437,000	€4,168,294	€5,985,670	€7,362,374
2026	€303,799	€235,000	€538,799	€773,716	€951,671
2027	€-	€-	€-	€-	€-
2028	€-	€-	€-	€-	€-
2029	€-	€-	€-	€-	€-
2030	€-	€-	€-	€-	€-
2031	€-	€-	€-	€-	€-
2032	€-	€-	€-	€-	€-

Source

These costs were developed by the NTA project team, based on knowledge of the project, knowledge of similar projects within the NTA and consultation with stakeholders.

Key Assumptions

NTA Resources – The profile of NTA resources was developed from the PBC assumption and refined through uplifting of costs in line with inflation, changing of timelines due to delays in the procurement (discussed in greater detail in the FBC), additional roles required due to the increased scope of FP&A and contract management, and additional resources for OCM, BAU, QA, governance and data which were identified as part of the preparatory activities since PBC.

Third-party Suppliers/Contracts – These are additional costs which were identified as part of the preparatory activities related to additional, external advisory roles which will be required to support the implementation process.

Contingency & Optimism Bias – the level of contingency assumed has remained consistent with the 15% assumed at PBC and an Optimism Bias of 28.6% has also been applied to these costs, as discussed in section 6.4 of the FBC.

VAT – VAT is applied to all of the Third-Party Suppliers/Contracts costs at 23%. VAT was also applied to NTA resources as these are all assumed to be contractor staff.

Benefits

As this project is the replacement of an existing contract and services, not customer-facing and non-revenue generating, the additional benefits are limited and generally qualitative. As such, benefits in the Financial Appraisal for the FBC are based on anticipated savings when compared to the Do-Minimum option (as was the approach in the PBC).

The three benefits modelled, which are each discussed in turn later in this paper, are:

- Monetary Value of FTE Requirement Savings;
- Monetary Value of Upgrades No Longer Required; and,
- Monetary Value of Current Costs Not Required.

Monetary Value of FTE Requirement Savings

In the PBC, and hence for the purposes of this FBC, this is the benefit of a reduced ongoing NTA resource requirement for delivering the services when compared to the Do-Minimum option and was modelled as the variance between the anticipated NTA resources required for the Do-Minimum, and the equivalent for the Preferred Option. The table below shows the profiled breakdown of anticipated resources required for the Do-Minimum option, i.e. the baseline position. Note that the table below shows when these additional roles (i.e. roles which are not currently filled within the NTA) are anticipated to be required.

Grade	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
PA1E	3	-	-	-	-	-	-	-	-	-
PA2E	3	-	1	-	-	-	-	-	-	-
HEOE	1	2	-	-	-	2	2	2	1	1
EOE	1	1	1	1	1	-	-	-	-	-
PA1 (Outsource Provider)	2	-	-	-	-	-	-	-	-	-
PA2 (Outsource Provider)	5	2	1	-	-	-	-	-	-	-
Total	**15**	**5**	**3**	**1**	**1**	**2**	**2**	**2**	**1**	**1**

Source

These assumptions were developed by the NTA project team, based on knowledge of the current plans for appointments based on the existing solution, as well as what will be required in future should the new system not be implemented based on knowledge of what is required to support an aging system.

The NTA finance function is currently operating at maximum capacity. NTA's spending is expected to nearly double in 2024, this will have a significant increase in the activates performed across the NTA finance function. Finance areas such as Accounts Payable, Accounts Receivable, Grants, Contracts, System, Treasury and Reporting teams will require additional FTEs to facilitate this significant increase in volume of finance activity along with increasing regulatory requirements which will require additional resourcing to support.

This coupled with the upcoming and on-going project work such as BusConnects, DART+, MetroLink, LUAS Finglas and Connecting Ireland currently being undertaken by the NTA will cause further strain to a Finance team already working to capacity. This will impact not only the aforementioned teams due to increased volume, transactions and reporting requirements but also FTEs will be needed to oversee and manage the spend from a Finance Governance perspective (Project Reporting & Accounting and FP&A teams). With the current NTA finance architecture an increase in FTE is the only solution to support increased growth across the NTA and support the existing governance structures.

Key Assumptions

The points below explain where each of the roles identified above are to be allocated in terms of finance area, i.e. Corporate, NGT, GCC and PSO.

PA1E – The three additional roles required in 2023 to support the Go-Live as part of the NGT project.

PA2E – One of the additional roles required in 2023 to support the Go-Live as part of the NGT project and the other two relate to supporting GCC and PSO. The role in 2025 is an additional resource which will be required to support NGT.

HEOE – The role in 2023 relates to supporting GCC, with the two in 2024 associated with Corporate. From 2028 onwards, the additional roles have been determined based on anticipated growth of the service in terms of volumes of transactions and increased finance activity. These are general assumptions in growth and the roles are not allocated to specific finance areas.

EOE – It is anticipated an additional 1 FTE will be required each year (from 2023 to 2027) to support Corporate.

PA1 (Outsource Provider) – The two roles in 2023 are required to support Corporate and are assumed to be resourced externally.

PA2 (Outsource Provider) – All of these roles (i.e. five in 2023, two in 2024 and one in 2025) are expected to be required for Corporate and are assumed to be resourced externally.

VAT – VAT is applied only to Outsource Provider costs at 23%.

The table below shows the profiled breakdown of anticipated resources required for the Preferred Option. Note that the table below shows when these additional roles (i.e. roles which are not currently filled within the NTA) are anticipated to be required.

Grade	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
POE	-	1	-	-	-	-	-	-	-	-
PA1E	2	-	-	-	-	-	-	-	-	-
PA2E	2	-	-	-	-	-	-	-	-	-
HEOE	-	-	1	-	-	1	1	1	-	-
Total	**4**	**1**	**1**	**-**	**-**	**1**	**1**	**1**	**-**	**-**

Source

These assumptions were also developed by the NTA project team, alongside their advisors, based on knowledge of similar projects and the anticipated efficiencies which a new finance system would deliver, such as automation of processes and reporting.

Key Assumptions

The points below explain where each of the roles identified above are to be allocated in terms of finance area, i.e. Corporate, NGT, GCC and PSO.

POE – The additional role in 2024 is required to support the Go-Live as part of the NGT project.

PA1E – The two additional roles required in 2023 relate to NGT and Corporate (one each).

PA2E – The two additional roles required in 2023 relate to NGT and Corporate (one each).

HEOE – The additional role required in 2025 relates to Corporate, whereas the roles required from 2028 to 2030 have been determined based on anticipated growth of the service in terms of volumes of transactions and increased finance activity. These are general assumptions in growth and the roles are not allocated to specific finance areas.

VAT – VAT was not applied to these NTA resources as these are all assumed to be internal.

The above grades/roles for both the Do-Minimum and Preferred Option were mapped against the latest known rates for each grade to determine the profiled cost of these resources. This was based on the mid-point of the pay scale for each grade as of March 2023 and taking account of an anticipated October 2023 pay-rise and PRSI and is shown below for each of the grades considered. Note that the ratio between internal roles and outsourced equivalents remains consistent with that at PBC stage.

Grade	Annual Cost
POE	€123,478
PA1E	€99,797
PA2E	€84,723
HEOE	€69,693
EOE	€56,015
PA1 (Outsource Provider)	€207,558
PA2 (Outsource Provider)	€131,007

It should also be noted that, as the tables above show when the resources will be appointed, when translating these appointments into costs for the purposes of the Financial Appraisal, the annual cost for each new role was assumed to continue from the year of appointment onwards.

The tables below show the profiled cumulative cost of the additional roles to the NTA for both the Do-Minimum and Preferred Options, with the variance showing the profiled benefit for the Preferred Option.

Grade	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Do-Minimum										
PA1E	€299,391	€299,391	€299,391	€299,391	€299,391	€299,391	€299,391	€299,391	€299,391	€299,391
PA2E	€254,169	€254,169	€338,892	€338,892	€338,892	€338,892	€338,892	€338,892	€338,892	€338,892
HEOE	€69,693	€209,079	€209,079	€209,079	€209,079	€348,465	€487,851	€627,237	€696,930	€766,623
EOE	€56,015	€112,030	€168,045	€224,060	€280,075	€280,075	€280,075	€280,075	€280,075	€280,075
PA1 (Outsource Provider)	€415,115	€415,115	€415,115	€415,115	€415,115	€415,115	€415,115	€415,115	€415,115	€415,115
PA2 (Outsource Provider)	€655,037	€917,052	€1,048,060	€1,048,060	€1,048,060	€1,048,060	€1,048,060	€1,048,060	€1,048,060	€1,048,060
VAT	€246,135	€306,399	€336,530	€336,530	€336,530	€336,530	€336,530	€336,530	€336,530	€336,530
Total for Do-Minimum	**€1,995,555**	**€2,513,235**	**€2,815,112**	**€2,871,127**	**€2,927,142**	**€3,066,528**	**€3,205,914**	**€3,345,300**	**€3,414,993**	**€3,484,686**
Preferred Option										
POE	€-	€123,478	€123,478	€123,478	€123,478	€123,478	€123,478	€123,478	€123,478	€123,478
PA2E	€169,446	€169,446	€169,446	€169,446	€169,446	€169,446	€169,446	€169,446	€169,446	€169,446
HEOE	€-	€-	€69,693	€69,693	€69,693	€139,386	€139,386	€139,386	€139,386	€139,386
Total for Preferred Option	**€169,446**	**€292,924**	**€362,617**	**€362,617**	**€362,617**	**€432,310**	**€432,310**	**€432,310**	**€432,310**	**€432,310**
Monetary Value of FTE Requirement Savings										
Variance	**€1,826,109**	**€2,220,311**	**€2,452,495**	**€2,508,510**	**€2,564,525**	**€2,634,218**	**€2,773,604**	**€2,912,990**	**€2,982,683**	**€3,052,376**

Monetary Value of Upgrades No Longer Required

This benefit profiled the estimated future costs of upgrades which would be required should the Do Minimum option be selected and, instead of profiling this as a cost for the Do-Minimum, profiled it instead as a benefit for the Do Something options (i.e. a cost saving). The table below shows the profiled breakdown of anticipated upgrades which would no longer be required if the Preferred Option was delivered where the total equates to the anticipated benefit for the Preferred Option.

Upgrade	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
System Integration (Corporate/Leap/GCC)	€300,000	€150,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€100,000
NGT	€1,225,752	€200,000	€200,000	€200,000	€200,000	€300,000	€-	€-	€-	€300,000
Server Upgrade & Maintenance	€653,402	€123,469	€268,002	€821,133	€193,213	€351,115	€964,195	€268,129	€417,336	€1,108,709
Upgrades (Corporate)	€600,000	€-	€450,000	€-	€450,000	€-	€450,000	€-	€450,000	€-
Upgrades (GCC)	€300,000	€-	€200,000	€-	€200,000	€-	€200,000	€-	€200,000	€-
Upgrades (Leap)	€300,000		€200,000	€-	€200,000	€-	€200,000	€-	€200,000	€-
Upgrades (mTicket)	€100,000		€70,000	€-	€70,000	€-	€70,000	€-	€70,000	€-
Total (excl. VAT)	**€3,479,154**	**€473,469**	**€1,488,002**	**€1,121,133**	**€1,413,213**	**€751,115**	**€1,984,195**	**€368,129**	**€1,437,336**	**€1,508,709**
VAT	€800,205	€108,898	€342,240	€257,861	€325,039	€172,756	€456,365	€84,670	€330,587	€347,003
Total (incl. VAT)	**€4,279,359**	**€582,367**	**€1,830,242**	**€1,378,994**	**€1,738,252**	**€923,871**	**€2,440,560**	**€452,799**	**€1,767,923**	**€1,855,712**

Source

These assumptions were also developed by the NTA project team based on knowledge of the current status of the existing infrastructure and software as well as the known, planned and anticipated programme of works related to the existing system.

Key Assumptions

System Integration (Corporate/Leap/GCC) – This cost relates to the integration of Corporate enhancements, including Project Costing and Billing, Timesheets, RPA, FIC install and release and F45 automation, along with support for Agresso as required. Cost estimates were based upon the known current cost per annum, which has ranged from €100-150k in recent years.

NGT – This cost is based on the total cost of implementing mTicket project, which has been multiplied by two given the comparative scale of NGT. Costs for 2024 onwards are assumed based on anticipated growth and support. An initial upgrade is assumed to be required in 2028 and every 4 years thereafter as per all other instances, with the cost of upgrades for Leap used as a baseline.

Server Upgrade & Maintenance – These costs were developed from a bottom-up perspective, with the more detailed breakdown provided below:

Upgrade	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1. Certificates										
Certs Central	*€300*	*€330*	*€360*	*€390*	*€410*	*€440*	*€470*	*€500*	*€530*	*€560*
Certs GCC	*€300*	*€330*	*€360*	*€390*	*€410*	*€440*	*€470*	*€500*	*€530*	*€560*
Certs Leap	*€300*	*€330*	*€360*	*€390*	*€410*	*€440*	*€470*	*€500*	*€530*	*€560*
Certs NGT	*€300*	*€330*	*€360*	*€390*	*€410*	*€440*	*€470*	*€500*	*€530*	*€560*
Certs MTICKETING	*€300*	*€330*	*€360*	*€390*	*€410*	*€440*	*€470*	*€500*	*€530*	*€560*
2. Hosting Charges										
Leap	*€25,505*	*€30,606*	*€36,728*	*€44,073*	*€52,888*	*€63,465*	*€69,812*	*€76,793*	*€84,472*	*€92,920*
MTICKETING	*€25,505*	*€30,606*	*€36,728*	*€44,073*	*€52,888*	*€63,465*	*€69,812*	*€76,793*	*€84,472*	*€92,920*
GCC	*€25,505*	*€30,606*	*€36,728*	*€44,073*	*€52,888*	*€63,465*	*€69,812*	*€76,793*	*€84,472*	*€92,920*
3. Upgrades - Environment/Architecture costs										
Central Hardware	*€134,710*	*€ -*	*€ -*	*€161,652*	*€ -*	*€ -*	*€177,817*	*€ -*	*€ -*	*€195,599*
Central Software	*€102,669*	*€ -*	*€ -*	*€123,203*	*€ -*	*€ -*	*€135,523*	*€ -*	*€ -*	*€149,075*
Leap	*€102,669*	*€ -*	*€ -*	*€123,203*	*€ -*	*€ -*	*€135,523*	*€ -*	*€ -*	*€149,075*
MTICKETING	*€102,669*	*€ -*	*€ -*	*€123,203*	*€ -*	*€ -*	*€135,523*	*€ -*	*€ -*	*€149,075*
GCC	*€102,669*	*€ -*	*€ -*	*€123,203*	*€ -*	*€ -*	*€135,523*	*€ -*	*€ -*	*€149,075*
NGT	*€ -*	*€ -*	*€126,019*	*€ -*	*€ -*	*€126,019*	*€ -*	*€ -*	*€126,019*	*€ -*
4. Pen Testing	€25,000	€25,000	€25,000	€27,500	€27,500	€27,500	€27,500	€30,250	€30,250	€30,250
5. IT Security Cost - Vulnerability Remediation	€5,000	€5,000	€5,000	€5,000	€5,000	€5,000	€5,000	€5,000	€5,000	€5,000
Total (excl. VAT)	**€653,402**	**€123,469**	**€268,002**	**€821,133**	**€193,213**	**€351,115**	**€964,195**	**€268,129**	**€417,336**	**€1,108,709**
VAT	€150,282	€28,398	€61,640	€188,861	€44,439	€80,756	€221,765	€61,670	€95,987	€255,003
Total (incl. VAT)	**€803,684**	**€151,867**	**€329,642**	**€1,009,994**	**€237,652**	**€431,871**	**€1,185,960**	**€329,799**	**€513,323**	**€1,363,712**

The table below shows the underlying assumptions for each of the numbered cost categories.

Cost Category	Assumption
1. Certificates	Certs 150 year, 2 Certificates per environment = €300. A 30 euro increase from Y2 onwards.
2. Hosting Charges	Based on existing hosting costs with a 20% increase to 2028 and 10% increase from 2029 onwards, including growth and inflation
3. Upgrades – Environment/Architecture Costs	Based on a baseline figure from earlier estimates which has been multiplied by 55% to also take the following into consideration: - NTA PM days for each environment - NTA Testing - Integration testing - Functional testing (Business UAT testing to ensure no impact on application) Environment upgrades are assumed every 3 years with growth applied at 20% from 2023 and 10% from 2028.
4. Pen Testing	Pen Testing is budgeted at €5k per environment which, for 5 environments, is €25k in total (i.e. Central, Leap, mTicketing, GCC and NGT)
5. IT Security Cost - Vulnerability Remediation	The cost to remediate any identified vulnerabilities in the environments is estimated to be €5k per annum based on existing.

Upgrades (Corporate) – Assumed cost of €600k in 2023 as upgrade has not been completed since circa 2018. From 2025, the upgrade estimated to be €450k every 2 years.

Upgrades (GCC) – Assumed cost of €300k in 2023 as upgrade has not been completed since circa 2018. From 2025, the upgrade estimated to be €200k every 2 years.

Upgrades (Leap) – Assumed cost of €300k in 2023 as upgrade has not been completed since circa 2018. From 2025, the upgrade estimated to be €200k every 2 years.

Upgrades (mTicket) – Assumed cost of €100k in 2023 as upgrade has not been completed since circa 2018. From 2025, the upgrade estimated to be €70k every 2 years.

VAT – VAT is applied to all of these costs at 23%.

Monetary Value of Current Costs Not Required

This benefit profiled the estimated future ongoing costs of the services and considered those which would no longer be required under the Preferred Option as a benefit. The table below shows the anticipated annual costs which would no longer be required if the Preferred Option was delivered.

Current Costs No Longer Required	Annual Cost
SaaS annual	€17,360
Sharplight Licence Support	€2,170
Remote Server	€263,645
Support & Maintenance	€54,393
Additional Cost for System Support & Maintenance - Growth	€79,683
Additional Cost for Licensing - Growth	€362,197
Hosting Costs	€83,297
Total (excl. VAT)	**€862,745**
VAT	€198,431
Total (incl. VAT)	**€1,061,176**

Source

These current costs were based on known actuals at the time of drafting the PBC, uplifted to 2023 prices for the purposes of the FBC.

Key Assumptions

Timing – it is assumed this annual saving will materialise from 2024 onwards (i.e. every year in the appraisal period except for 2023).

Uplift to 2023 prices – As discussed in the main body of this FBC, CBI was used as a basis for uplifting costs to 2023 prices, i.e. an increase of 8.5%.

VAT – VAT is applied to all of these costs at 23%.