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Circular 16/97: New Delegation Arrangements for IT-related Expenditure (including Office Machinery)

E 168/2/97 27th March, 1997

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A Dhuine Uasail,

Introduction

1.   The Strategic Management Initiative (SMI), as set out in *"Delivering Better Government"*, recommends the delegation of financial authority to the maximum extent possible for existing programmes of expenditure and requires that appropriate controls be in place in Departments.

2.   The current delegation arrangements for IT-related expenditure are based in the main on preset spending limits set out in Administrative Budget Agreements. However, these arrangements require Departments to interact with the Department of Finance on a regular basis. Having reviewed the current procedures in the light of the SMI recommendations, a more coherent arrangement is being introduced for delegating, within agreed spending limits, IT-related expenditure. This circular sets out the new arrangement.

   New Delegation Arrangement

Under the new arrangement Departments are required to supply:

an annual statement on IT-related expenditure and impacts, as further explained in 5 below, and

   (ii)   a statement of strategies for the management of information,   computer applications and technical infrastructures. Departments should keep these strategies up to date and the updated versions should be supplied to the Department of Finance.

   [Note: For Department, read Department/Office throughout this circular]

On approval of these statements, an annual Delegation Certificate will be issued to a Department in respect of IT-related expenditure, subject to formal and appropriate arrangements being in place within a Department for:

(i)   the control of business projects and for achieving expected impacts, as described in the CMOD advice note "Achieving the Benefits of Information Technology, 1993";

monitoring compliance with the procedures set out in "Public Financial Procedures" July 1996, in Confidential Circular 2/90 (Finance Sanction) and in "Public Procurement" 1994 (Green Book), and with the general procurement conditions set out in the Appendix to this circular.

Statement of IT-related Expenditure and Impacts
5.   The annual statement of expenditure and impacts required under the new delegation arrangement should include:

(i)   **Expenditure in the Previous Year and Planned Expenditure for the Current Year, categorised as follows:**

New and existing business projects/initiatives on a per-project basis. This should include details, where appropriate, of the costs of: hardware; telecommunications infrastructures; software development/procurement; external IT-related consultancy/integration; and non-computer set-up costs (e.g. Staff, office machinery, training).
Replacements/enhancements/upgrades of hardware and software by category.
Office machinery by category (e.g. standalone faxes, copiers, franking machines, etc.).
Telecommunications services by category: switched, packet and leased.
Maintenance of hardware (including office machinery) and software by category.
IT-related training, excluding any training already included in business projects above.

(ii)   **Succinct Impacts Statements for Business Projects:**

For each new business project, a succinct statement of expected impacts and the lifetime costs.
For each business project underway, a succinct statement of expected impacts in the current year and details of impacts not achieved in previous years. (In the case of multi-year business projects, high-level details which remain unchanged need only besupplied once).

Implementation Arrangements for 1997
6.   For the period of 1st. July 1997 to 31st. December 1997,   Departments should provide a statement of planned expenditure   only. Departments should submit these statements as soon as   possible and, in any case, no later than the 31st. May 1997. In   1998 and in subsequent years, a complete statement of IT- related expenditure and impacts should be supplied to the Department of Finance at the beginning of each year.

7.   All existing delegation arrangements for IT-related expenditure   (including office machinery) will cease to operate on the 30th, June 1997. After this date, Departments may engage in   procurement on the basis of a Delegation Certificate or, if such a Certificate has not issued, by seeking sanction for each

procurement.

Enquiries

Enquiries concerning this Circular should be made to **IT Control Section, Department of Finance, Lansdowne House,** **Lansdowne Road, Dublin 4,** telephone GTN 7109 5107 or DDI (01) 604 5107.

Supporting Documentation

9. Supporting documentation (*'Delegation Supporting Material'* and *'Hints, Tips & Good Practices'*) for the new arrangement is available for Lotus Notes users on the CMOD Bulletin Board and, when implemented, for users of Web technologies on the Civil Service Intranet Server. This includes details on strategies, general terms of delegation, expenditure and impact categories, relevant circulars, guidelines and advisory notes.

Mise le meas,

E. Embleton
Assistant Secretary

Appendix

General Procurement Conditions

Delegation is subject to all procurements complying with:

IT procurement norms expressed in the CMOD advisory notes, guidelines and templates, as updated from time to time;

EU technical "openness" requirements, as specified in Decision 87/95/EC and in Circular 13/87 (Communications between Computer Systems);

the terms of confidential Circular 5/89 (Government Supplies Agency);

the terms (other than those that relate to financial ceilings) of Circular 1/85 (Supply of Office Machinery and Related Equipment), as revised by 2/88 and 1/91;

advice issued by the Department of Finance on maximum day-rates for management consultancy, as updated from time to time.

Prior written approval must also be sought from IT Control Section where a procurement affects other Departments or where it is proposed not to use civil service-wide common systems or telecommunications infrastructures.