



Ambient Assisted Living Joint Programme

Final project review report

Project acronym:	HOST
Project full title:	Smart technologies for self-service to seniors in social housing
AAL project number:	AAL-2010-3-041
Project starting date:	01.05.2011
Project duration:	36 months (end: April 30th, 2014 – Initially October 2013)
Coordinator:	Francoise ABRY (OPAC)
Coordinator e-mail:	fabry@opacdurhone.fr
Project web site:	http://www.host-aal.eu
Period covered by the report:	1 months / 36 months
Reviewer(s):	Reza Razavi, Morten Kronholm
CMU responsible:	Maud Von Rosenberg

Overall Project Evaluation

Outline of project:

Project idea

This project has explored the development of new ICT-based easy-to-use services for improving the quality of life of elderly living in social housing. The project idea comprises three dimensions, exposed initially in the DoW (p. 3) and recalled in the Project Summary (p. 2) in the following terms:

- (i) to raise awareness of independent control among older consumers in selecting their own appropriate responses to requirements for a self-serve solution system;*
- (ii) to improve the life of the elderly living in the current social house park, by developing the digital infrastructure of the social housing and giving a better access to their services;*
- (iii) to provide the elderly in social housing with a large panel of ICT services and ease communication with and between their service providers and the “circle of support” composed of the family and local services, both public and private.”*

The project “targets elderly housing companies that wish to improve the way they exchange information and provide services to their customers” [DoW, p. 5]. It was designed to provide these companies with “a simple and effective instrument to interact with the elderly”.

Implementation of the idea in a project

The project aimed at designing, implementing and validating a platform characterised as follows [DoW, pp. 4-6]:

- The housing company installs and maintains the client/server architecture of the platform, which can be adaptively configured, in relation to each customer needs and to the shared information fluxes.*
- In addition, the housing company opens business opportunities with commercial operators and service providers that may establish business agreements with the housing company and so have commercial relationships with the elderly customers through the platform.*

These goals were reiterated and developed further in the subsection entitled “Value description” as follows [DoW, p. 7]:

- The platform targets elderly housing companies that wish to improve the way they exchange information and provide services to their customers. The housing operator installs and maintains the client/server architecture of the platform, which can be adaptively configured, in relation to each customer needs and to the shared information fluxes. In addition, the housing company opens business opportunities with commercial operators and service providers that may establish business agreements with the housing company and so have commercial relationships with the elderly customers through the platform.*
- In this way, according to different national rules, senior customers could have access to adapted self-serve commercial opportunities and tailored services provided by trusted providers and benefit from privileged conditions. In this case, the adoption of the platform by the SHO configures a win-win-win situation.*

It was further emphasised that “four categories of services are identified to be implemented for each site”. Those categories are enumerated in the DoW (pages 4-6) as follows: (1) House management, (2) Direct relations with the local “circle of support”, (3) House maintenance, and (4) Access to easy-to-use e-commerce services. It was specifically emphasised that the Internet of things technologies will be used as “an innovative alternative to simplify access to specific contents (without any device) and to upload information directly to the information system” [DoW, p. 5].

The project was broken down into five work packages as follows:

1. Users requirements and privacy: 121.86 PM
2. System architecture Technology development: 155.43 PM
3. System integration and field trials: 125.39 PM
4. Dissemination & Exploitation: 59.85 PM
5. Management: 53.53 PM (almost 10%)

The total estimation of staff effort in person months was **516,06 PM**. The total cost of the project was estimated to €**4 868 179.00**, from witch €**2 290 680.00** was co-funded.

Consortium composition

The composition or the Consortium is as follows:

- Social housing operators: OPAC du Rhone (FR), FINABITA (IT), Nottingham Housing Community Association (GB).
- Technology developers (SMEs): ADAMA (FR), Tripleplay Services (main technology developer, UK), BioResult (IT), ERASME (FR).
- Evaluation: University Joseph Fourier Grenoble 1 – AGIM Research Laboratory (FR).
- Research: University of Valencia (SP), Institute for Construction Technologies ITC / CNR-ITC (IT), University of Loughborough (Tripleplay sub-contractor, UK).

No change in the consortium composition since the proposal submission is reported. The Steering Committee was composed of seven partners: OPAC, FINABITA, CNR-ITC, NCH, ADAMA, Tripleplay, and Polibienestar. Other organisations participating in the Steering Committee meetings were Algoé, AeA and BioResult for the first meeting [SC1-minutes, p. 2], and Algoè, UJF-AGIM, AeA and ERASME [SC2-minutes, p. 2].

The breakdown of this budget per partner was as follows (total / requested funds):

1. OPAC du Rhône (ODR, User Org., FR): 1 172 734.00 / 351 820.00
2. FINABITA (FIN, User Org., IT): 520 000.00 / 240 000.00
3. Nottingham Community Housing Association (NCHA, User Org., UK): 75 400.00 / 75 000.00. After negotiation (Questionnaire, p. 3): Total: 186,166.60 €¹ (150,161.00 £); Partner: 93,083.92 € (75,081.00 £); Grant: 93,082.68 € (75,080.00 £)
4. ADAMA (ADA, SME, FR): 755 000.00 / 339 750.00
5. National Research Council Construction Technologies Institute (CNR-ITC, IT): 762 000.00 / 381 000.00
6. Conseil Général du Rhône / ERASME (ERA, Research, FR): 310 120.00 / 141 560.00
7. Université Joseph Fourier Grenoble 1 - AGIM Research Laboratory (UJF-AGIM, Univ. FR): 200 000.00 / 200 000.00
8. Tripleplay Services (SME, UK): 705 100.00 / 352 550.00
9. BIORRESULT (BioR, SME, IT): 268 000.00 / 109 000.00
10. University of Valencia - Polibienestar Research Centre (UVE- Polibienestar Research center, Univ., Spain): 99 825.00 / 100 000.00. After negotiation: 99 825.00 / 99 825.00.

The most important requested funds were those of **CNR-ITC** (381 000.00), **Tripleplay** (352 550.00), **OPAC** (351 820.00), and **ADAMA** (339 750.00), involved mostly in technical aspects of the project.

Conclusion of the review:

(A short conclusion of the project achievements compared to the initial (or revised) goals and the envisioned future for the project achievements after the end of the project)

HOST Project, is quite well terminated, and has achieved its initial objectives of providing the elderly housing companies member of the Consortium and their commercial operators with innovative prototypes and business opportunities for deploying new solutions and improving the way they exchange information and provide services to their elderly customers in their respective countries. These have been achieved despite financial flow issues, faced by Italian partners, and initial delays due to contractual finalisation aspects.

After the Mid-Term review, the project improved and met its aims. The overall system architecture is implemented, deployed and tested in real life as different separate versions of the HOST platform. Those different versions are developed to meet the different needs in France, Italy and UK, which have further provided a basis for housing providers to compare the pros and cons of each platform. User requirements were adequately collected and specified through specific questionnaires and co-design workshops in each country.

The adoption of three different platforms and user interface, are achieved through three main different implementation environments; the failure to opt for a single development environment is perceived (by the review panel) as a major deviation from the initial goals.

The consortium has a plan to carry out consolidating IPR aspects; but consortium members did not sign any post-project IPR agreement. According to the consortium, a post-project IPR agreement will be too premature although not evidenced.

Concerning dissemination activities, the Project web site needs to be kept updated: during the project duration the Consortium missed the opportunity to exploit it for adequately promoting their project activities.

Market introduction of the project achievements requires further developments and funds, which, to a large extent, have yet to be secured.

Recommendations in relation to the 2-3 years following the project end (potential market introduction):

Consortium should focus on few but very strategic activities for a marketable exploitation of HOST solution. Do a clear business case on which HOST is targeting on the market. Is the market elder people or caretakers, and what is the benefit. Be more specific if this solution is targeting the public sector or the private market. Signing a post-project IPR agreement is strongly recommended too.

The project needs to focus on the dissemination strategy on the EU level, EU-wide promotion of the HOST “norm”, as already envisaged by the Consortium, can indeed serve as a strong dissemination instrument for a European deployment.

It should further keep “constantly” in mind the AAL focus on the improvement of quality of life of older persons and a continuous and careful attention to ensure the compliance with all EU and national ethical requirements related to collecting and processing users’ daily life activities. Also, making sure that the collected user data is processed/disposed according to applicable laws and regulations.

Finalising the on-going activities and plans, in particular the HOST book, while making sure that the project web site will be sustained are also strongly recommended.

Structured assessment :

- ☐ Excellent progress - the project has fully achieved its objectives and technical goals and has even exceeded expectations. The end-user and demand driven innovation has been remarkable.
- X Very good progress - the project has achieved most of its objectives and technical goals with relatively minor deviations. The end-user involvement has been satisfactory.
- ☐ Good progress; however, major component(s) of the project have not been successfully achieved.
- ☐ Just acceptable progress - the project has achieved only some of its objectives.
- ☐ Unsatisfactory progress - the project has failed to achieve key objectives and/or end-user involvement is not satisfactory.

Comments to the structured assessment (if any) :

The above “structured assessment” takes into account the financial flow issues faced by Italian partners, and the initial delays due to contractual finalisation aspects. We further assume that the HOST Book project will be pursued and finalised.

Summary of the review:

(Quality of the materials provided)

The Final Review of HOET project covers 30 months from 1st. May 2011 to 31st of December 2013.

The Final Review of the project was carried out remotely by experts who had access to the information included in the DoW, administrative documents, due submitted deliverables, as well as the answers carefully provided by the Coordinator (on behalf of the whole Consortium) to the questions posed by experts (cf. Annex 1) and the information provided in the official project web site.

The quality of the submitted deliverables is overall good. It is worth highlighting that the Consortium cooperated with experts during the remote assessment of the project outcomes by duly providing reviewers with both explanations to asked questions on some missed information. However, it also appeared that several of the deliverables initially provided for this review were mistakenly uploaded and new versions were provided in a second time. This added unexpected complication and significant amount of rework.

Details

Outcome in technology innovation:

The outcome in technology innovation resides in designing, implementing and validating three versions of a self-serve architecture, the HOST platform, with significant adaptability and configurability features, to provide the elderly housing companies member of the Consortium and their commercial operators with innovative products and business opportunities for deploying new solutions and improving the way they exchange information and provide services to their elderly customers in their respective countries. Some results of the project are further being promoted as a national “norm” in France and eventually European.

Outcome in addressing end-user demands:

The outcome in addressing end-user demands resides in the definition of the senior needs on the European wide scale, their systematic analysis, implementation and evaluation, which led to new software services designed for senior citizens in three different European countries. The designed and implemented services are still provided to trial users in the three countries.

Outcome in integration of technology in service-delivery:

The outcome in integration of technology in service delivery resides in co-designing, implementing and systematically evaluating three different platforms carefully integrated with existing healthcare systems. The co-design approach has given a strong focus on users requirements and needs for the development of the HOST final products. The HSOT services have been further implemented, tested and evaluated on 4 different devices, through different interface paradigms (TV set, tactile tablet, mobile phone, and web browser).

Outcome in value-creation models of AAL:

The outcome in value-creation models of ALL resides mostly in creating IPR, developing expertise, architecture and prototypes, as well as European-wide awareness for new self-serve solutions for elderly housing solutions, which may be further exploited in line with the different options explored in the business model of the project.

Applied ethics:

Sound ethical measures are applied both at technical and users levels, in particular to meet the privacy and data protection regulations requirements. Other measures include a careful attention to the usability of ICT solutions.

Technical management of the project:

The technical management of the project does appear sound and effective, in particular in participating actively in real-life trials.

Project collaboration and communication aspects:

Overall, partners demonstrated a good level of cooperation and communication leading to enhancements in project performances in comparison to the first project period. The Consortium has ensured sound collaboration and communication patterns alongside the project by means of regular physical meetings as well as regular virtual meetings and interactions via different digital media. The success of their close collaboration and communication is in particular reflected in the preparation and performance of the user trials.

Resource utilization description and assessment:

Foreseen project partner's resources were used as scheduled to accomplish all due project tasks and activities. There is no evidence regarding any misuse of the project resources. A more objective assessment by the review panel would require more detailed input. The Consortium partners report having duly submitted the financial report to their national funding agencies individually. Significant issues are reported in the case of the Italian partners.

Deviations from plans in management issues:

The Coordinator quite well managed the project and demonstrated a great ability in overcoming all troubles HOST met especially at the beginning. Some more technical aspects would have been better coordinated among the project countries. Specifically, the choice to deal with three different development environments is questionable from innovation and progress beyond the state-of-the-art perspectives.

IPR issues:

A post-project IPR agreement is not found necessary by the Consortium without being substantiated, which we perceive as a concern and risk for further exploitation of the project results.

Business models maturity:

The Consortium carried out an accurate theoretical study of possible business models to be applied to the project Consortium. We consider these planning activities as important for a possible success of HOST results in the market, however they strong advice to better revise the figures, e.g. prices and estimated size of targeted market. A brief but well focused analysis of costs and benefits would allow commercial partners to effectively identify business and market figures taking duly into account seniors spending power and other competitors pricing policies.

Dissemination:

Overall acceptable dissemination activities have been performed, including scientific publications, Newsletters, mailings, and presentations, with active participation of all Consortium members.

Impact assessment:

The HOST project has met its goal of providing the elderly housing companies member of the Consortium and their commercial operators with innovative prototypes and business opportunities for deploying new solutions and improving the way they exchange information and provide services to their elderly customers in their respective countries. Market introduction of these prototypes requires, however, further developments and funds. On the basis of the current achievements, different approaches to sustaining and further developing the

project outcomes are currently envisaged. For example, GOPAD association will distribute HOST-ORG in France after having integrated medical aspects (guaranteeing security and confidentiality of medical data as well as interoperability with medical devices and sensor). It is further reported that funds for the developments in France have already been secured, and prototypes are expected in beginning of 2015, with a commercial launch expected in 2017. However, further developments in the two other partner countries UK and Italy does not appear secured yet. The perspective of a European-wide commercialization appears also uncertain. The contribution and support of industrial partners will continue to play a determinant role, assuming that IPR questions will be satisfactorily addressed and a post-project IPR agreement signed.

Name(s) of reviewers(s):

Date and Place:

Signature(s):

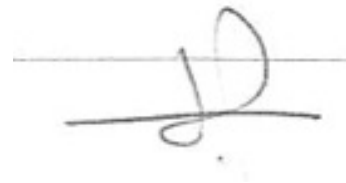
Morten Kronholm

26/10/2014. Copenhagen

A handwritten signature in blue ink, appearing to read 'Morten Kronholm', on a light blue rectangular background.

Reza Razavi

26/10/2014. Luxembourg (LU).

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ANNEX: Consortium's response to the review panel questions

**REACTION OF THE HOST PROJECT CONSORTIUM TO
THE QUESTIONS OF THE FINAL REVIEW**

30TH OF SEPTEMBER, 2014

Question 1 on HOST for the Italian NCP

Please comment on the rationale behind the situation of the Italian partners, and more specifically the following excerpt from the Final Report:

“At this point in time FINABITA has not received any payment from the Ministry. (NCP) At this point in time BioResult has not received any payment from the Ministry. (NCP).”

Annexed to the Italian NCP’s answer, FINABITA and Bioresult have prepared an updated version of the document on the status of the payments in Italy, already presented to the European AAL representative at the Final HOST meeting held in Brussels in March 2014. Please refer to the annex of this present document.

Question 2 on HOST for the consortium

Please provide three objective reasons why this project could have not been implemented as three separate national projects?

The HOST project falls within the European Commission’s rationale that underlines necessary NTIC developments for a better independence of seniors in social housing in Europe, for three objective reasons:

To acknowledge user-driven innovation in technological development: the co-design approach has given a strong focus on users requirements and needs for the development of the HOST final products. The HOST project gave an exhaustive definition of the seniors’ needs in three different countries, at the European level. The implementation of the services on 4 different devices, through different interface paradigms (TV set, tactile tablet, mobile phone, web browser), allowed the consortium to test cross-functional information flows on these devices, and identify the pros and cons of each platform and interface, at the European level.

To promote software “norm” of home care for seniors in social housing: this “norm” was tested extensively through implementation in the HOST project. This led to know what works and what does not, what is really expected by seniors and families, and what does not bring enough value for them. Adama, TriplePlay and Bioresult can build on top of this “norm” leading edge software services that are ensured to get European wide adoption. Thus, the “norm”, its implementation through system architecture and data model are key assets for European deployment. It is to be noted that even if the technological solutions look different and run on different devices, the underneath architecture is very similar, across the three countries of experimentation.

To make evolve the way housing associations interact with their clients, specifically with the seniors: it has changed the way social housing apprehend new technologies in the provided services for a better autonomy of seniors in social housing. It will impact on how social

organisation interplays with seniors in the housing and infrastructure management. This project led to a paradigm evolution that hopefully will be spread in the European social housing environment.

It should be noted that HOST technologies implemented in the three countries share the same common concept, which is providing services to seniors living in social housing. The difference is merely on an implementation level, i.e. interfaces and devices, due to differences that were found in specific needs and user requirements when conducting co-design activities in the three countries. Thus, comparing technologies in various European contexts and drawing conclusions as to their ability to adapt to users and provide services could not have been achieved by three national projects, at least not on the same scale of a European project.

Question 3 on HOST for the consortium

D1.1 (10 pages) reports on “*Strategic Orientations*” instead of “*Generic needs*” as planned in the DoW. Please comment on this change.

Instead of defining the generic needs at the very beginning of the HOST project, the consortium opted for a strategic choice to co-design the approach with the users. This aspect, at the core of the HOST project, led to the acknowledgment of specific needs, according with territories of experimentation. In 2011, at the beginning of the HOST project, a lot of criticisms were raised, pointing out too many technological projects that did not take into account users, or insufficiently.

In the DoW, Task 1.1 “Strategic Orientations” originally dealt with gathering generic user needs through a “first implementation of basic features”. However, it became clear that prior indications were needed in order to coordinate the activities related to Task 1.1, so that all partners would have a common basis to start from. Therefore, D1.1 was renamed “Strategic Orientations” instead of “Generic Needs” and it provided criteria and recommendations to guide partners in choosing the user samples, the basic features of services and technologies, as well as the experimental sites for the implementation. References to the activities described in Task 1.1 are included in D1.2.2, along with results emerging from co-design workshops and user specific requirements (see answer to Question 4).

Question 4 on HOST for the consortium

D1.2 (37 pages) reports on the co-design workshops, instead of “D1.2.1: Questionnaire on specific needs” and “D1.2.2: Specific requirements FR, IT, UK” as planned in the DoW. Please comment on this change.

In the DoW, there is no reference to a deliverable named D1.2. However, it was planned to deliver two different deliverables:

D1.2.1 “Questionnaire on specific needs” is available on the platform, aggregating three different types of questionnaires on specific needs that have been conducted (D1.2.1_A, D1.2.1_B and D1.2.1_C).

The “D1.2. “User specific requirements” (37 pages), referred in question 4, describing user requirements through specific questionnaires and the co-design workshops in each country, should have been numbered D1.2.2, instead of D1.2, as it treats the specific requirements in the three countries of experimentation. This initial numbering contains an error, as the deliverable should have been numbered, since the beginning, D1.2.2. The mistake has been corrected and the correct deliverables can be found in a specific folder named “UPDATED REPORTING” – “DELIVERABLES” on the platform with the final versions of deliverables.

Question 5 on HOST for the consortium

Please comment on why D1.3.1 and D1.3.2 as defined in the DoW, have been combined in one short deliverable, only 8 pages, and containing mostly screenshots?

Unfortunately, due to an oversight, the latest versions of deliverables have not been uploaded onto the platform. As clarified in the previous answer, a specific folder has been created with all the final deliverables. The HOST coordinator, on behalf of the consortium, apologises for this minor error.

The new version of the combined deliverable is 27 pages long. D1.3.1 and D1.3.2 have been combined as it was not relevant to formalise two different documents, which treated the same topic: the definition of home maintenance services. Indeed, as the lessons learned from co-design directly impacted the home maintenance services, it would not have been relevant to split the lessons learnt from the co-design approach and the definition of home maintenance services, as they are completely linked. For this logical reason, the consortium agreed on combining D1.3.1 “*Lessons learned from co-design for the definition of home maintenance services*” and D1.3.2 “*Definition of home maintenance services in view of setting trails*”, in one unique deliverable called “*D1.3 Home services co-design*”, which can be found on the platform.

Question 6 on HOST for the consortium

Please comment on why D3.3.1 (Evaluation template) and D3.3.2 (Evaluation results) are not delivered, given in particular the following comment:

“The complete analyses of the experimentation results on the use of tablet PC and system functionalities are described in Deliverable D.3.2.1 “Report on the local trials in Italy”. [Final Report, p.12]

Once again, the latest versions of deliverables uploaded on the platform were missing from the platform. Following this oversight, the coordinator has re-uploaded them and the AAL CMU as well as the European experts are now able to reach all the correct deliverables on the platform, including:

D3.3.1 “Evaluation template” produced by AGIM,

D3.3.2 “Evaluation results” produced by AGIM, combining the French, Italian and UK evaluation results.

Question 7 on HOST for the consortium

In D4.1 (Synthesis of evaluation results), please comment on the signification of “*Not used*” occurrences in the following table, and their impact on the overall evaluation methodology?

UJF-AGIM, as the leader of the evaluation process, did start the evaluation process in France a little bit in advance than the Italian and UK partners. The aim of the first step of the methodological approach was to test different types of scales for the evaluation approach, in order to share with the Italian and UK partners the scales they should apply according to the first evaluation results in France. These different scales were fully used only in France, as it clearly emerges in Table 6. Indeed, if the table looks to highlight the lack of contribution of Italian and UK partners, it was not the case in reality. After having tested these different scales, UJF-AGIM came up, with a standardized methodology, which has been applied on the UK and Italian territory of experimentation.

We totally agree on the fact that the deliverable should have described in 3.5.2.1. the common and standardized method validated by the consortium since the beginning and applied for every country. And then, the other scales used in France should have been described in a second paragraph 3.5.2.2. only.

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	Evaluation synthesis, version 2	

Domain	Name of the scale	FR	IT	UK
Well being	WBI 5 http://cure4you.dk/354/WHO-5_English.pdf	BL* & EP*	Not used	BL
General cognitive status	Mini Mental State Examination (MMSE) (Folstein and McHugh, 1975)	BL	Not used	Not used
Quality of Life / Health	EQ-5D www.euroqol.org	BL & EP	Not used	Not used
Health condition	ASL ²	NA	BL	NA
Loneliness feeling	Loneliness scale (De Jong-Gierveld & Van Tilburg, 1999)	BL & EP	Not used	Not used
Self-efficacy	General Self-Efficacy scale (GSE) (Jerusalem & Schwarzer, 1979)	BL & EP	Not used	Not used
Executive functioning	Hanoi Tower and Simon Says (iPad applications)	BL & EP	Not used	Not used
Relationship to computers and the Internet	Computer Anxiety Trait Scale (CATS) (Gaudron & Vignoli, 2002), Expectation for Internet (Faurie & Van de Leemput, 2007)	BL & EP	Not used	Not used
Habits	Self-Report Index of Habit Strength (SRHI) (Verplanken & Orbell, 2003)	Mid Term and EP	Not used	Not used
Satisfaction with HOST technologies	Quebec User Evaluation of Satisfaction with Technology v.2 (Demers, 2002)	EP	EP	EP

Table 6. Standardised scales (*BL = Baseline, EP = Endpoint, NA = Not Applicable)

Question 8 on HOST for the consortium

Please comment on why the UK results were not transmitted, as for example reported in D4.1 and in the Final Report as follow and its impact on the overall evaluation of the project.

“Evaluation: the feedback provided by UJF-AGIM, in charge of the HOST project evaluation, has demonstrated an absence of contribution from some partners, and a potential for improvement from some others. The evaluation process did not appear clear for everyone, as misunderstandings occurred. For the English partners, the work has not been completed yet. The Italian partners transmitted to UJF-AGIM 32 databases. On the UJF-AGIM side, it seems delicate to provide interpretations only based on databases. The French experimentation evaluation seems to be nearly completed.”

As mentioned previously, the latest versions of deliverables uploaded on the platform were not taken into account. Following this computer bug, the coordinator has re-uploaded them and the AAL CMU as well as the European experts are now able to reach all the correct deliverables on the platform.

Thus, the new version of the D4.1 “*Final evaluation note*” does not contain any remark about the lack of contribution from the UK partners. A discrepancy can be observed between the theoretical deadline for the UK partners to deliver their contribution and the real one when their contribution was sent to UJF-AGIM. For this reason, in the first version of the D4.1, UJF-AGIM thought that it was necessary to precise this lack of contribution from the UK partners, contribution that has been sent since.

The quoted extract comes from the last General Assembly minutes, on the 5th of March, 2014. These exchanges between the consortium members aimed at finalising the final evaluation note, in the favourable conditions. The final D.4.1. version is on the platform and is posterior to this exchange, allowing to integrate the last contributions.

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	Evaluation synthesis, version 2	

In **United Kingdom**, the use rate was not transmitted. Instead it was based on the feedback we had during the evaluation task meeting: the participants had difficulties in staying motivated because of the passive nature of the device. It seems that few participants still use the TV, which is sometimes considered annoying because the HOST functions conflict with the use of the TV.

The QUEST scores for **UK** participants were not gathered. The partners thought that it would not make sense to ask for satisfaction knowing the technical problems encountered.

Question 9 on HOST for the consortium

Please comment on what is really new in the Conclusions of the evaluation as reported in D4.1?

Specifically, what are the project contributions to address the diversity of users and their needs at European level, beyond the three involved countries and the project partners? What are the methodological contributions? What are the technological contributions (common models and patterns, reference system architecture and reusable tools etc.)?

Please respond while having in mind in the following comments from the Final Report:

“The limits remain in the possibility to mutualise solutions with partners such as open source software, facilitation methodologies and cross-domain investment for which administrative and heterogeneity of partner’s initial roadmap and objective is a restriction.”

The HOST contribution to address the diversity of users is the core of the project. From a methodological perspective, the methodology used throughout the project, where end-users have been involved, in its co-design, is very innovative. The outcome has been a well-accepted simplified interface cut to the needs of elderly users, with specific references to the functionalities such as videoconference and text messages.

From a technological point of view, the main contribution of the project lays in the exhaustive definition of the needs of the seniors in 3 countries, which were derived in data model and technological development in the 3 countries. The consortium has provided, on a European scale, the definition and implementation of useful services for seniors and their circle of support. This corresponds to the first step to promote a software “norm” of home care. This “norm” was tested extensively through implementation, in the HOST project. This led to know what works and what does not, what is really expected by seniors and family, and what does not bring enough value for them. Adama, TriplePlay and Bioresult can build on top of this “norm” leading edge software services that are ensured to get European wide adoption.

Thus, the “norm”, its implementation through system architecture and data model are key assets for European deployment. It is to be noted that even if the technological solutions look different and run on different devices, the underneath architecture is very similar, across the three countries of experimentation.

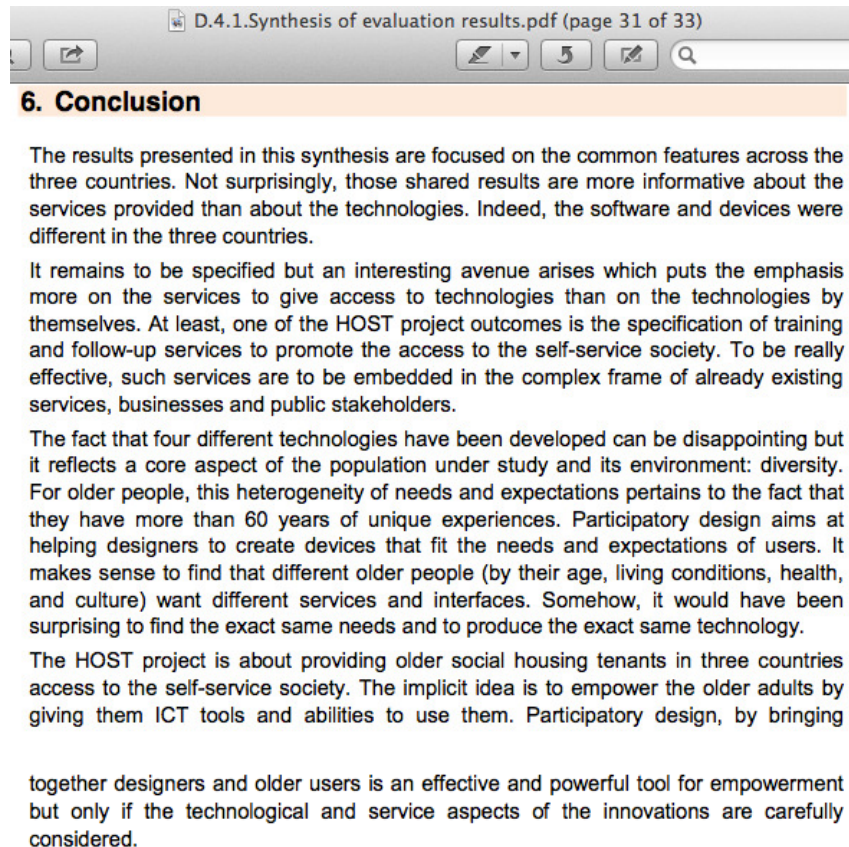
Let’s take an example: payroll software does not have the same look and feel, depending on the countries. They apply different tax rates in different European countries. Yet, they have the same internal logic, system architecture, mobility access. They have the same mantra: providing payroll compliant with the latest rules, with maximum usability.

HOST developments across UK, Italy and France are equivalent: common statement (cover all the needs through a simple interface), common architecture (back office server with front ends in devices), data model extracted from a European wide list of needs.

From the UK perspective there have been some really powerful technical developments through the integration of the SuRe system that provide staff with real time record access, which we have

trialed twice. It includes giving staff and service users a direct access to their care records, including up to date delivery of home care. This superb new tool would have never been developed without sharing the lessons learnt from both our Italian and French partners through their use of tablets and understanding what worked well for them. In the UK, we will have 1,000 users by April 2015.

For the entire consortium, the diversity of developments, orientated towards the same shared background and rationale, ensures that needs are representative and based on users' requirements.



Question 10 on HOST for the consortium

Please comment on three major innovation of this project, and how they objectively progress beyond the state-of-the-art?

The definition of the senior needs on the European wide scale, which led to the implementation of software services that had an impact on senior citizens in three different countries, is for the consortium the first major innovation of the HOST project. To implement these software services, the consortium needed to analyse thoroughly the needs, and derive a system architecture + data model + logic of services. This definition of the needs already had great impacts. In France, for instance, Adama used the results of the HOST project and the needs derived to propose a software “norm” for the exchange of information between home care stakeholders. This “norm” has been adopted in France by all major software providers of information system for home care. Following the impulse of ADAMA, they were gathered in mid 2013, in a not for profit association called “GOPAD”². Based on the HOST results, Adama was confident that this “norm” was representative of the needs in Europe, and that it could be easily extended in other countries. Next step is to promote this “norm” in other European countries. Thanks to the innovative methodology used throughout the project, where end-users have been involved, throughout the all project, in its co-design, the outcome has been a well-accepted simplified interface cut to the needs of elderly users, with specific references to the functionalities such as videoconferences and text messages.

The implementation of the services on 4 different devices through different interface paradigms is the second main innovation. Services were implemented on TV set, tactile tablet, mobile phone and web browser. This allowed the consortium to test cross-functional information flows on these devices, and identify the pros and cons of each platform and interface. For instance, in the United Kingdom, Tripleplay demonstrated the ability to seamlessly integrate Skype into the television experience, linking the housing services into the platform and providing different access levels for different services users as part of the cycle of support. The ability to access Skype through the television whilst watching a programme proved very popular with the seniors. It allowed them to connect easily with their family and friends whilst not having to change their daily routine. This was a key feature of the system, shared with the entire consortium. Connecting with the housing services saved time and cost as it enabled seniors to easily see their spend as well as schedule work men for a repair, it simplified the whole process as well as saving cost for NCHA, or for OPAC as it freed their staff to do other work. Allowing the circle of support to access different elements of the system through a web based service allowed them to easily communicate to the elders through scheduling events, sending messages or uploading pictures. The ability to offer different services and features by supporting individuals ensures that data protection and the security of the system could be maintained whilst providing the flexibility required of the platform. On the Italian side, whilst at the beginning of the project end users were offered three devices (smartphone, TV set-top box and tablet PC), it soon became clear that they preferred the tablet PC. The main reasons are its ease of use, its ease to be carried and its size. This result has been significant and has guided the

² <http://www.net1901.org/association/GROUPEMENT-DES-OPERATEURS-ET-PROFESSIONNELS-DE-LAIDE-A-DOMICILE-G.O.P.A.D,1114529.html>

development of the solution in Italy. Furthermore, it has permitted to experiment different technologies in different countries, therefore allowing for the comparison results.

This second innovation led to a third one, shared by the housing associations: the way housing associations interact with their clients, specifically with the seniors. It changed the way social housing apprehend new technologies in the service of a better autonomy of seniors in social housing, in a better quality of life with better service provided. It will impact on how social organisations interplay with elders in the housing and infrastructure management. The HOST partners believe that the use of communication digital platform will optimise relationships between end-users – seniors – and social housing providers. This project led to a paradigm evolution that hopefully will be spread in the social housing environment. This will bring improvements in the internal provider organisation and it will reflect on the quality of the relationships with its associates.

Linked to this third innovation, the project led to improve performances of ordinary residential building, through the integration of the project ordinary plant design with ITC technologies, in order to allow internet access and procurement of house services, especially for those houses directed to fragile people. This will require modification of the current housing standard with repercussions on the regulatory requirements and the access criteria to social housing benefits.

To conclude, the HOST project aims at supporting a non exclusive variety of uses built on each local ecosystem and alternative real life meeting and online creation:

- from elderly people's point of view : it allows to enrich social links with family, close relatives and neighbourhood; it remains active at home and valorises experience in collective projects.

- from social housing's point of view: it allows to facilitate institutional services deployment such as resident push communication, organisation of home care providers intervention, local survey and choices facilitation (food).

- From local actors' point of view (shop keepers, associations, nutritionists, libraries, schools): it brings an inclusive approach to get involved in local communities facilitated by initial trainings and awareness sessions.

Question 11 on HOST for the consortium

In which countries the HOST service is still provided to (the trial) users and under which conditions?

In France, UK and Italy, the HOST services are still provided under different conditions:

In France, all end-users who have participated to the whole trial phases have been left with the device. HOST Org services are not anymore used, as the finalisation of the commercial version is running. HOST Com services are still provided. A kit has been proposed to the local authorities, combining the application and the animation tool.

In Italy, all end-users who have participated to the trial phase have been left with the device. To those users who did not have any internet connection, it is offered free service for at least a further year. Furthermore, they will receive full assistance in case of any problem. Then, all the HOST services will be supplied on demand by private companies or volunteer associations according to their specific service offer.

In UK, the service continued in its initial form until the end of August 2014. A new contract is in place for the first 100 new units to be deployed in October 2014 rising to 2,500 by April 2016. However, the UK partners believe that this figure will be exceeded as the market is watching the new system with great interest. We will see a further investment from NCHA's own fund of £1million pounds over the next 2 years which will get NCHA Board approval on the 5th November 2014.

Question 12 on HOST for the consortium

Please comment on the adaptability and configurability features of the three HOST implementations.

For the French HOST implementation, one key point is to easily add and remove services from the HOST software. For HOST ORG, this is easily done through the configuration of the back-end server. Let's consider for example that a senior living in a social housing owned by OPAC du Rhone is also a customer of any home care service nearby. His/her own account will be linked with the information system of home care services and information will flow automatically from the information system of home care services to his/her interface on the mobile device.

Configurability is also a key feature: all seniors do not have family members ready to help them, circles of support are different from a senior to another, they will access the services through mobile phone, or preferentially through a web browser. In HOST ORG, configuration is made very simply on the server-side, as well as accounts and permissions. The idea is that when the senior has an application installed on his/her device, nobody would have to go to senior premises to change a configuration on the device.

For HOST communication, the first adaptability level is technical, aiming at facilitating connection and implication of every user in the local and online service offer:

The Web Application developed by Erasme uses HTML5 technology working on common devices (touchpad, desktop computers, and relatively new smartphones) and provides a low cost entry to the service, not obliging to invest in new material.

All content types are supported (such as pdf, docs, videos, websites) and re-encoded on the server simplifying publication and aggregation of existing storage.

The second part is ergonomic:

HOST communication is a peer local social network and modular application in which each person is represented by a face (even if institutional) and has a various ways of building its library and interacting: reading, sending messages, co-creating contents, sharing, commenting. Accompanied by participatory methodologies (workshops, telephone support) this platform acts as an amplifier of existing projects and facilitator of voluntary initiatives : local or intergenerational cultural activity (game mystery photo, Christmas memory, etc), information and consultation with the seniors (Newsletter, questions, comments and exchanges), organization of local life (exchange of unused objects in the building), spontaneous discussions and meetings between residents, share expertise and advice.

It aims to be an online digital library, but can be plugged on a wide range of interaction modules such as NFC, using objects as shortcuts.



For the UK implementation, key findings from the implementation was that the data had to be fresh and constantly updated and that incorporation of video both live for information, learning, communication and entertainment are key to ensuring the Elders remained engaged with the system. Ease of use and reliability were also seen as key elements of the system. If components did not work reliably they soon lost interest in the system. Based on these finds the system was highly configurable as it allowed different services to be enabled for different Elders as well as the ability

to change the colour and font size depending on the user. For the trial these options could only be controlled centrally by an administrator but future releases would add this capability to the end user application.

For the Italian implementation, the server side of the HOST implementation in Italy is based on the integration platform Omniaplace of eResult. The platform is 100% customizable. This makes it possible not only to be constantly redrawn on the basis of each individual operational need, but also allows a continuous update of the solution according to changing needs. The whole implementation of the solution resides on a highly configurable relational database whose content is interpreted in real time by the framework of the platform, which encapsulates the entire application logic. The web application layer, by querying the framework, produces all the application pages. This architecture, by moving into the database layer the specific implementation of the solutions, ensures their robustness, scalability and maintainability. The system is developed in Microsoft .NET using SQL Server as DBMS. The user interface is a web interface that allows the interaction with the system from any network location, relieving the need to install and maintain any additional software. The platform offers a high degree of portability thanks to its cross-browser compatibility (it supports Internet Explorer, Chrome, Firefox, Opera, Safari) and a version suitable for mobile devices (tablets and smartphones).

The end-user tabletPC application is based on Android operating systems. It has been developed using Android standard functionalities, this approach guarantees that the application can be supported on new releases of the operating system without issues.

The versatility and modularity of the whole HOST architecture ease the maintainability of the functionalities, the development of new ones or even the implementation and management of information and functionalities of a completely different nature from the original ones.

Question 13 on HOST for the consortium

Please comment on the following excerpt from the Final Report, and the implementation status of the HOST-Org solution:

“Regarding HOST-Org, it is unfortunate that the original idea has not been completed. Because of that, people could hardly find the utility of such an application. However, it was interesting to see that the family caregivers were in the loop, often forgotten in this kind of applications.”

The entire consortium acknowledges that the above sentence the experts refer to was misleading. Implementation status of HOST-ORG was not questioned: on a technical point of view, all features of HOST-ORG were implemented and demonstrated at the HOST final event in Brussels. The sentence should be contextualized and written this way:

“Regarding HOST-Org, it is unfortunate that the original idea has not been tested extensively enough in the scope of the experimentation. Because we could not recruit enough seniors using home care services, experimenters (which were not concerned by home care services) could hardly find the utility of such an application. However, it was interesting to see that the family caregivers were in the loop, often forgotten in this kind of applications.”

The key feature developed in HOST-ORG, (referred to as “the original idea” above) is the ability to extract and display data extracted automatically from home care services. At first, this feature was compatible only with home care structures equipped with one software provider, called Apologic. Due to the constraints of experimentation and recruitment, the number of seniors using home care services was very small, needless to say home care services equipped with Apologic.

A vast majority of the seniors who tested HOST-ORG did not have any compatible home care services, which explains their lack of interest in the feature and their reaction “could hardly find the utility”.

To overcome the constraints (the difficulty to recruit home care services users, hence the difficulty in probing the interest of this feature), ADAMA worked in two directions:

First, they added compatibility with the other major software providers, that were grouped in GOPAD association in 2013

Then, they conducted other tests in which they validated the interest of the feature: they recruited out of HOST project 50 seniors using home care services to extend the initial experimentation. The interest of the feature was proved by a scientific study from a psychology and ergonomic laboratory in France (Telecom ParisTech).

In fact, the users’ feedbacks of this targeted population of seniors using home care services was so good, that we decided to take the risk to launch a product based on this feature. We are therefore proud to announce that this commercial version of HOST-Org, codenamed “DOME” should be available in France at the end of 2015 and be distributed by software providers of home care services, which should guarantee a massive adoption.

Question 14 on HOST for the consortium

Please comment on the latest status of the following four objectives:

- (1) *“January-June: Setup of a company dedicated to sell services. Preparation of animation tools that can be marketed.*
- (2) *Summer: Work on a commercial brand and graphic redesign of the web application*
- (3) *September-December: First projects sold to 1 to 3 clients.”*
- (4) *“Moreover, after the end of the project, UVEG has planned the development of a full book compiling a synthesis of the results of the HOST project following a scientific point of view. The audience of this publication will be policy makers, experts, professional scientists and a wider public as well. The HOST book will be written in English but it will be possible to translate it into national languages.”*

Concerning HOST-ORG, as stated above, an association was created in 2013 to distribute a redesigned version of HOST-ORG, codenamed “DOME” in France. Commercial launch is planned in 2015, and will get instant success, because each software provider of home care structure, founder of GOPAD association, is ready to distribute DOME to its own customers.

For HOST communication, Erasme has published the source code of the social network WebApplication and the methodology of local community building respectively experimented under MIT and CCBySA License. During the summer, a young local startup from Lyon called Idolink has shown its interest in providing an integrated service of local community building based on these public resources, including local workshops animation, web platform development and hosting, infrastructure support for network and touchpad deployment.

- (3) The conditions for reaching these two objectives are not favourable. Concerning UK, based on the market research performed through the project and the challenges of identifying the correct end device and cloud based platform, Tripleplay has been unable to bring a complete proposition and offering to market at this time. However, the project provided a platform to allow the business to evaluate what was needed to offer a compelling proposition to elderly people; but further investment in infrastructure, software development and marketing readiness is required for a productized version to be available on a mass market offering. As such funding was not available to complete this work, Tripleplay has presently been unable to take a product offering to market. If its economic position or the commercial environment change, Tripleplay will endeavour to complete this work and enter the market appropriately.

Concerning the Italian partners, on May 21st 2014, in Rome, FINABITA and Bioresult participated to an “On demand coaching” workshop aiming to revise and improve the

hypothesis of the HOST Italian business plan. The workshop was sponsored by AAL2Business and coached by Mr. Henri Hietala (NHG).

- (4) Polibienestar Research Institute – University of Valencia contacted a Spanish publisher (Tirant lo Blanch) interested in the HOST project. Since the publisher agreed to publish a manuscript based on the HOST idea, Polibienestar shared the proposal to the whole consortium in the General Assembly held in Valencia (Spain) on March 2013. The aim was to write a collaborative book in English describing the work carried out during the life of the project, highlighting its main outputs and impacts. The proposal was joined by the following partners and sub-contracting parties: OPAC du Rhône, University of Grenoble, CNR-ITC, FINABITA, Abitare e Anziani (AeA), BioResult, Loughborough University and Polibienestar Institute (coordinating and managing the publication).

Entities were invited to propose a list of potential chapters. Finally, the proposed title and chapters is the following:

Title: ICT and Housing for Ageing. The experience of HOST project

Chapter 1. Introduction

Chapter 2. Methodology and innovations in ICT services for the elderly

Chapter 3. Challenges and benefits of participatory design with older people

Chapter 4. Needs and barriers of older people using ICTs: the French case study

Chapter 5. Needs and barriers of older people using ICTs: the Italian case study

Chapter 6. Needs and barriers of older people using ICTs: the English case study

Chapter 7. The Spanish case study: sustainability of ageing society

Chapter 8. Evaluation of ICT-based services: HOST assessment and results

Chapter 9. Social housing: potential market of ICTs

In the final General Assembly held in Brussels in March 2014 it was agreed to postpone the writing tasks of chapters until the end of the project due to its active final period. So currently, participants are working on the development of the first version of full-chapters to be delivered to Polibienestar on 30th September 2014. From this date, chapters will be revised and sent back to authors with feedback and comments to improve their content or format.

It is expected that the definitive version of the manuscript will be delivered to the publisher on June 2015.

Question 15 on HOST for the consortium

Have the consortium members signed a post-project IPR agreement. If yes, has any member been excluded from that agreement? If not, why?

Consortium members did not sign any post-project IPR agreement. The conditions are not reached yet, and according to the consortium, a post-project IPR agreement will be too premature.

Question 16 on HOST for the consortium

Is there any contact to services providers in order to fine-tune the product and bring it to market?

Concerning the French partners, compatibility of HOST-ORG services was extended to almost 50% of home care structure, by an agreement with major software providers in this field. This agreement takes the form of GOPAD association in which:

- common data model is defined and implemented by the partners (on the basis of HOST first list of needs);

- software application is distributed by the partners to their own customers (the home care structures).

Commercial launch should take place in end-2015. European extension, beginning with Belgium should start at the same time.

For HOST communication, Erasme has published the source code of the social network WebApplication and the methodology of local community building respectively experimented under MIT and CCBYSA License.

During the summer, a young local startup from Lyon called Idolink has shown its interest in providing an integrated service of local community building based on these public resources, including:

- local workshops animation,

- web platform development and hosting,

- infrastructure support for network and touchpad deployment.

Historical HOST founders suggested labeling this startup and aggregating a users club of local cities interested in such a service, in order to support the dynamic and share means. From September to December, local experimentation including partnership of municipality, social housing providers, and General Council will take place in 2-3 places in the Rhone territory calling services from this company in Amplepuis and Vaulx en Velin. Some other places are interested (Limonest, Givors, Feyzin) and aim to reach the objective to launch 5 to 10 local communities using Host Communication model in 2015.

Concerning Italy, there are ongoing contacts with: housing (dwelling) cooperatives, Auser (an Italian volunteer worker association) and “Coop” a large chain of supermarket. Furthermore, there has been some exchange of information between Finabita, Bioresult and a large social cooperative based in Milan.

Concerning UK, with the rapid expansion of cloud-based platforms, Tripleplay did investigate the visibility of hosting the back end services and applications within these operators using virtual system environments. It found that a number of operations offered multiple points of presence within in the UK that provided a suitable infrastructure to host the service application for delivery to the Elders home and end device. However, the discussions further highlighted that whilst there are many service provider cloud based platforms available, understanding their cost model and providing the optimum platform to support the operational costs of deploying the platform still remained challenging. The monthly subscription fee was a combination of storage space used, number of CPU's allocated to the application, bandwidth used for supporting the application and video streaming, technical flexibility provided by the hosted platform and the operating system offered. As the elderly can only afford a small weekly subscription fee, the main concern was signing for a service provider which costs could increase significantly if the system was successful or over used, thus eroding any margin as the service provider could increase their charges based on the criteria identified above. Whilst a large number of service providers were contacted, the research undertaken highlighted that further consideration must be given to what the product should offer before bringing it to market. At this time, this is still under consideration.

Question 17 on HOST for the consortium

“What type of further research/development is necessary to finalize the product (technical, adoption, market research etc.)?”

Italy: market research and finalisation of the business model

UK: research optimum end device or devices for service

France: more technical development to integrate medical aspects in the platform and to prepare a massive deployment in several countries” [From the final report]

What is the time for this further research and development?

In France, HOST-ORG will be distributed by GOPAD association. But before that, medical aspects will be integrated in the platform. , Due to regulation in France as well as technical limitations, HOST-ORG cannot currently handle medical related data such as weight, cardio frequency, and so on... Therefore ongoing developments are made to guarantee:

security and confidentiality of medical data

interoperability with medical devices and sensors

This is key for extending the initial target market of HOST ORG to dependent seniors. The funding of these developments has been agreed, and the first prototypes should run in beginning of 2015. The commercial launch for this extension of HOST platform should take place in 2017.

Once again, HOST project allowed Adama to develop a first version of software for seniors. It did not solve all the questions that were raised during the course of the project, but it helped validating some key assumptions about the receptivity of the market, the devices on which the services should run, the architecture of the project and the roadmap to commercial launch. HOST Project is not an end, but the beginning of European wide commercialization.

In the UK, the port of the application suited to a new end device that would require 6 months development effort. The challenge however is to identify the correct device and how it can be best supported on a large scale deployment. With the increasing trends for tablets and smart phones and multi-platform, end user device strategy must be considered as a viable option. This leads once again to the challenge of determining the suitable operating system for such application e.g. Apple iOS, Android or Embedded Linux. Each platform presents its challenges and advantages. Elements to consider would include security, reliability, cross platform options, functionality, management, cost of deployment, on-going support and availability, ease of development and deployment. Whilst any development would take 6 months to complete, a further 3 months of product evaluation and prototyping would need to be considered to determine the correct platform to move forward, based on the criteria defined above.

Concerning Italy, it has been estimated that the work to finalize the market research will take a further year. Afterwards, it will be possible to define and formalize the business plan, which will take a further six months. As explained in the answer to question 14, the Italian partners participated to a workshop in May 2014, to revise and improve the hypothesis of the business plan. The lesson learned will be used to analyse the potential customer segment and what they really need; look at how to tackle the different markets within Italy and how to verify the steps taken.

In the meantime, in parallel with the market research, some improvements to the solution have been developed or will, in the next year, to finalise the product. In particular having seen how the end-users have appreciated the “circle of support”, a decision has been taken to bring the solution closer to a more modern “social network” adding further functionalities but keeping them simple. The work will involve development on both server and application side. In general, there will be improvements of the end-user experience by updating the system maintenance procedures and by favoring an ever more simplified access to the solution. Moreover, according to the finding of the market research and as the trial end-users (still using HOST) become more technological so their demand for services become ever more evolved hence the solution will be developed further.

Overall it is foreseen to be able to bring the product on the market within two years, hence around early 2017.

ANNEXE: HOST Italian Issues – September 2014



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INTERNATIONAL COOPERATION PROJECT AAL –JP (call 3)
HOST PROJECT
Smart technologies for self-service to seniors in social housing

REPORT on STATE of FUNDING PROCEDURES with MIUR - ITALY

After the approval of HOST Project, the European Coordinator (Opac du Rhone, France) called all project partners (from France, Italy, UK and Spain) to a conference in Lyon on May 3rd and 4th, 2011, to start activities.

On April 27th 2011 Italian partners FINABITA spa (subcontractor: Associazione AeA, Abitare e Anziani), BIORESULT and ITC-CNR (subcontractor: e-Result srl), although they hadn't signed the contract yet, informed MIUR that nonetheless they were available to participate to the conference, and asked for clarification about the request that had come from European partners to sign the Consortium agreement. The Italian partners decision was taken in order to avoid complications to the European partners.

As no answer came from MIUR in time for the conference, the Italian partners agreed to ask for a clause to be included in the Consortium Agreement not to hold partners responsible for breach of obligations, in case of delays in signing the funding contracts due to national funding agencies. After the addition of the clause the Italian partners signed the Consortium Agreement.

On 25th May 25th, 2011, with note "prot. N. 84", MIUR communicated to the Italian partners the positive selection outcome for the project from the European evaluation commission and the start of negotiation procedures, with possibility to report costs as of October 29th, 2010.

After much soliciting from Italian partners, in August 2011 MPS Capital Services, MIUR financial advisor, requested an inspection at FINABITA office in Rome as prescribed by Italian funding procedures. The inspection took place on the 20th September 2011 by dr. Guido Falciasacca from MPS Capital Services, and prof. Roberto Raiteri, national expert appointed



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by MIUR to evaluate the project adequacy. All Italian partners participated with a representative.

Integrations requested during the inspection were sent by email on October 28th, 2011. Prof. Raiteri, immediately after, confirmed he had written a final approval report. He also confirmed that MIUR had received the approval report early in November 2011.

On the 17th July 2012, MIUR communicated, through a note, the issuing of the grant decree and invited the Italian partner to present documentation for contract signing. Thus, after more than 12 months since the beginning of the project activities and start of negotiation.

The contract was signed on November 27th, 2012, 18 months after the beginning of the project and 12 months before its expected conclusion.

Due to such delays, Italian partners asked and obtained from MIUR a 12-month extension as allowed by the contract, but decided to avail themselves of only 6 months after strong pressure from European partners, whose national funding authorities did not appreciate such a long postponement of the project conclusion.

Therefore, project end date was postponed from **October 30th, 2013 to April 30th, 2014.**

CONTRIBUTION DISBURSEMENT AND FINANCIAL REPORT APPROVAL

Situation at the 22th September 2014

As coordinator of Italian partners, Finabita presented the advancement reports ("SAL") to MPS Capital Services on the due dates defined by the contract:

Period 01/05/2011- 31/10/2012 (SAL 1-2-3) sent on January 25th, 2013

Period 01/11/2012- 30/04/2013 (SAL 4) sent on June 28th, 2013

Period 01/05/2013- 31/10/2013 (SAL 5) sent on December 20th, 2013

Period 01/11/2013- 30/4/2014 (SAL 6) sent on June 26th, 2014

Period 01/05/2014- 30/06/2014 (SAL 7) sent on August 8th, 2014



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To current date, , despite several demands, MPS Capital Services hasn't yet approved any financial report, they only ask on 11th February 2014 to CNR, some administrative integrations.

Therefore no payment has been authorised, except for the advance payment provided for by the contract (see below).

We highlight that, as per art. 4 of the contract, MPS should have verified financial reports within 30 days from receipt of expert approval (by Prof. Roberto Raiteri) and administrative documentation. Hence MPS should have authorised payment of requested and reported amounts.

ADVANCE PAYMENT DISBURSEMENT

Art. 5 of the contract allows partners to request an advance payment of 30% of contribution. FINABITA and ITC-CNR have issued such requests. In particular, FINABITA sent its request on December 12th, 2012. Moreover FINABITA, due to delays in the emission of anti-mafia certification, had to produce a bank guarantee on March 3rd, 2013.

On March 22nd, 2013 MPS Capital Services communicated their approval to MIUR, inviting them to proceed with payments.

In November 2013, when funds were made available again after their suspension, the advance payment was unexplainably issued to CNR-ITC only. FINABITA did not receive any payment, notwithstanding the fact that the competent office in MIUR had communicated by email on September 13th, 2013 that “... come da intercorsi accordi telefonici, le preciso che in data 27/03/2013, è stata autorizzata l'emissione del mandato di pagamento sul fondo FAR per l'anticipazione della prima quota di contributo, come richiesto da MPS.”

Translation “... as per our phone call, I clarify that on 27/03/2013 issuing of payment mandate on FAR fund has been authorized for the advance payment of first part of contribution, as requested by MPS.”



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CONCLUSIONS

Five months after the Project end and three months from the further extension approved by NCP only to the Italian partners the situation is the following:

Payments_

ITC-CNR: 30% advance payment received in November 2013;

FINABITA: 30% advance payment received in September 2014*

*Procedural delays by MIUR have led to the reallocation of funds at the end of the second year without using them, so now the MIUR accounting offices had waiting to receive from the " State Treasury" availability for these funds. **But we are talking only about an advance payment.**

No other payments have been authorised because MPS Capital service did not communicate any feedback to the Italian partners until February 2014 and at this point in time, we have not received any communication that any of the report sent has been approved.

The Italian partners, until now have respected all the deadlines of the project and the national Contract; and those that are more financially exposed have taken the burden on their shoulders to guarantee the continuity of the project to the European partners and to bring it to success.

Rome, September 22th, 2014

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