



Oifig an Ard-Rúnaí
An Roinn Oideachais agus Scileanna



Office of the Secretary General
Department of Education and Skills

Mr Ted McEnery
Committee Clerk
Committee on Public Accounts
Leinster House
Dublin 2

Correspondence 3.4
Meeting – 15/09/2011

PAC-R-49

29 July 2011



RE: Properties Transferring under the terms of the Indemnity Agreement

Dear Mr McEnery

Further to my commitment to provide your Committee with a six-monthly update on the properties transferring under the terms of the Indemnity Agreement, I wish to set out the position as at 30th June 2011.

The Department agreed in principle with CORI that a total of **64** properties would be accepted subject to good and marketable title and agreed valuations. This number has reduced to 61 as the Department has accepted and received a cash sum in lieu of three properties where good and marketable title could not be established.

As at 30th June 2011, good and marketable title has been established on **37** properties which have been fully transferred and there are no outstanding issues. The total value of these properties is €40,079,110.00. This represents 63% of the total monetary value of all the properties transferring under this aspect of the Indemnity Agreement excluding cash in lieu. A list of these properties and their valuations are attached at Appendix 1. When the Committee was updated in January 2009 the number of properties fully transferred was 20 with a valuation of €26,790,575.00 (40.7%), in June 2009 the number of properties fully transferred was 25 with a valuation of €33,207,855 (50.44%), in November 2009 the number of properties fully transferred was 31 with a valuation of €36,085,110 (54.81%), in May 2010 the number of properties fully transferred was 32 with a valuation of €36,339,110.00 (57%) and in December 2010 the number of properties fully transferred was 35 with a valuation of €37,539,110 (59%).

The remaining **24** properties have not been fully and finally accepted by the Department under the terms of the Indemnity Agreement. A list of these properties is attached at Appendix 2.

In relation to the 24 remaining properties not fully and finally completed, the Congregations have agreed to transfer them under the Indemnity Agreement, subject

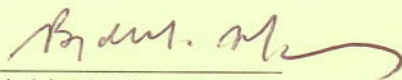
to good and marketable title being furnished. Physical transfers of the properties have taken place and all of these properties are in use or available for use by the intended recipients. While they have transferred physically, the Chief State Solicitor's Office continues to pursue the legal requirements issue under the Indemnity Agreement.

Regular meetings are continuing between the Department, the Attorney General's Office and the Chief State Solicitors Office in order to finalise the transfer process under the terms of the Indemnity Agreement. A shared database is constantly being reviewed and updated. Each property is discussed in specific detail at the review meetings. There is ongoing communication and any changes in the status of the properties are promptly communicated. Department officials are continuing to engage with the Religious Congregations, the HSE and various voluntary bodies in order to complete the outstanding requirements under the terms of the Agreement.

I previously informed the Committee that the Department was undertaking a full review of the valuation process including reviewing valuations in terms of adjustments for historic grants as provided for under Clause 9 of the 2002 Indemnity Agreement. This review is now complete. It appears from the work carried out that grants with a written down value of approx. €2.6m in 2002 should have been taken into account under that Clause. In one instance an error occurred where it appears that the application of a Euro conversion rate was mistakenly applied to the value of one property. This resulted in a higher valuation (€635,000 instead of €500,000) being attributed in error to that property. On the other hand a significantly lower valuation was attributed to a property (€4.5m) by valuing it as a property which would continue to be used as a school rather than at open market value (€8.5m) as provided for under the terms of the Indemnity Agreement.

While the review showed that grants were not taken into account it also showed that the valuations agreed resulted in an overall net benefit to the State compared with a strict application of the terms of the agreement. Accordingly there would be no benefit to the State from reopening the issuing valuations under the Agreement

Yours sincerely



Brigid McManus
Secretary General

APPENDIX 1

	Property Fully & Finally Accepted	Value
1	Doon, Co Limerick	€640,000.00
2	St Coleman's Rushbrook	€571,380.00
3	Playing Field Carna	€175,000.00
4	Secondary School & Site, Ennistymon	€980,000.00
5	Mohill Community School Site	€520,000.00
6	Terenure Secondary School	€4,500,000.00
7	Site at Merrion	€8,900,000.00
8	Two Properties at Tuam	€3,020,000.00
9	Nursery Buildings Goldenbridge	€570,000.00
10	24 Westcourt Tralee	€184,110.00
11	Site at Glenamaddy	€600,000.00
12	11 Acre Site at Virginia Road, Kells	€825,000.00
13	Deenagh House, Killarney	€215,265.00
14	St Anne's Secondary School	€2,600,000.00
15	28 The Woodlands	€270,000.00
16	Vacant Buildings and Land at Rathdrum	€349,200.00
17	Gate Lodge, Goldenbridge	€220,000.00
18	1 Garravogue Road, Raheen, Co Limerick	€228,550.00
19	23 Woodlea, Tralee, Co Kerry	€152,370.00
20	Goldenbridge Group Homes	€1,269,700.00
21	Ballymote Co Sligo	€38,000.00
22	15 The Willows	€114,280.00
23	Presentation Convent, Hospital, Co Limerick (to DES)	€175,000.00
24	Traveller Site at Blackrock	€3,045,000.00
25	St Teresa's Temple Hill Blackrock	€3,045,000.00
26	Belmullet Co Mayo	€140,000.00
27	59 Hollybank Road, Drumcondra	€570,000.00
28	Mount St Joseph Passage West	€914,210.00
29	Building & Site at Edgeworthstown	€598,045.00
30	Avondale, Waterford Road, Kilkenny	€330,000.00
31	Site at Longmile Road, Walkinstown	€325,000.00
32	Presentation Convent Hospital, Limerick (to Hosp. Vol. Hous. Assoc.)	€254,000.00
33	Convent Land at Barrack Street Limerick	€625,000.00
34	2 Moyle Crescent, Clondalkin	€325,000.00
35	.28 Acre Site at Dolphin Park, Crumlin	€250,000.00
36	Holy Cross Gardens Killarney	€1,270,000.00
37	23 Parnell Square, Dublin	€1,270,000.00
		€40,079,110.00
38	Cloughmacsimon (cash in lieu)	€101,600.00
39	Portlaoise (cash in lieu)	€2,000,000.00
40	Enniscorthy Co Wexford (cash in lieu)	€412,665.00
		€42,593,375.00

APPENDIX 2

Properties not fully & finally completed

1	The Vineyard Child Centre
2	School at Ballina, Co Mayo
3	Convent at Newport
4	St Patrick's Upton, Cork
5	Respite Centre, Garretstown, Cork
6	5 Avondale Drive, Bandon, Cork
7	Kildron, Roundhill, Old Chapel, Bandon, Cork
8	Gentili, Farahoe, Innishannon, Cork
9	Benvon, 5 Bishopstown Road, Bishopstown, Cork
10	Rosoboro, 2 Firgrove Gardens, Bishopstown, Cork
11	10 The Priory, Old Chapel, Cork
12	4 The Hawthorns, Macroom Road, Bandon, Cork
13	Former Old Schoolhouse, Garretstown, Co Cork
14	Mounthawke, Tralee, Co Kerry
15	Waterpark, Newtown Road, Waterford
16	Lands at Mullaghmonaghan, Co Monaghan
17	Cork Street, Dublin 8
18	6 Mount Vincent Terrace Limerick
19	Coisceim Cappoquin Waterford
20	Emohruo, Cappoquin Waterford
21	Sacred Heart Centre Waterford
22	Lands & Buildings at Lota Glanmire
23	Airne Villa Killarney
24	Moate National School, Aghanargit, Westmeath