



Eimear Lavelle
Committee Secretariat
Committee of Public Accounts

Ms Lavelle,

I refer to our conversation yesterday and your request for an update on the Committee's correspondence with the Secretary General, dated 6th July, 2011, in relation to certain Health and Safety Authority (HSA) credit card expenditure detailed in FOI records supplied to your Committee by Mr. Frank Delaney of Manlift Hire Ltd.. In the absence of a Secretary General, I have been directed by the Minister for Jobs Enterprise and Innovation to respond to you on this issue.

This matter has been considered in some depth since receipt of the Committee's request. The HSA is a statutory body with its own legal personality. As accountability for its governance rests, by law, with its Board and its Accountable Person (in the HSA's case, the CEO), the Minister for Jobs, Enterprise and Innovation, on 13 July last, wrote to the Chairman of the HSA and asked him for his view

...on the propriety of this expenditure and...confirmation that it has been expended in accordance with the rules, regulations and circulars governing public financial procedures and to support the business of the Authority.

The Chairman made an initial response to the Minister on 22nd July, 2011. In that response, he indicated that, from his preliminary "high-level" consideration of the records, he had not identified any significant area of concern. However, given the thousands of records involved and to provide additional reassurance, he had requested the Authority's internal auditor – HSA's internal audit function is carried out by an independent professional firm - to carry out a separate review of the material in question and to report to him on the outcome. He undertook to inform the Minister of the outcome in due course.

It is understood that the bulk of the expenditure, recorded in the HSA statements, relates to official travel. In this context, it is of interest to recall that HSA's T&S claims were examined in some detail by the Comptroller and Auditor General last year and he identified no areas of significant concern. The C&AG's supplementary audit last year was, it is understood, generated by an earlier complaint to the Committee by Mr Delaney.

The internal audit commissioned by HSA is expected to be completed in the next few weeks and to be formally considered by the HSA Board at its next meeting on 2 December 2011. On foot of that meeting the Chairman will give his final report to the Minister. Following consideration of that report, the Department should be in a position to respond rapidly to the Committee. I understand that the Comptroller and Auditor General's Office has, on a confidential basis and in the context of its audit of the Authority's 2010 accounts, been made aware of the work of the internal auditor on this issue.

The review by the HSA's internal auditor has taken significantly longer than anticipated because queries were raised in relation to expenditure by a person who is no longer employed by the Authority nor resident in Ireland.

That person had to be contacted, information requested and an opportunity given to that person to respond to any auditor comments. I am informed that this process appears to have been finally completed within the past week, thus clearing the way for the internal auditor to finalise the report.

On the basis of the information available to the Department to date, no evidence has emerged of wholesale or systematic abuse of credit cards at HSA for the period under review but the Department will await the final report from the HSA before making a full and final report to the Committee

I hope that this is of assistance.

Francis Rochford

Principal Officer