



An Roinn Post, Fiontar agus Nuálaíochta  
Department of Jobs, Enterprise and Innovation

Oifig an Árd Rúnaí  
Office of the Secretary General

**PAC-R-942**

**Correspondence 3B.5  
Meeting 85 – 23/05/2013**



16 May 2013

Mr Ted McEnery  
Clerk to the Committee  
Committee of Public Accounts  
Leinster House  
Dublin 2

Re: Cost of the provision of a suite of offices for the Minister of State in 2007

Dear Mr McEnery,

I refer to your letter of 18<sup>th</sup> April 2013 regarding the Committee's request for briefing in relation to the provision of a suite of rooms for the Minister of State following the General Election in 2007.

At the outset please note that I have attached for your information a copy of Department of Finance confidential Circular 1/94 which is referred to throughout the response. You should note that this Circular has been superseded by Department of Public Expenditure and Reform Circular 1/13.

The role of the Department in respect of maintenance and renovations is to provide for the working needs of staff in a safe and suitable environment. This role is carried out by the Organisation Unit of the Department. The Unit is directly responsible for the accommodation needs of staff in the Department's offices in Kildare Street, Davitt House and Earlsfort Centre and for the office needs of the Department generally. Both the current Circular 1/13 and its predecessor 1/94 provide that the Office of Public Works (OPW) acts in a supervisory capacity in respect of fitting out and refurbishment works.

Following the General Election in 2007 a third Minister of State was appointed to this Department. As the Department had previously only had two Ministers of State an additional suite of offices was required in the Department's Office in Kildare Street to accommodate the Minister and his staff. The Department contacted OPW requesting provision of a suite of offices for the Minister. On foot of this request OPW assigned an external project manager to oversee all aspects of the works including design, tendering, building, decoration and other day to day issues.

The specification and timeline for the project was decided by OPW under the provisions of Department of Finance confidential circular 1/94 section 4(a) which specifies that the OPW shall be responsible for the first fit out of all accommodation. Accordingly, the works undertaken were funded from the OPW Vote.

The Department's Office in Kildare Street is listed on Dublin City Council's Record of Protected Structures and as such there is an obligation on the owners and occupiers of the building to ensure that any works carried out do not affect the character or structure of the building. The specification for the Minister's and staff offices was drawn up by OPW with regard to factors such as the number of people to be accommodated, the limitations imposed by the existing structure of the building, plumbing requirements etc., the timeframe for the works and finally the need to ensure that the décor of the finished offices was consistent with the art deco style throughout the building.

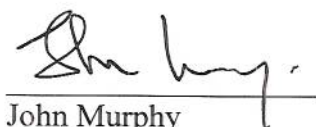
Furniture for the Minister was procured by OPW and paid for by this Department, furniture for the Private Secretary and support staff was purchased separately by this Department. The total cost of furnishing the offices was €36,665. Details are outlined in Appendix 1.

The method used to calculate the depreciation of assets in this Department is in accordance with Department of Finance Circular 1/95. Assets categorised under Furniture and Fittings (including expenditure borne by Departments on fitting out premises for official use) are depreciated on a straight-line basis to a nil value over a period of 10 years. Depreciation of the furniture purchased for the Minister's and staff offices is outlined at Appendix 2.

The Department facilitated the works by ensuring that health and safety requirements were met and enabling access to the building. Staff of the Department attended project meetings both before and during the works and kept in phone and email contact with the OPW and other providers where necessary. A channel of communication between the Minister of State's Office, Organisation Unit and OPW ensured that minor snagging issues such as paint colour selection etc. were quickly resolved.

Please advise if the Committee requires any further information.

Yours sincerely



John Murphy  
Secretary General

Appendix 1 - Furniture purchased for Minister of State and staff offices 2007

<b>Description</b>	<b>Cost</b>	<b>Supplier</b>
<b>Ministers Office</b>		
Black leather chair x 2 & round table	€3,469.47	Bob Bushell
Double pedestal desk, Computer side desk, Boardroom table & Chair with hide upholstery x 10	€22,203.50	Fitzgerald Furniture
Black hide chair	€623.82	Thomas Montgomery
<b>Private Secretaries Office</b>		
Black leather armchair x 2 & Small table	€2,607.55	Bob Bushell
Desk	€1,143.45	Farrell Brothers
Conference table	€580.80	Farrell Brothers
Hide chair x 6	€2,398.49	Thomas Montgomery
Black hide chair	€608.57	Thomas Montgomery
<b>Ministers Office Staff</b>		
Workstation x 3	€3,029.84	Farrell Brothers
<b>Total from Vote 34</b>	<b>€36,665.49</b>	

Appendix 2 – Depreciation of furniture purchased for Minister of State and staff offices 2007

Description	Original Cost	Asset Register Value	Net Book Value as at 31 December 2012
Round Table wenge veneer	659.45	0.00	0.00
BLK Leather tub chair	1,344.31	1,344.31	537.73
Black Leather Tub Chair	1,344.31	1,344.31	537.73
Black Leather Arm Chair	1,052.70	1,052.70	421.08
Black Leather Arm Chair	1,052.70	1,052.70	421.08
small table (presoto)	502.15	0.00	0.00
Desk with double ped	5,868.50	5,868.50	2,347.40
computer side desk	1,815.00	1,815.00	847.01
Boardroom Table	5,445.00	5,445.00	2,178.00
Chair/Hide Upholstery	907.50	0.00	0.00
Chair/Hide upholstery	907.50	0.00	0.00
Chair/Hide upholstery	907.50	0.00	0.00
Chair/Hide upholstery	907.50	0.00	0.00
Chair/Hide upholstery	907.50	0.00	0.00
Chair/Hide upholstery	907.50	0.00	0.00
Chair/Hide upholstery	907.50	0.00	0.00
Chair/Hide upholstery	907.50	0.00	0.00
Chair/Hide upholstery	907.50	0.00	0.00
Chair/Hide upholstery	907.50	0.00	0.00
Chair/Hide upholstery	907.50	0.00	0.00
Extra High Back Chair	623.82	0.00	0.00
High Back Chair	608.57	0.00	0.00
Boardroom Chair	399.75	0.00	0.00
Boardroom Chair	399.75	0.00	0.00
Boardroom Chair	399.75	0.00	0.00
Boardroom Chair	399.75	0.00	0.00
Boardroom Chair	399.75	0.00	0.00
Boardroom Chair	399.74	0.00	0.00
Executive desk with panels	1,143.45	1,143.45	457.41
2 Person Work Station	1,514.92	1,514.92	605.98
Conference table (boat shape)	580.80	0.00	0.00
Workstation	757.46	0.00	0.00
Workstation	757.46	0.00	0.00
<b>Current Value</b>	<b>€36,665.49</b>		<b>€8,353.42</b>

\* Note: Assets under €1000 are recorded as a nil value on the asset register and are recorded for tracking purposes only.

Copy of Circular 1/94

Given to:  
Larry  
Sean  
Ailsa  
Jacqueline  
Sandra  
& David

15/11/2012  
J. Cassidy

S200/5/92

5 January 1994 1/94

Confidential Circular 1/94

Revised procedures governing the functions of Departments in relation to maintenance, fitting out and refurbishment works and the purchase and supply of furniture.

A Chara

You will be aware that the Minister for Finance in the Memorandum for Government (E171/6/93) of 23 June 1993 - Administrative Expenditure by Government Departments 1994-1996 - referred to problems arising in relation to the interpretation/implementation of various Circulars relating to maintenance, fitting out, etc. of office accommodation and indicated that the Department of Finance would issue revised guidelines in a single composite Circular.

The present Circular, which supersedes Circulars 1/85, 3/87 and 5/88, outlines these revised guidelines to take effect from 1 January 1994.

The Circular also outlines the role of the Accommodation Officer designated in each Government Department and the role of the Office of Public Works (OPW).

In general, the revised arrangements provide that Departments/Offices will be responsible for carrying out and funding individual projects (maintenance, fitting out and refurbishment) which cost up to €50,000. Projects costing in excess of this amount will be the responsibility of, and funded by, the OPW.

## DEFINITIONS

### 1. Accommodation Officer:

Each Department/Office must nominate an Accommodation Officer responsible for the buildings occupied. The Accommodation Officer in most Departments will be a Higher Executive Officer in the Personnel/Organisation unit who will, in addition to existing duties, be responsible for having the appearance and condition of the Department's accommodation maintained to an acceptable standard and for ensuring that the Department's offices are properly fitted out, furnished and equipped to suit its operational needs. A more detailed description of the duties of the Accommodation Officer is set out below.

### 2. Works:

Under the terms of this Circular each Accommodation Officer will be fully responsible for the execution of all works, whether maintenance, fitting-out or refurbishment, costing IR£50,000 or less with the exception of those specified at paragraph 4 below. However, painting and decoration works will be funded entirely by Departments/Offices irrespective of cost.

### 3. Furniture:

Means standard and specialised furniture (e.g. chairs, desks, presses), other furnishings (such as shelving units, blinds, drapes) and floor coverings.

### 4. Exceptions:

(a) The following works will continue to be carried out and funded by OPW irrespective of cost:

the first fit out of all office accommodation whether leased, owned, purchased or newly constructed by OPW i.e. the work needed to

Department/Office occupying it for the first time - the works to be undertaken, if at all possible, before occupation by the Department/Office.

- works involving the provision of a new building, including extensions to existing buildings.

(b) The following works will require the agreement of OPW prior to their execution but will be funded by the relevant Department/Office, where such works cost IRE50,000 or less:

- works involving architectural/engineering input and/or
- schemes involving structural works and/or
- works involving major roof repairs or external cleaning of buildings including cleaning of brickwork, stonework, window frames etc. and/or
- works to rented buildings which require the approval of the landlord.

(c) Any works which require a fire certificate under current Building Regulations but which cost IRE50,000 or less will be carried out on Departments/Office's behalf by OPW on a repayment basis.

Where the cost of works outlined at 4 (b) and 4(c) in this paragraph exceeds €50,000 the cost will be borne by OPW.

5. Government Contract Procedures:

As works covered by this Circular must be carried out under contract, the Accommodation Officers will be required to familiarise themselves with the Government Contract Procedures and to comply in all respects with these procedures in the placing of contracts.

Accommodation Officers may arrange for the execution of the works directly with a contractor. The Accommodation Officer may, alternatively, avail of OPW's expertise by arranging for the execution of the works through that organisation.

ROLE OF DEPARTMENTS/OFFICES AND OF THEIR ACCOMMODATION OFFICERS

6. Under the new procedures Departments/Offices will, in respect of

(a) All Works Covered by this Circular:

- (i) retain up-to-date lists which will be provided annually by OPW, of scheduled contractors and other recommended contractors approved by OPW;
- (ii) prepare documentation relating to contracts for works (in consultation with OPW if necessary) and arrange for placing contracts up to a financial limit of IRE50,000. If OPW acts as an agent for a Department/Office, OPW will make necessary arrangements on a recoupment of costs basis;
- (iii) ensure that before any works are carried out, they could not be included in any major refurbishment planned by OPW for the area in question; take into account other occupants of the building and, in the case of a rented building, take account of the terms and length of the lease;



(iv) recoup to OPW expenses incurred by OPW relating to claims against them as the named parties for buildings leased, to the extent that the claims against the State relate to works carried out by Departments/Offices, which were not supervised by OPW, covered by this Circular;

(v) in cases where the Accommodation Officer arranges for the execution of works through OPW on a repayment basis OPW will be put in funds for the works immediately prior to the placing of a contract.

(b) Fitting Out and Refurbishment Works:

undertake the fitting out or refurbishment of premises subject to OPW approval of the specification and under OPW supervision where the cost of such works is IR£50,000 or less and pay for such works from their own Votes;

(c) Maintenance Works:

(i) base their maintenance programmes for each year on the maintenance schedules provided by OPW (in which all works will be prioritised) and fund the works from their own Votes where such works cost IR£50,000 or less. The most urgent works identified on the maintenance schedules should be carried out first. OPW will act as agent on request and subject to recoupment of costs;

- (i) in cases where a Department fails to carry out essential maintenance works within a reasonable time despite being so advised by the OPW or in cases where OPW deems work carried out by the Department to be unsatisfactory and OPW redresses the situation on its own initiative, the Department will recoup the cost of the works done by OPW;
- (iii) in cases where properties are leased by OPW and there is a responsibility on OPW to maintain the properties, the relevant Department or Office will comply in full with the appropriate terms of the lease to the satisfaction of the OPW;
- (iv) Accommodation Officers shall satisfy themselves as to their liabilities and responsibilities under this Circular and may seek advice as necessary from OPW.
- (v) recoup all costs incurred by OPW in respect of dilapidation claims arising from lack of maintenance relating to buildings continuing to be occupied by Departments/Offices immediately prior to surrender.

**(d) Purchases and Supply of Furniture:**

- (i) arrange for the purchase of certain standard items of furniture through OPW or directly from suppliers nominated by OPW and with whom OPW have arranged supply contracts and pay for those items from their own Votes;

- (ii) arrange for the purchase of specialised items of furniture through OPW and pay for them from their own Votes;
- (iii) avail of the services of the OPW furniture workshops, as outlined in paragraph 7(d) (v), where considered appropriate or necessary, and pay for those services from their own Votes;
- (iv) arrange for furniture removals and pay for them from their own Votes;
- (v) arrange for the sale of surplus furniture by OPW.
- (vi) keep a full inventory of furniture;
- (vii) pay OPW the overheads charge it will make for services.

#### ROLE OF THE O.P.W

7. The Office of Public Works shall, in respect of

(a) All Works Covered by this Circular:

- (i) provide, on an annual basis, Department/Offices with up-to-date lists of recommended and scheduled contractors;
- (ii) carry out work for Departments/Offices as provided in this Circular on a full repayment basis where departments request it - provided that the work can be carried out more efficiently and cost effectively than by using a private contractor;
- (iii) where work carried out by a Department/Office has been found to be unsatisfactory, OPW may redress the

situation on its own initiative and recoup the cost from the Department/Office;

(iv) arrange courses, issue guidelines, provide handbooks and whatever else is required to ensure that Accommodation Officers are aware of their responsibilities and are equipped to carry them out.

(b) **Fitting Out and Refurbishment Works:**

(i) retain full responsibility and carry full cost for first fitting out works as outlined in paragraph 4(a);

(ii) approve specifications for and act in a supervisory capacity in respect of the fitting out or refurbishment of premises where the works cost **IRE50,000 or less** (including obtaining the consent of a landlord where appropriate). If a Department wishes, OPW will undertake such fitting out as agents of the Department on a repayment basis (including a charge for overheads);

(iii) **carry out fitting out and refurbishment works on behalf of Departments/Offices where the cost of the work exceeds IRE50,000.**

(c) **Maintenance Works:**

(i) retain overall legal responsibility for the maintenance of all Government accommodation and for obligations under all leasing arrangements;

(ii) carry out and fund all maintenance works to Government accommodation costing over **IRE50,000** (except painting and decorating);

- (iii) inspect all Government accommodation on a regular basis at least once every two years;
- (iv) provide each Accommodation Officer at least once every two years with a comprehensive maintenance schedule setting out in detail and in order of priority the maintenance works which should be carried out in buildings occupied by each Department/Office and report on works already done;
- (v) ensure that all Departments/Offices carry out essential minor maintenance to buildings in a dangerous condition. If Departments/Offices fail to carry out essential minor maintenance work costing less than £50,000 within a reasonable time despite being advised to do so by OPW, the OPW may carry out the work on its own initiative by funding the expenditure from a suspense account. The responsibility for clearing that suspense account will be for the Department concerned within the accounting year in which the OPW payments are made;
- (vi) recover all costs incurred by OPW in respect of dilapidation claims arising from lack of maintenance relating to buildings continuing to be occupied by Departments/Offices or vacated by Departments/Offices immediately prior to surrender.
- (d) Purchase and Supply of Furniture:
- (i) issue specifications for standard furniture, furniture types and designs to Departments and Offices and provide advice on furnishing on request by

Circular. They will also be required to comply with normal Government purchasing/accounting procedures. Arrangements for a familiarisation course to be attended by all Accommodation Officers will be communicated to Departments/Offices by OPW in due course. In addition, the Accommodation Officer's handbook, now being revised to take account of these changes, will be furnished to all Accommodation Officers.

11. Security:

In all cases where outside contractors are engaged to carry out work or supply furniture and where it is considered that security is a matter of importance, Accommodation Officers should consult the Garda Síochána or other appropriate security agency to ensure that no breaches of security occur.

12. Exempted Buildings:

A number of State buildings are largely exempted from the terms of this Circular. These are included in Appendix I and II to the Circular.

The OPW will be fully responsible for and carry full costs of all works, whether maintenance, fitting out or refurbishment, in respect of buildings listed in Appendix I.

Those buildings listed in Appendix II will be exempted from payment for services provided by the Central Building Maintenance Workshop of OPW. Such services normally would include refurbishment works, fitting out, general routine maintenance, built-in-furniture, and plastering, electrical, carpentry and plumbing works etc.

  
R J Curran

To Heads of all Department's.

Departments Offices;

- (ii) arrange contracts with manufacturers, suppliers in respect of certain standard items. Departments/Offices will order their requirements directly from the supplier or through OPW and discharge invoices directly from their own Votes;
- (iii) inspect specialised furniture after delivery to a Department to confirm that specifications have been met;
- (iv) arrange when requested for the provision of specialised furniture (including shelving and floor covering) and special furnishings (including blinds and drapes) on a repayment basis;
- (v) continue to supply from the Furniture Workshops certain specialised services (renovation of better class furniture for example). Departments may continue to avail of these services on a repayment basis (which will include an element for OPW overheads). OPW will have the right to direct Departments to use the Furniture Workshops where this is considered appropriate for high quality and antique furniture;
- (vi) credit Departments for quality (period) furniture which is being exchanged for new items;
- (vii) arrange for the sale of surplus furniture;

may make a charge to cover its overheads when it provides a service where it considers this appropriate;

(ix) provide Departments/Offices with lists of scheduled contractors, suppliers, prices etc;

(x) periodically inspect Departments and Offices and provide reports to accommodation officers on the general condition of furniture and related matters requiring attention, if any.

OTHER OBLIGATIONS

8. Quarterly Returns:

Each Accommodation Officer will make quarterly returns to the OPW in respect of all contracts over a value of IR£5,000 placed under his/her allocation. Returns should be presented in the form shown in Appendix III to this Circular.

9. Jointly Occupied Buildings:

In jointly occupied buildings the major occupying Department will take responsibility for the maintenance work in common user areas and on common parts of the building. The major occupying Department should meet the full cost of such maintenance works up to £50,000 and should recover proportionate costs from other occupiers within the relevant financial year.

10. Training for Accommodation Officers:

Accommodation Officers, in addition to existing duties, will be responsible in future for having the appearance and condition of the departmental buildings maintained at an acceptable standard and for ensuring that departmental offices are properly supplied with furniture and equipment. Consequently they will have to familiarise themselves with all aspects of work covered by this



APPENDIX I

Aras an Uachtaráin ✓ NO & A/C 2000

National Library ✓  
excl. 2/3 Kildare Street and other out offices NO & A/C

National Gallery ✓  
excl. 90 Merrion Square and other out offices

National History Museum ✓

~~State Paper Office~~ ✓

Chester Beatty Library ✓ YTD. 710.95

Dublin Castle ✓ NO A/C  
excl. Departmental office accommodation

Arbour Hill 1916 Plot ✓

Royal Irish Academy ✓

National Museum X  
excl. various out offices

- Beggars Bush - ~~1,015.51~~ 4,360.68

- Collins Barracks - NO A/C

- Dawson

- Heraldic

APPENDIX IIEBM

Leinster House Complex  
incl. wing of College of Art  
Kildare House

Four Courts  
excl. Land Registry  
Solicitors & Bar Council Buildings

Government Buildings

Royal Hospital Kilmainham

Custom House  
(part of)

Cork Government Offices, Sullivans Quay

