



Oifig an Ard-Rúnaí

An Roinn Talmhaíochta, Bia agus Mara, Baile Átha Cliath 2.

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Meeting 146 11/12/14

18 November 2014

Ms Margaret Falsey,
Committee Secretariat,
Committee of Public Accounts,
Leinster House,
Dublin 2.

Re: C&AG Special Report No 82: Financial Management and Reporting for Fishery Harbour Centres

Dear Ms Falsey,

I refer to the examination of the above report by the Public Accounts Committee on 16th October 2014 and to your letter of 21st October 2014 requesting the provision of additional information to the Committee.

Before I address the issues raised in your letter I think it worth noting that since the Department took over responsibility for the six Fishery Harbour Centres in 2007, significant improvements have taken place not only in financial management, which has been acknowledged by the Comptroller and Auditor General, but also operationally. The Department has over recent years substantially restructured its administrative staffing, structures, procedures and operational management of the Harbours and is confident that the changes already made will continue to generate improvements in the functioning and management of the harbours.

In 2013, a total of 237,000 tonnes of fish was landed into the six Fishery Harbour Centres, this represents 85% of all fish landings into Ireland. The value of first point of sale fish landed into the Fishery Harbour Centres increased by 66% from €137 million in 2010 to €227 million in 2013. The increased quay side value of these landings into the Fishery Harbour Centres is then added to, through on land presentation and packaging/processing. The volume of landings going through the Fishery Harbour Centres is enabled by the infrastructure created and the services operated and managed in the Fishery Harbour Centres. The Fishery Harbour Centres underpin the Government Strategy to further develop a modern offshore Irish fishing fleet, attract the large offshore fishing vessels of other Member States to increasingly land into our Fishery Harbour Centres and drive the development of a modern on shore processing industry, underpinning Ireland's seafood exports of €496m in 2013.

From 2011 to 2013, €17.2m has been invested in developing and maintaining the Fishery Harbour Centres. In March this year €8.64m was allocated towards safety, maintenance and new development works in 2014 at the six Fishery Harbour Centres

The contribution the Irish Seafood sector makes to Ireland's economic performance is significant, and in order to continue its growth we need to attract a greater proportion of the

more than 1 million tonnes of fish caught in waters around Ireland to be landed and processed here. The ongoing development of our Fishery Harbour Centres is a critical part of achieving that objective.

Foreign landings into the six Fishery Harbour Centres in 2013 were up by 25% from 1,040 landings in 2010 to 1,305 landings in 2013. Continued development and investment in harbour facilities around our coast remains a high priority, subject to the availability of exchequer funds.

The 66% increase in the value of landings into the Fishery Harbour Centres between 2010 and 2013 is a strong indication that the historic and ongoing investment in the six Fishery Harbour Centres is producing dividends in terms of growing landings into Ireland and growing seafood exports out of Ireland.

Turning to the specific points outlined in your letter, in addition to my undertaking at the hearing on October 16th to provide information on the ten debtors with the largest arrears on their accounts with the Department (totalling €2,991,322 (see annex 11)). I would outline the following:-

1. Car Parking facilities in Ros an Mhíl

1 (a) Decision to Upgrade

- Ros an Mhíl Fishery Harbour Centre is the main gateway to the Aran Islands and 170,000 passengers use the ferry from the harbour to the Islands every year. A phased programme for the infrastructural development of Ros an Mhíl Fishery Harbour Centre has been progressed over the last number of years. The object of the programme of infrastructural development was to separate out the large seafaring industry vessels, the small fishing and leisure craft and the island ferries and provide modern suitable landing and berthing facilities for each so as to allow them operate, grow and develop safely. Overall €22m has been invested in capital developments at Ros an Mhíl Fishery Harbour Centre between 2002 and 2013.
- This investment has facilitated the installation of new modern ferry pontoons, dredging works and the provision of a new small craft harbour. A state of the art embarkation point for residents and visitors to the Aran Islands is now in place which enhances the services provided and the safety of all Ros an Mhíl Fishery Harbour Centre users. This is a major contribution to local tourism and to tourism on the Aran Islands, with in excess of half a million passengers having used the ferry since 2011.
- The upgrade of the ferry terminal was completed in 2011 at a cost of €15 million.
- In August 2010, in the context of the completion of the ferry terminal and the anticipated volume of passengers through the new terminal a submission including a proposal to upgrade the car park servicing the new island terminal was prepared and submitted to the then Minister of State. The Minister having considered the submission approved the commencement of work at the car park.

- The prime concern at the time was in regard to health and safety, access and egress issues and no estimates of potential return levels were undertaken. Traffic management had been an issue at the harbour in the years prior to the upgrade.
- Before the commencement of the works, the car park was unlit, uneven and potholed. In addition, the car park was unmarked and had no provision for disabled parking spaces, an issue which has now been addressed with the provision of four parking spaces within the confines of the main car park and a separate dedicated 15 space purpose built disabled car park adjacent to the ferry terminal.
- The car park was deemed an unacceptable risk to the Department in regard to potential liabilities and was unfit as part of a modern public service offering to passengers to the Aran Islands. This was the primary consideration in initiating this project.
- To complete the works which continued into 2011, a further submission was approved by the Minister in the context of the 2011 Fishery Harbours and Coastal Infrastructure Capital Programme.
- The level of occupancy at the car park was significantly compromised from the outset when a private car park commenced operating at the same time and in a more advantageous location, this inevitably affected level of usage of the Department's car park.
- Following the refurbishment of the 280 space car park in 2011, the operation of same was outsourced to APCOA Parking Ireland Ltd ("APCOA") following a public competition.

1(b) Costs

- Costs of Upgrade to car park can be detailed as follows:

(i) Cost of Upgrade of Car Park = €261,050.31, broken down as follows:

Preliminaries and General items

(Insurances, Mob, Demob Etc.,) €3,200.00

Ground works/public lighting €5,300.00

Surfacing of car park

(Stone fill; Asphalt (base course & wearing course)) €186,588.50

Footpaths/fencing/Signage €26,073.00

Extra items incurred on the project

(Extra manholes, Public lighting, Concrete apron) €8,838.77

Sub Total = 230,000.27+ VAT @13.5% €261,050.31

(ii) Automatic car Park Pay System €68,000.00

(iii) Total spend on car park i.e. (i) + (ii) €329,050.31.

1(c) Future Plans

The Department of Agriculture, Food and the Marine has a contract in place currently with APCOA with respect to the provision of car park management and operating services at Ros An Mhil Fishery Harbour Centre. This contract has an expiry date of 30 November 2015 and a decision regarding the future provision of these services and related matters will be taken closer to that date. The contract provides for an extension of its term for a period or periods of up to 18 months with a maximum of one such extension permitted.

2. Sale of site

In 1980 the then Department proposed terms for a lease with the company for the site in question. The rent proposed at that time was £3,000 per annum.

In 1988 the company paid £25,000 on account and this was accepted as payment of rent arrears on the property.

The available files suggest that the lease was not finalised due to mapping, legal and valuation difficulties and rather than continuing to engage in expensive arbitration or litigation the then Minister for the Marine agreed at a meeting with the lessee, in 1992, to sell the site rather than lease it. The approval of the then Minister for Finance for the sale was requested in August 1992.

In November 1992 a deposit of £125,000 was lodged by the purchasers with the Chief State Solicitor's Office (CSSO) pending completion of sale of the site.

In early 1993 the then Minister for Finance sanctioned the sale of the site for the sum of £275,000 inclusive of the £25,000 previously paid by the company in 1988 as arrears of rent. Due to legal uncertainty regarding arrears in the absence of an agreed and signed lease any arrears of rent were regarded as covered by the previous payment in 1988.

The then Department offered a separate foreshore area for sale at £40,000 at the same time. This sale was completed by 1994.

The then Department was advised by the CSSO in 1995 that once agreement was reached to sell the site and as the purchase price included arrears of rent and where half of the purchase monies were paid prior to receiving title that the rent arrangement ceased in 1992.

The sale of the site has been subject to long delays and has not been completed as significant difficulties arose over the years with boundary discrepancies, encroachment, mapping and land registry issues.

Due to delays in processing property issues generally the Department of Agriculture, Food and the Marine sought sanction from the Department of Public Expenditure and Reform (DPER) for additional legal capacity to work on these issues through the CSSO. The proposal was approved by DPER and in 2013 an additional solicitor was employed by the CSSO to deal exclusively with the Fishery Harbour Centre property portfolio. On expiry of this contract, a further one year contract was put in place for 2014. The cost of employing these solicitors is being met by this Department's Fishery Harbour Centre Fund.

This Department has prioritised this case and with the additional legal resource in place significant progress towards its finalisation is being achieved.

The complex boundary issues have been addressed and Land Registry compliant maps were finalised at the start of October enabling the CSSO to go ahead and draft a new sale contract reflecting the complexities.

In addition, the transfer of a plot within the site by another Government office to the Department has been agreed and the deed effecting the transfer has been signed and sealed by both parties.

These developments mean that the CSSO can now progress with the following conveyancing steps required to close the sale:

1. Issue Contract for Sale to Solicitors
2. Contract negotiations and Purchaser's solicitor raise pre contract queries
3. Contracts are exchanged
4. Objections and requisitions are raised and replied to and draft deed furnished by the Purchaser amended as appropriate and engrossed
5. Closing

The Department has not sought a current valuation of the site because there is already an agreement on the sale and getting a valuation at this time would involve additional unnecessary expenditure.

The company engaged in the purchase of the site has no arrears with the Department. A linked company has a debt of €244,620 which is in dispute. These arrears will not impede the completion of the sale of the site.

3. Proceedings between the Chief State Solicitor's Office (CSSO) and John Shine

This is a long standing case, relating to landlord and tenant issues, which has been the subject of much correspondence and interaction between the individual involved, this Department and the CSSO.

Over the years, efforts have been made by the Department, acting in conjunction with the CSSO, to resolve matters but these have proved unsuccessful.

There has been extensive correspondence on this matter with Mr Shine. On the 21st August 2013, the CSSO wrote to Mr. Shine requesting that he address all future correspondence on the matter to the Chief State Solicitor's Office.

The CSSO has been instructed to initiate Legal Proceedings against the individual involved. Draft proceedings have been prepared by Senior Counsel and are being finalised.

It is legally advised that further discussion of the case is not appropriate at this point in time.

1. Proceedings between the Chief State Solicitor's Office (CSSO) and John Sainsbury

This is a long running case, relating to a failed bid to purchase land. The matter has been the subject of much correspondence and interaction between the individual involved, the Department and the CSSO.

Over the years, efforts have been made by the Department, acting in cooperation with the CSSO, to resolve matters but these have proved unsuccessful.

There has been extensive correspondence on this matter with Mr Sainsbury. On the 21st August 2014, the CSSO wrote to Mr Sainsbury requesting that he withdraw all future correspondence on the matter to the Chief State Solicitor's Office.

4. Leases and Debts on Properties identified by the C&AG

The Department of Agriculture, Food and the Marine took over responsibility for the management and operation of the six Fishery Harbour Centres from the Department of Communications, Energy and Natural Resources in October 2007.

A significant proportion of tenants within the 6 Fishery Harbour Centres did not have completed lease agreements in place at that time and therefore, a significant backlog of legal work was inherited by this Department.

In order to deal with this backlog of cases, staff were redeployed to create a dedicated Property Unit to focus solely on the management of the Fishery Harbour Centres' property portfolio. One of the key functions of the Unit is to put in place, over time, up-to-date lease agreements.

Historically there was a shortage of legal resources to address the Department's requirements in relation to the property portfolio and in order to support the Unit effectively, increased legal and valuation service capacity was put in place. The Department has worked closely with the CSSO to increase the legal capacity for handling outstanding property cases. As previously mentioned, an additional solicitor has been employed by the CSSO at the request of the Department of Agriculture, Food and the Marine, to deal exclusively with the Fishery Harbour Centre property portfolio with the cost being met by this Department's Fishery Harbour Centre Fund.

Of the properties leased without documented lease agreements in place (see Annex I) 35 are leased to State/Public Bodies or Public Interest/charitable organisations and the remaining 23 relate to Private Sector/commercial cases. 85% of all of these properties are compliant and 15% have some arrears.

The properties occupied by Public Bodies, include nine properties occupied by Marine Agencies, namely, the Sea Fisheries Protection Authority (4), Bord Iascaigh Mhara (BIM) (2) and the Marine Institute (3). While leases haven't been finalised in these cases, rent has been agreed and is being paid.

Formerly, the Sea Fisheries Protection Authority, BIM, the Marine Institute and the Coast Guard were an integral part of the Department and therefore did not require leases.

In the absence of sufficient legal resources to prepare leases in advance, it was decided on a risk basis that State Bodies, Public Interest/Charitable Organisations would be allowed to enter sites before leases were finalised, on the basis that the services they provide are necessary for the running of the harbour or they provide a vital service to the fishing community or harbour users in general.

These bodies and organisations operating from the Fishery Harbour Centres such as the Sea Fisheries Protection Authority, BIM, the Marine Institute, the Irish Coast Guard, RNLi and the ESB provide a range of essential and diverse functions and services so that the Irish Fishing Industry can continue to develop in a safe and sustainable way.

The Sea Fisheries Protection Authority which is Ireland's competent authority for seafood safety and sea-fisheries protection also supports a sustainable and profitable commercial

fishing sector, while protecting and conserving fisheries resources for long-term exploitation.

Bord Iascaigh Mhara is the developmental agency for the Irish seafood industry. It provides technical expertise, business support, funding and training to the industry and promotes responsible environmental practices by the industry. Its aim is to improve the economic performance of the Irish Seafood industry and maintain and create sustainable jobs in the sector.

The Marine Institute is the national agency responsible for Marine Research, Technology Development and Innovation. It undertakes marine research and development, particularly in the area of fisheries, with the aim of promoting economic development, creating employment and protecting the marine environment. The Institute's sea-going staff are supported with offices situated in a number of the Fishery Harbour Centres.

As well as its vital role in promoting safety standards in order to prevent, as far as possible, the loss of life at sea and providing an effective emergency response service the Irish Coast Guard has a responsibility in protecting the quality of the marine environment within the Irish Pollution Responsibility Zone including harbours.

In addition the RNLI, a charitable organisation providing a dedicated on call 24-hour lifeboat search and rescue service to maritime users, is highly committed to saving lives with its lifeboats, lifeguards and safety advice.

Of the 23 Private Sector/commercial cases, one case relates to a change in Right of Way rather than a lease for a property/site. In 19 of the remaining cases, leases are being prepared or finalised. There are no leases in place for the remaining three cases and the Department is assessing its legal options in conjunction with the CSSO.

The 19 cases where leases are being prepared or finalised include:-

- Two cases where the tenders for the sites were awarded this year and the leases are currently being finalised. These tenants are not yet in situ.
- Six cases where the term of the original leases had expired and renewed leases are being put in place.
- Three cases where the property/site was originally occupied by the tenant under licence from the Department and steps are now being taken to put in place leases for these properties.
- One case where the occupant purchased the remainder of an existing lease and the assignment of the lease is being processed.
- Five cases where the sites in question are occupied by existing tenants of the Fishery Harbour Centres who sought to lease additional sites.
- Two cases where a number of issues have held up finalisation of the leases. In these cases, although the leases were not finalised, rent is being paid.

In most of the commercial cases, the occupants were existing tenants of the Fishery Harbour Centres who sought to lease additional sites or amend or renew the leases for their existing premises.

Of the properties leased without documented lease agreements in place, only nine occupants (15%) have arrears totalling €439,116.00, more than half of which (€296,683) relates to one occupant. Two cases relate to tenants which have not yet paid this year's rent. One case relates to a tenant where negotiations on the renewal of the lease and the rent amount continued for a number of years and agreement on the rental amount was reached this year. In this case, the rent was backdated to the start date of the new lease and invoiced earlier this year.

Collection of the arrears is managed by a dedicated Debt Recovery Unit, put in place following a re-organisation of the section. The collection process is underpinned by a policy document that was prepared by the Department and approved by the Department's Management Advisory Committee (MAC) in April 2012. This document sets out a process for dealing with ongoing non-payment of debts, with specific timeframes and actions to be followed for each stage. Debtors with debts over 30 days are contacted by the Debt Recovery Unit. In general, debtors are prioritised and dealt with in order of magnitude of the debts accumulated. All debts are monitored on a regular basis.

In accordance with the Debt Recovery Unit Policy document, there is an escalation framework in place for debt that becomes increasingly overdue. This involves "Formal notice of and withdrawal of harbour services as appropriate and relevant and examination of legal proceedings". The Debt Recovery Unit works closely with the Property Unit and Legal Services Division in relation to tenants with monies outstanding to this Department.

In relation to the number of properties leased without documented lease agreements in place it should be clarified that the C&AG's report indicated that there were 54 properties. The difference between this figure and the current figure of 58 could be due to the fact that the leases for two recently tendered sites are currently being finalised – these sites would have been vacant at the time of the report. In addition, there are cases where more than one site is leased to one tenant – it is possible that these sites were counted as one for the C&AG's report.

5. Future plans for paid parking across all Fishery Harbour Centres including the specific plan for Howth

The Department keeps traffic management and parking requirements at the Fishery Harbour Centres under regular review. Aside from Howth, which remains under consideration, there are no immediate plans to introduce further pay parking systems at present.

The issue of traffic management in Howth generally has been the subject of consideration by both Fingal County Council and the Department for some time. In 2006, the then Department of Communications Marine and Natural Resources (which had responsibility for the Harbour Centres) and Fingal County Council jointly commissioned consultants to examine Howth traffic and parking management. The purpose was to identify and detail the traffic and parking management measures required to improve conditions for all road users in Howth Village and Howth Harbour. In

relation to the Harbour area the consultants noted a number of issues which gave rise to the need for a traffic management system at the Harbour. These issues were as follows:-

- Pedestrian routes not clearly defined
- Lack of crossing facilities
- All day (commuter) parking
- Lack of short term spaces at shops / businesses in the Harbour
- Middle pier spaces under-utilised

Apart from the issues identified above, traffic and parking management within the Fishery Harbour Centre had been and remains an issue of concern particularly in the light of concerns raised about safety and emergency access by the Coastguard, the Lifeboat service, An Garda Siochana and other emergency services. A pay parking scheme would only be one of a number of measures to address those concerns.

- While an overall traffic management scheme for Howth did not proceed as envisaged, the Department continues to seek solutions to the traffic management issues within the Harbour. In this regard the Department has carried out the following works:- Segregation between pedestrians and traffic is now provided along the West Pier.
- West Pier marked parking bays including a number of disabled parking bays have been put in place.
- Other works on the West Pier included footpath widening, providing new road markings and keep clear zones.
- The two main car parks have now been marked out and where necessary new surrounding footpaths constructed.
- On the Middle Pier new footpaths have been constructed as well as the provision of road marking.
- New quay edge protection was provided along the piers to prevent vehicles accidentally entering the water.

Income generation is not the only factor to be considered in deciding whether pay parking should be introduced in Howth. First and foremost Howth Fishery Harbour Centre is a working fishery harbour. Howth is also a very important tourist and leisure destination with many restaurants operating on the Harbour. The Department has to be conscious of balancing the various unique features that pertain in Howth. Most importantly, the safe operation of the Harbour is of paramount concern, in this context, traffic management and parking is recognised as an issue, particularly, though not exclusively, during the busy holiday periods.

There is no agreed pay parking plan for Howth Fishery Harbour Centre at present, but the matter remains under consideration.

Internal Audit Reports from 2000 to present on Fishery Harbours

Please find reports attached at Annex 111

1. Expenditure under G1 Development of Fishery Harbours and G2 Fishery Harbours Centres Fund – July 2002
2. Border Midlands and Western Operational Programme for 2000-2006 – June 2004
3. Audit of Charges and Debtors System in relation to services provided at Fishery Harbour Centres - May 2006
4. Report on the Harbour Development Scheme - May 2008
5. Final Report on Harbour Development Scheme - September 2009
6. Limit Review of the Fishery Harbour Centre - October 2009
7. Receipts for Fishery Harbour Fund - July 2010
8. Review of Health & Safety Management (Harbours) - March 2012

The Department will be happy to supply any further information which may be required by the Committee, on request.

On a final note, the 2012 and 2013 accounts for the Fishery Harbour Centres are currently with the Office of the Comptroller and Auditor General. When audited and reported on by the Comptroller and Auditor General, the Department will as is normal practice and as required by legislation lay them before the Houses of the Oireachtas. However, in light of the considerations aired at the Public Accounts Committee hearing on 16th October we will also be presenting these and future audited accounts to the Government in advance of laying them before the Houses of the Oireachtas

Yours Sincerely



Mr Tom Moran
Secretary General

ANNEX I

Leases to State/Public Bodies and Public Interest/Charitable organisations

Marine Agencies - leases not yet finalised but rent agreed and being paid

Fishery Harbour Centre	Site No./ID	Tenant/Occupant	Status and Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
Dingle	Offices in Harbour Master's Building	Sea Fisheries Protection Authority	Part of this office is rented out to the SFPA. No lease is in place as yet but rent has been agreed and is being paid.	€10,000.00	Nil	N/A
Dunmore East	Old Harbour Master's House	Sea Fisheries Protection Authority	The lease is not yet finalised but rent has been agreed and is being paid.	€11,500.00	Nil	N/A
Dunmore East	Ice Plant	Bord Iascaigh Mhara (BIM)	The lease is not yet finalised but rent has been agreed and is being paid.	€1,905.00	Nil	N/A
Dunmore East	Offices in Auction Hall	Marine Institute	Lease not yet finalised but rent has been agreed and is being paid.	€2,000.00	Nil	N/A
Howth	Auction Hall	Sea Fisheries Protection Authority	Lease not yet finalised but rent has been agreed and is being paid.	€10,000.00	Nil	N/A
Killybegs	Harbour Master Offices, Ground Floor	Marine Institute	Lease not yet finalised but rent has been agreed and is being paid.	€15,670.00	Nil	N/A
Killybegs	Harbour Master Offices, 1st Floor	Bord Iascaigh Mhara (BIM)	Lease not yet finalised but rent has been agreed and is being paid.	€25,000.00	Nil	N/A
Killybegs	Harbour Master Offices, 1st Floor	Sea Fisheries Protection Authority	Lease not yet finalised but rent has been agreed and is being paid.	€60,000.00	Nil	N/A

Ros an Mhíl	Harbour Master Offices	Marine Institute	Lease is not yet finalised but rent has been agreed and is being paid.	€2,500.00	Nil	N/A
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Marine Agencies – no rent being paid or under review

Fishery	Harbour Centre	Site No./ID	Tenant/Occupant	Status and Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
	Castletownbere	Training School, Mainland	Bord Iascaigh Mhara (BIM)	Original lease expired and new lease to be arranged.	Nil	Nil	N/A
	Dingle	Ice Plant	Bord Iascaigh Mhara (BIM)	Building constructed prior to FHC designation and no evidence of lease or licence. BIM to advise Department on future requirements so that matter can be regularised.	Nil	Nil	N/A
	Dunmore East	Storeroom, Harbour Master's Building	Sea Fisheries Protection Authority	Under review as the SFPA may not require use of the premises anymore.	€1,300.00	Nil	N/A
	Killybegs	Auction Hall Offices	Previously Sea Fisheries Protection Authority, now vacant	Consideration of future use of this building is ongoing	Nil	Nil	N/A

Fishery Harbour Centre	Site No./ID	Tenant/Occupant	Status and Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
Howth	Old Lighthouse & Dwelling	Commissioners of Irish Lights	This is a protected structure owned by the Commissioner of Irish Lights(CIL), discussions are ongoing with CIL with regard to a transfer of ownership to the Department.	Nil	Nil	N/A
Howth	Amenity Area	Vacant	This is an amenity area owned by the Department and maintained by Fingal County Council. Lease in Progress. Lease is not yet finalised as agreement on rent has not been reached. Revenue maintain they are exempt as these facilities are to be made available without expense to the State, as provided for in Revenue's approval of Killybegs Fishery Harbour Centre as a sufferance wharf (which is a licensed private wharf where dutiable goods may be kept until the duty is paid) and for the transhipment of fish. The Department is continuing with efforts to resolve the issue.	Nil	Nil	N/A
Killybegs	Harbour Master Offices, 1st Floor	Revenue Commissioners		Not yet agreed	N/A	N/A
Killybegs	New Coast Guard Building	Irish Coast Guard	No Lease. Department of Finance sanction has been obtained for a zero rent.	Nil	N/A	N/A
Ros an Mhíl	Shore Base	Irish Coast Guard	Lease in Progress	Nil	Nil	N/A

ESB Sub-stations with no lease in place

Fishery Harbour Centre	Site No./ID	Tenant/Occupant	Status and Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
Dunmore East	Substation	ESB	No Lease currently in place.	Not agreed	N/A	N/A
Howth	Nr 37-5 Claremont Ind Estate	ESB Substation	No Lease currently in place.	Not agreed	N/A	N/A
Killybegs	Substation	ESB	Lease in Progress. This substation had to be established to supply the Boat Repair Building as part of the Killybegs Harbour Development.	€1.00	Nil	N/A
Killybegs	Substation	ESB	Lease in Progress. This substation had to be established to supply the Harbour Office, Cargo Sheds and Road ways as part of the Killybegs Harbour Development.	Nil	Nil	N/A

Sites occupied by other State or Public Bodies where leases have not been finalised

Fishery Harbour Centre	Site No./ID	Tenant/Occupant	Status and Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
Castletownbere	Site 8, Danish Island	Irish Coast Guard	Lease in Progress. Department of Finance sanction obtained for zero rent.	Nil	Nil	N/A
Castletownbere	Old Directional Light Building	Commissioners of Irish Lights	No Lease - building now obsolete. Construction of a new road resulted in old Directional Light Building no longer being at water's edge so new one was constructed. The Department & Commissioners of Irish Lights are in correspondence regarding surrendering responsibility for the old building to Department.	Nil	Nil	N/A
Castletownbere	New Directional Light Building	Commissioners of Irish Lights	No Lease. The Commissioners of Irish Lights are responsible for maintaining the new building but the building and land itself are owned by the Minister.	Nil	Nil	N/A
Dingle	Car Park Number 3	Kerry County Council	No Lease. The title to the site is disputed and the Department has referred the matter to the CSSO. The Department is continuing to negotiate with the Council in this regard.	Nil	Nil	N/A
Dunmore East	Pump Station	Waterford County Council	Lease in Progress. A Wayleave Agreement was finalised in June 2013 to allow new pipelines to be installed. Waterford County Council paid €15,850 as compensation for burden on the title and for permanent depreciation to the land. The lease is not yet finalised.	Not agreed	N/A	N/A
Howth	24 West Pier	Irish Coast Guard	Currently no lease in place.	Not agreed	N/A	N/A

Sites occupied by Charities or other Public Interest Groups with no lease in place

Fishery Harbour Centre	Site No./ID	Tenant/Occupant	Status and Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
Castletownbere	Mainland Quay	Royal National Lifeboat Institute (RNLI)	Lease in Progress.	€10.00	Nil	N/A
Dunmore East	Berth, Pontoon & Walkway	Royal National Lifeboat Institute (RNLI)	Lease in Progress. Department of Finance sanction has been obtained for a rent of €1 per annum and a 99 year lease.	€1.00	Nil	N/A
Dunmore East	Lifeboat Station	Royal National Lifeboat Institute (RNLI)	Lease in Progress.	€1.00	Nil	N/A
Dunmore East	Memorial	Dunmore East Memorial Committee	Lease in Progress. The signed lease has not yet been returned from the lessee.	Nil	Nil	N/A
Howth	Site 40, Lifeboat Station	Royal National Lifeboat Institute (RNLI)	Lease in Progress. The existing lease expired and the Department agreed to a new lease. The discovery of disused underground diesel storage tanks has delayed completion of the lease as environmental issues etc. had to be addressed.	Nil	Nil	N/A
Howth	Site 40A, Offshore Lifeboat Mooring	Royal National Lifeboat Institute (RNLI)	Lease in Progress. A deed of surrender from the tenant of a neighbouring site is required as they have been requested to surrender foreshore area to facilitate a lifeboat berth.	Nil	Nil	N/A
Howth	Memorial	Fingal County Council/Howth Fishermens Association	No Lease. In 1991 Howth Fishermen's Association & Co. Ltd. asked the then Department for a site to place a memorial stone. The lease was never finalised and the Association was dissolved in 1999. Fingal County Council maintains the memorial.	Nil	Nil	N/A

Commercial Leases

Change to Right of way

Reference	Current Status & Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
22	Right Of Way in progress. This case relates to a change in Right of Way rather than the leasing of a property/site. A resident living near the Fishery Harbour Centre requested a change to the right of way to his premises and two adjacent properties which would involve a new Right of Way being established on Fishery Harbour Centre property.	N/A	N/A	N/A

New Leases

Reference	Current Status & Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
1	Lease in progress. New tenant - tender was awarded in 2014 following public tender competition. Lease is currently being finalised. Tenant not yet in situ.	€6,000.00	N/A	N/A
16	Lease in progress. New tenant - tender was awarded in 2014 following public tender competition. Lease is currently being finalised. Tenant not yet in situ.	€12,800.00	N/A	N/A

Renewal of Existing Leases

Reference	Current Status & Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
2	Lease in progress. Existing tenant. Original lease expired and new lease is being finalised.	€35,400.00	Nil	
3	Lease in progress. Existing tenant. Original lease expired and new lease is being finalised.	€300.00	€300	Debt Recovery Unit in contact with tenant regarding this year's rent
11	Lease in Progress. Existing tenant. Delays were encountered during negotiations for the renewal of the existing lease for this site. Rental invoices could not issue until legal issues between the tenant's legal representatives and the Office of the Chief State Solicitor were resolved in 2012. The Department is in ongoing communication with the CSSO regarding this case and is currently considering the legal options open to the Department in relation to the arrears and conclusion of the lease.	€33,000.00	€296,683	Legal Correspondence ongoing.
13	Lease in progress. Existing tenant. Original lease expired. There have been difficulties in arranging the new lease due in part to various re-assignments of the premises over the years and a delay in receiving information from the lessee's solicitors. A new lease is being finalised.	€3,600.00	€3,600	Debt Recovery Unit in contact with tenant.
17	Lease in progress. Existing tenant. Original lease expired and new lease is being finalised. Negotiations on the renewal of the lease and the rent amount continued for a number of years. Agreement on the rental amount was reached this year and the rent was backdated to the start date of the new lease.	€5,000.00	€25,000	Debt Recovery Unit in contact with tenant
20	Lease in Progress. Existing tenant. Original lease expired and negotiations on a new lease were commenced. Difficulties subsequently emerged in relation to sub-tenancies and arrears accrued. The Department consulted with the CSSO	€47,000.00	€70,500	Legal Correspondence ongoing

	and legal proceedings are currently being prepared.			
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Sites originally occupied by the tenant under licence from the Department

Reference	Current Status & Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
10	Lease in Progress. The tenant occupied this premises for a number of years under licence from the Department. The Department has requested a current valuation of the premises in order to finalise the lease.	Not yet agreed	Nil	N/A
15	Lease in progress. An existing tenant originally occupied this site under a temporary licence from the Department. The arrangement is currently being reviewed.	Nil	Nil	N/A
23	Lease in Progress. The tenant occupied this premises for a number of years under a Caretaker's Agreement from the Department. A new lease was under negotiation however the rent was disputed. Agreement has been reached with the tenant in relation to progressing with the new lease and arrears. An independent valuation is currently being arranged in order to finalise the lease.	Not yet agreed	Settlement reached in this case	N/A

Remainder of existing lease purchased

Reference	Current Status & Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
8	Lease in progress. Existing lease - the current tenant agreed to purchase the remainder of the lease from the previous tenant. There was correspondence between Department and the CSSO regarding re terms and clauses of new lease and Department now awaits finalisation of assignment.	€6,800.00	€8,462	Debt Recovery Unit in regular contact to recover debt.

Additional sites requested by existing tenants

Reference	Current Status & Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
5	Lease in progress. This site is occupied by an existing tenant. Finalisation of the lease was delayed because agreement could not be reached on a rental amount for this site and another site occupied by the tenant. They have indicated that they may hand this site back. The Department has written to the occupant requesting confirmation that they no longer require the site.	€1,000.00	€7,500	Awaiting outcome of negotiations.
6	Lease in progress. This site is occupied by an existing tenant. Finalisation of the lease was delayed because agreement could not be reached on a rental amount for two other sites occupied by the tenant. Agreement on a rental figure on this site has been reached.	€500.00	Nil	N/A

			options with regard to resolving this case.
7	The company involved, which has since been dissolved, accrued rental arrears over a period.	117,181.74	The Department is seeking recovery of possession of the property and arrears of rent and has referred the matter to the CSSO. The advice of the Attorney General's Office is currently being sought.
8	An evicted tenant owes monies. This tenant has gone out of business.	90,832.26	The Department is examining options with regard to resolving this case.
9	Rental arrears have accrued in a long standing case, relating to landlord and tenant issues, which has been the subject of much correspondence and interaction between the individual involved, this Department and the CSSO. The CSSO has been instructed by the Department to initiate Legal Proceedings against the individual involved.	90,500.00	Draft proceedings have been prepared by Senior Counsel and are being finalised.
10	A shipping company owes monies. The company has gone out of business.	78,018.14	The Department is examining options with regard to resolving this case.
	Total	2,991,322.20	

ANNEX II

Ten Debtors with the largest arrears on their accounts with the Department

No.	Comments	Arrears € (on 13/11/2014)	Plan in place to deal with arrears
1	This debt is the subject of a Supreme Court Appeal.	1,623,267.69	Legal proceedings ongoing
2	The case involves an existing tenant. Delays were encountered during negotiations for the renewal of the existing lease for this site. Rental invoices could not issue until legal issues between the tenant's legal representatives and the Office of the Chief State Solicitor were resolved in 2012.	296,682.58	The Department is in ongoing communication with the CSSO regarding this case and is currently considering the legal options open to the Department in relation to the arrears and conclusion of the lease.
3	A company owes monies in relation to a laid up charge for one vessel.	244,620	The Department is examining options with regard to resolving this case.
4	The tenant occupied this premises for a number of years under a Caretaker's Agreement from the Department. A new lease was under negotiation however the rent was disputed by the tenant. Agreement has now been reached with the tenant in relation to progressing with the new lease and the arrears. An independent valuation is currently being arranged in order to finalise the lease.	186,319.72 (settlement reached)	Settlement has been reached with the tenant in relation to rental charges owing of €184k (to be credited in full) and will be reflected on the Accounts system once the lease has been finalised.
5	A vessel owner owes monies in laid up charges for a vessel abandoned in a harbour.	135,344.07	The Department is examining options with regard to resolving this case.
6	A tenant owes monies in rental arrears	128,556.00	The Department is examining

7	<p>Lease in progress. This site is occupied by an existing tenant. Finalisation of the lease was delayed because agreement could not be reached on a rental amount for this site and another site occupied by the tenant. The matter has been raised with the CSSO and negotiations are to continue.</p> <p>Lease in Progress. The site was offered to the occupants of the adjoining site as a result of a tender competition. Progress on finalising the lease was slow. The tenderer changed solicitor in 2008 and despite repeated attempts by CSSO to contact them, no response was received. The Department met with the tenderer in 2011 and they confirmed that they wished to proceed with getting the lease. Contact has been ongoing and the lease is being finalised before site can be occupied</p>	€3,000.00	€22,500	Awaiting outcome of negotiations.
12		€23,000 (not invoiced)	N/A	N/A
14	<p>Lease in Progress. The occupant holds a lease for an adjacent site and applied for a lease for this additional area. The occupant did not agree to the initial rental figure proposed by the Department's valuers. The Department has now received a further valuation and will consider rental level options in view of the new valuation.</p>	Not yet agreed	N/A	N/A

Leases not yet finalised

Reference	Current Status & Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
19	<p>Lease in Progress. The then Department gave a commitment to grant a 35 year lease from 1 April 1991 to the tenant. The then Department requested that the CSSO prepare a lease at that time but the lease was never finalised. Notwithstanding that the lease was not finalised, rent was paid on time and rent reviews were carried out. Rent was increased at the last review but the occupant has disputed this and continued to pay the pre-review amount. The Department was in contact with CSSO and DPER to finalise lease but matter has not yet been resolved.</p>	€15,500.00	€4,571	Debt Recovery Unit in contact with tenant.

21	Lease in Progress. A number of issues held up finalisation of the lease including issues regarding joint insurance and pre-lease enquiries.	€8,500.00	Nil	N/A
No Lease				
Reference	Current Status & Comments	Annual Rent	Arrears €	Plan in place to deal with arrears
4	No Lease. This case is being examined to determine whether a lease or a Foreshore Licence is required.	Nil	Nil	N/A
9	No Lease. The occupant already held a lease for an adjoining site. The terms of the lease and rental amount were agreed but the signed lease was never returned by occupant. The occupant has never been invoiced for rent. This company has subsequently ceased trading. Department has consulted with CSSO and will be taking steps to regain possession of this site.	€2,858	N/A	N/A
18	No Lease. The existing lease in respect of the property has expired. Prior to the expiry the property was unlawfully occupied. The matter was referred to the CSSO, and Counsel's advice received. The Department is continuing in its efforts with the CSSO to resolve the issue	Nil	Nil	N/A