



**Oifig an Ard-Rúnaí**  
An Roinn Oideachais agus Scileanna



**Office of the Secretary General**  
Department of Education and Skills

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

Our reference: S1411078

10<sup>th</sup> December 2014

**Supply of follow-on information arising from PAC hearing of 15 May 2014**

Dear Ms. Falsey,

I refer to the Secretariat's letter of 26<sup>th</sup> May 2014 concerning information I undertook to supply to the Committee during the course of the hearing on 15<sup>th</sup> May 2014. In my response of 10<sup>th</sup> June 2014 I indicated that I would supply the Committee with further information in relation to various VEC/ETB issues as soon as the material could be collated. I apologise for the delay in forwarding the remainder of the follow on material.

I now attach the following information:

**1. Co. Cork VEC/City of Cork VEC and Cork Institute of Technology (CIT)**

Please see at Appendix 1-Worksheets 1 to 4 inclusive:

- details of persons who were members of both the VECs and the board of CIT;
- the number of board meetings of the VECs;
- payments to VEC committee members and the length of service of Committee members.
- payments to the Cork Institute of Technology Governing Body members

Please note that the information in relation to payments to the VEC Committee members and their length of service relates to those persons who were members of the last Co. Cork and City of Cork VEC Committees, which were in existence from 2009 to 2013. A number of these persons had previously been members of earlier VEC Committees, which were replaced by

Education and Training Boards on 1<sup>st</sup> July 2013, and this is reflected in the information on their total period as members of the respective VECs. For such persons, the payment figures include amounts paid to them in 2009 in respect of their membership of the previous VEC. Similarly, the payment figures include amounts paid in the calendar year 2013 to those persons who were also members of the first Board of Cork ETB in the period 1 July 2013 to 31<sup>st</sup> December 2013.

The amounts paid to VEC members included travel and subsistence and, in certain cases, interview board fees.

In regard to the Governing Body of the Cork Institute of Technology the payment figures identify the travel and subsistence costs paid to them, as well as sum paid in relation to interview board fees, for the period 2009 to 2013. The details of CIT Board membership and the capacity in which members were appointed were supplied in my June 2014 response to the Committee.

## **2. Co. Wexford VEC – Lease on Iberius House**

Clarification was sought from Waterford and Wexford ETB in relation to specific queries raised by the Public Accounts Committee regarding the lease of Co. Wexford VEC's former head office, Iberius House. This information is set out below:

### **(a) Lease of Iberius House**

Co. Wexford VEC entered into a 30 year lease for Iberius House in 1984. A second lease for additional office space at the same location was signed in 1998.

The total rent for Iberius House was €67,465 per annum. The Chief Executive of Waterford and Wexford ETB, who was the former CEO of Co. Wexford VEC, but not at the time the leases were entered into, did not have information as to how the rate was negotiated. The VEC also incurred the cost of car parking at the premises, which was €36,000 approximately in 2006. Both leases expired during late October 2014 and the VEC stopped incurring the cost of car parking in 2006.

### **(b) Annual rent obtained by Co. Wexford VEC for Iberius House**

Co. Wexford VEC sublet Iberius House from July 2006 to June 2008 at an annual rent of €51,000. Subsequently, one floor of the premises was sublet for €7,000 per annum. The ETB advises that because of the economic situation since 2008, the VEC was unable to realise any appreciable value from the premises.

### **(c) Rationale for re-locating the VEC's Head Office**

The Department has been informed by the ETB that in 2005 a review was carried out by management of the fitness for purpose of Iberius House. At that time there were over 30 staff members working in the building, space was very limited, staff facilities were poor and certain senior officials were obliged to share office space.

I understand from the ETB that there were no meeting room facilities in Iberius House, and that meetings/interviews usually had to be held off premises with

consequential costs attaching. The ETB advises that the VEC Committee meetings had to be held in the Co. Council chamber, and space was at such a premium that the CEO had to vacate his/her office in order to give visiting auditors space to work. The former offices were not accessible to persons with a disability nor were there toilet facilities for such persons. Security in the building was poor, the front door opened onto the street, and the stairs and lift were easily accessible to passers-by. The ETB has also informed the Department that the fabric of the building and its décor were in a poor condition and that the VEC were rapidly running out of space for filing and storing records

The ETB also advises that rental costs for car parking were escalating, and in 2005 were of the order of €36,000. Together with the rent for Iberius House this brought the cost of Co. Wexford VEC's head office facilities to €103,476. At this time the VEC had also looked at renting additional space to accommodate adult education staff. Rental costs for this were being quoted in the region of €50,000 to €60,000 per annum. This would have led to total costs of approximately €164,000 annually, without taking into account the cost of fitting out new offices for adult education, providing I.T. facilities, security, cleaning etc. for an additional premises.

I understand that the VEC was also assured by local estate agents that there would be no problem sub-letting the premises, as they were located in the town centre where there was a high demand for office accommodation.

#### **(d) Move to Ardcavan premises**

Accordingly, the VEC decided to investigate the feasibility of moving from the town centre to purpose built accommodation on the outskirts of the town, to include meeting rooms, training rooms for adult and continuing education and sufficient car parking facilities for staff, learners and visitors. Subsequently, the VEC moved to its new premises in Ardcavan, Wexford in July 2006. The annual rent of these premises is €186,000 approximately. In addition there is an annual contribution to the landlord of €3,500 for buildings insurance and a €1,800 service charge. Fit out costs of €131,000 were met from the VEC's own resources

### **3. Vacant ETB properties**

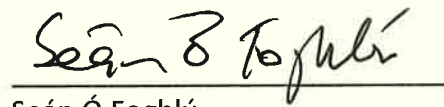
Appendix 1- Worksheet 5 provides details of vacant ETB properties.

### **4. Cork ETB – Legal Matters**

Please see at Appendix 1- Worksheet 6, details of the human resource cases in Co. Cork VEC/ Cork ETB from 2009 to date.

It should be noted that human resource cases are a matter for the ETB as the employer in the first instance. The Committee is asked to note that with some 3,600 employees, Cork ETB is the largest employer in the ETB sector and it is the view of the Department that some level of employee related cases will always be likely in an organisation of this size.

Yours sincerely,

A handwritten signature in black ink, reading "Seán Ó Foghlú". The signature is written in a cursive style and is positioned above a horizontal line.

Seán Ó Foghlú  
Secretary General

**Members of Co. Cork VEC and City of Cork VEC who were also members of the Governing Body of Cork I.T (2004-2014)<sup>1</sup>**

<b>Nominee</b>	<b>Nominating VEC</b>	<b>Period on Governing Body of Cork I.T.</b>
Cllr. James A. Corr	City of Cork	2004-2014
Rt. Rev. Canon G.A. Salter	Co. Cork	2004-2014
Cllr Catherine Clancy	City of Cork	2010-2014
Cllr Mary Hegarty	Co. Cork	2012-2014
Ms. Aileen Pyne, MCC	Co. Cork	2004-2011
Cllr. Terence Shannon	City of Cork	2004-2010
Ms Marie Roycroft	City of Cork	2007-2010
Cllr. Deirdre Clune	City of Cork	2004-2007

<sup>1</sup>Co. Cork VEC and City of Cork VEC each nominated 3 persons to the Governing Body of Cork I.T.

Number of VEC Committee Meetings held by City of Cork VEC and Co Cork VEC 2009-2013

VEC	Number of meetings				
	2009	2010	2011	2012	2013*
Co. Cork	10	14	15	12	11
City of Cork	11	11	11	11	11

\* Includes Cork ETB meetings July to December 2013

**Payments to Members of Co. Cork VEC 2009-2013<sup>1</sup>**

<b>Member</b>	<b>Total period of VEC membership</b>	<b>Total amount paid 2009-2013</b>
Cllr. Noel O'Connor <sup>2</sup>	1994-2013	€54,719.72
Cllr. Donal O'Rourke	1991-2013	€23,194.59
Cllr. Gerry Kelly	1999-2013	€21,670.25
Cllr. Noel Buckley	2004-2013	€13,350.37
Cllr. Mary Hegarty	2009-2013	€24,914.24
Cllr. Patrick O'Driscoll	2009-2013	€3,433.40
Cllr. Aindrias Ó Muimhneacháin	2003-2013	€14,396.43
Cllr. Humphrey Deegan	2009-2013	€6,978.88
Cllr. Finbarr O'Driscoll	2009-2013	€2,627.83
Cllr. Tadhg O'Donovan	1999-2013	€27,991.20
Cllr. Tomás O'Brien	2009-2013	€5,023.93
Cllr. Connie Foley	2009-2013	€10,316.47
Cllr. Ronan Sheehan	2009-2013	€9,799.17
Cllr. Niall O'Neill	2009-2013	€9,913.42
Cllr. Catherine O'Keeffe	2009-2013	€10,711.29
Cllr. Liam Burke	2009-2013	€7,080.85
Ms. Una O'Donnell	1999-2013	€26,333.80
Rev. Canon Salter	1994-2013	€9,517.45
Ms. Norma Murray	2004-2013	€2,715.81
Ms. Marie Murphy	1999-2009 & 2012-2013	€9,759.64
Mr. Michael Carey	2010-2013	€3,609.18
Mr. Liam Ahern	2010-2013	€6,159.32
Rev. Dr. Tom Deenihan	2010-2013	€28,531.71
Cllr. Noel O'Donovan	2011-2013	€5,887.09
Ms. Helen McGrath	2012-2013	€445.72
Cllr. John Mulvihill	2009-2013	€7,326.93
Cllr. Aileen Pyne	1999-2011	€11,757.65
Ms. Yvonne Bane	2004-2011	€4,533.37
Cllr. Jim Daly	2004-2011	€11,490.87
Rev. Leonard O'Brien	1989-2010	€966.56
<b>Total</b>		<b>€375,157.14</b>

1. Information relates to persons who were members of the last Co Cork VEC, which was in existence from 2009 to 2013.

2. Expenses include those arising from the member's position as president of the IVEA.

**Payments to Members of City of Cork VEC 2009-2013<sup>1</sup>**

<b>Member</b>	<b>Total period of VEC membership</b>	<b>Total amount paid 2009-2013</b>
Cllr Catherine Clancy	2009-2013	€6,593.82
Cllr Jim Corr	pre 1985-2013	€6,274.23
Cllr Tim Brosnan	1997-2013	€2,768.82
Cllr Ger Gibbons	2009-2013	€1,620.80
Cllr. Laura McGonigle	2007-2013	€1,256.72
Cllr Joe O'Callaghan	2009-2013	€3,386.60
Cllr Michael O'Connell	2011-2013	€1,094.25
Cllr Emmet O'Halloran	2009-2013	€2,616.83
Cllr Chris O'Leary	2005-2009 & 2010-2013	€2,309.58
Cllr Terry Shannon	2005-2013	€4,757.27
Mr Paddy Brown	2009-2013	€3,039.00
Mr Sean Roberts	2009-2013	€3,103.31
Mr Gerard White	2009-2013	€3,363.16
Ms Catherine Cashin	2009-2013	€2,783.28
Ms Josephine Coffey	2009-2013	€8,269.09
Ms Maire Roycroft	2005-2013	€9,162.10
Cllr Dave McCarthy	1991-2011	€1,242.56
Ms. Una Ryan	2009-2010	€162.08
Mr. Jonathan O'Brien	2009-2010	€0.00
<b>Total</b>		<b>€63,803.50</b>

1. Information relates to persons who were members of the last City of Cork VEC, which was in existence from 2009 to 2013.

DEPARTMENT OF EDUCATION AND SKILLS - RESPONSE TO PAC

APPENDIX 1 -WORKSHEET 4

Cork Institute of Technology - Payments to Governing Body Members 2009-2013  
Payments to Governing Body Members

	2009-10 Expenses	2009-10 Interview Panel	2009-10 Total	2010-11 Expenses	2010-11 Interview Panel	2010-11 Total	2011-12 Expenses	2011-12 Interview Panel	2011-12 Total	2012-13 Expenses	2012-13 Interview Panel	2012-13 Total
10172 - John J O Sullivan			-	27		27			-			-
16596 - Dr. Aine Ni She			-	27		27			-			-
C000098 - Cllr. Aileen D. Pyne (Deceased)	388		388	589		589	83		83			-
C000192 - Dr. Paddy Caffrey	236	300	536	393		393			-			-
C000281 - Cllr James Corr		600	600		900	900		3,600	3,600		2,100	2,100
C000352 - Rt Rev Canon G A Salter		4,800	4,800		6,000	6,000		7,200	7,200		7,800	7,800
C002343 - Valerie Gleeson (Deceased)		3,000	3,000		3,000	3,000		2,100	2,100			-
C003573 - Cllr Mary Hegarty			-			-	486		486	1,019		1,019
20677 - Billy O'Neill			-			-			-		300	300
20182 -Cllr. Catherine Clancy			-			-			-		2,400	2,400
21005 - Mary Keane			-			-			-		300	300
<b>Grand Total</b>	<b>624</b>	<b>8,700</b>	<b>9,324</b>	<b>1,036</b>	<b>9,900</b>	<b>10,936</b>	<b>569</b>	<b>12,900</b>	<b>13,469</b>	<b>1,019</b>	<b>12,900</b>	<b>13,919</b>



## Leased properties not being utilised by ETBs

ETB	Number of Properties	Property Details	Former use	Lease Commencement Date	Date property ceased to be used by ETB	Lease Expiry Date	Break Clause Details	Annual Rent	Subletting Details
Dublin & Dunlaoghaire	1	Choices Building, 2/3 Quinns Road, Shankill, Co. Dublin	Creche	01/09/2008	31/08/2013	31/08/2018	After 7 years - The ETB will be exercising a break option on the lease on 1 September 2015.	€56,290	Not sublet.
Galway & Roscommon	1	The Hynes Building, St. Augustine Street, Galway.	Co Galway VEC HQ	10/09/1992	31/12/2004	31/03/2027	None	€88,055	Portion of building sublet at €25,186 per annum.
Waterford & Wexford	1	Iberius House, Wexford	Co Wexford VEC HQ	22/10/1984 and 06/07/1998	July 2006	22/10/2014 and 27/10/2014	None	€67,465	Sublet from July 2006 to June 2008 at an annual rent of €51,000. From June 2008 to October 2014 was sub-let for €7,000 per annum. Lease has expired and property is no longer being leased by the ETB.

DEPARTMENT OF EDUCATION AND SKILLS - RESPONSE TO PAC

APPENDIX 1 -WORKSHEET 6

Summary of Employment Related Cases Taken by Employees of Co. Cork VEC/Cork ETB\* 2009-2014

	2009	2010	2011	2012	2013	2014 (to 3rd December)
<b>Number of new cases taken by employees/ former employees</b>	4	7	9**	8	5	4
<b>Number of settlements</b>						
<i>In court</i>	2	1	1	1	1	1
<i>Out of court</i>	0	1	3	0	0	1
<b>Legal costs in relation to employee related cases ***</b>	<b>€22,189</b>	<b>€97,414</b>	<b>€35,761</b>	<b>€147,271</b>	<b>€12,290</b>	<b>€16,703</b>

\* Information is in respect of Co. Cork VEC to 30<sup>th</sup> June 2013 and Cork ETB from 1<sup>st</sup> July 2013.

\*\* 2 of these cases were withdrawn but re-lodged in 2013 and are included in the 2013 figure. 2 others were withdrawn (without concession) soon after the claim was lodged.

\*\*\* Legal costs include solicitor and barrister fees.

Notes

1. There were 7 cases ongoing on 1st January 2009.
2. Two "out of court" settlements ( 1 in 2010 and 1 in 2011) were paid by the VEC's insurers.
3. 5 cases taken by the same person have recently been withdrawn ( 1 x 2011, 2 x 2013, 2 x 2014). The settlement is not included in the figure for 2014 as the payment has not yet been made. 80% of the settlement cost will be met by the insurers