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OIFIG AN ARD-RUNAÍ, AN RIONN DLÍ AGUS CIRT AGUS COMHIONANNAIS OFFICE OF THE SECRETARY GENERAL, DEPARTMENT OF JUSTICE AND EQUALITY

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

6 February, 2015

Dear Ms. Falsey,

I refer to your letter of 7 November, 2014 in which you requested further information regarding Thornton Hall. The delay in responding is regretted.

In January 2005, the Minister for Justice announced the purchase of a 150 acre site at Thornton Hall, Kilsallaghan, Co. Dublin as the site for a new integrated modern prison facility to replace the outdated and Victorian prison conditions at Mountjoy Prison which had been the subject of strong criticism by the Committee for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment (CPT), the Inspector of Prisons and other bodies. It was also intended to replace the Central Mental Hospital on a portion of the Thornton site and approximately 20 acres had been reserved for that purpose.

The purchase of the site at a cost of €30 million formed a core element of the Irish Prison Service capital plan to eliminate the practice known as slopping out and to provide modern prison facilities based on the principles of normalisation, progression and rehabilitation.

By way of background, in 2003 following an appraisal of various options in relation to the replacement of Mountjoy Prison, the Prisons Authority Interim Board (PAIB) recommended that the preferred option would be to build a new prison on a green field site in the Dublin area. The cost of the development would be funded through the disposal of surplus lands at Shanganagh Castle (closed in 2002) and the eventual disposal of the Mountjoy Prison Campus. It was recognised at that time that the development value of the Mountjoy site comprising Mountjoy male prison, St. Patrick's Institution, Dóchas Centre and the Training Unit could have been very considerable.

A site selection committee, chaired by a senior official from this Department and comprising a Commissioner from the Office of Public Works and officials from the Irish Prison Service (IPS) was established to evaluate and select a replacement site for Mountjoy Prison in accordance with a Government decision to replace Mountjoy Prison with a new prison on a green field site.

An advertisement was placed in the national press in February 2004 seeking expressions of interest from owners of suitable sites for the project in the greater Dublin area which met certain requirements. Over 30 sites were examined by the Site Selection Committee. The IPS was at an advanced stage of negotiation with one landowner for a site at Coolquay which is in close proximity to the Thornton Hall site. The cost per acre was approximately €300k. The landowner subsequently withdrew from the negotiations. Subsequent to this a new proposal was received from another interested party. This site was reviewed by the Site Selection Committee using the same criteria which applied to the other sites. Following the review the Committee recommended the purchase of the Thornton Hall site.

The Government gave approval in November 2006 to the Irish Prison Service to initiate a tender competition for the design, build, maintenance and finance of a new prison complex at Thornton Hall, Kilsallaghan, Co. Dublin, on a value for money Public Private Partnership (PPP) basis. A preferred bidder was selected in April 2007 following an EU wide tender competition. The new prison development would provide accommodation for 1,400 prisoners with operational flexibility to accommodate up to 2,200 prisoners in a range of security settings together with a range of rehabilitation and other support facilities to prepare prisoners for re-integration back into society. Financial, legal and technical advisors were appointed for the project.

The nature of the project required very detailed negotiations on the design and maintenance of the facility as well as the publication of an Environmental Impact Assessment of the development. Approval for the development was granted by the Oireachtas in the Prisons Development (Confirmation of Resolutions) Act, 2008.

The programme of pre-contract negotiations on all aspects of the project, including legal, technical and financial, culminated in February 2009 when the PPP consortium was asked to submit its best final offer for the development. Following a detailed evaluation of the offer by the Irish Prison Service and its advisers, including the National Development Finance Agency, the offer was deemed to be not affordable in light of the significant increase in the cost of finance and particularly the increase in the level of the annual unitary charge which would have been paid to the consortium. The negotiations with the PPP company were terminated in May 2009.

The Government agreed that the project would proceed on a phased basis with phase one comprising essential preliminary works to support the prison development i.e. construction of the dedicated access road and underpass, the installation of the off-site services (water, foul, ICT), perimeter wall and road using traditional procurement procedures. It was also decided that while phase one was underway discussions were to be held with the Department of Finance and the National Development Finance Agency in relation to the precise form of procurement for the prison buildings. In 2010, following separate tender competitions, contracts for these works were awarded to PJ Hegarty Ltd in respect of off-site works and SIAC Construction Ltd in respect of the access road. Whilst a tender competition had commenced for the construction of the perimeter wall, a contract was not awarded pending a review of the proposed prison development by the new Government.

In April 2011, the Minister for Justice and Equality established a group to review the proposal for a new prison development at Thornton Hall. The group identified the need for a new prison at Thornton Hall albeit on a much smaller scale than that previously envisaged and also identified the need for a new prison to replace Cork Prison. Following a review of the capital budget allocation across Government departments and the allocation for the prison capital programme in 2012 it was decided not to proceed with the new prison

development at Thornton Hall but instead to focus resources on the in-cell sanitation project in Mountjoy Prison. That project is nearing completion.

The total expenditure on the prison development project is \in 50.14 million. This sum includes the site cost of \in 29.9 million. The cost of the site was almost completely offset by the sale of surplus prison lands at Shanganagh Castle, Co. Dublin, for \in 29.6 million. An additional 8.7 acres was also acquired at a cost of \in 1.3 million to provide a dedicated access route to the main prison site. This was done following representations from the local community which reflected concerns in relation to the potential effect of increased traffic generated by the prison development.

Further costs of €791,150 were incurred in 2007 for the purchase of additional lands circa 6 acres adjacent to the Thornton site to facilitate the closure and transfer of St. Patrick's Institution to a new facility on the Thornton campus.

The expenditure to date also includes \in 7.87 million on professional, legal, planning and other technical fees, \in 3.08 million on site preparation and various surveys, \in 0.5 million on perimeter planting and \in 0.5 million on security (including site supervision). In addition, \in 3.46 million has been expended on the construction of the access road and a sum of \in 2.67 million has been incurred on the construction of the off-site works. The Irish Prison Service has indicated that the site is now fully serviced with water, sewage and power connections.

My letter of 24 October has outlined the position in relation to the costs of maintaining the house as well as the investment required by the Irish Prison Service for the provision of essential infrastructure to support the Community Return Project.

Finally, I should say that a small working group has been established, made up of representatives of this Department, the Irish Prison Service and the Office of Public Works, to look at options for the future use of the house and lands at Thornton Hall. In that respect no option has been ruled out to yield the best possible value for the State in its future use. The group has been asked to report back by the Summer.

I trust this clarifies the position.

Yours sincerely,

Noel Waters

Acting Secretary General