

DÁIL ÉIREANN

AN COISTE UM CHUNTAIS PHOIBLÍ

COMMITTEE OF PUBLIC ACCOUNTS

Déardaoin, 31 Bealtaine 2018

Thursday, 31 May 2018

The Committee met at 9 a.m.

MEMBERS PRESENT:

Deputy Bobby Aylward,	Deputy David Cullinane,
Deputy Peter Burke,	Deputy Alan Kelly,
Deputy Shane Cassells,	Deputy Marc MacSharry,
Deputy Catherine Connolly,	Deputy Jonathan O'Brien.

DEPUTY SEAN FLEMING IN THE CHAIR.

Business of Committee

Mr. Seamus McCarthy: (*An tArd Reachtaire Cuntas agus Ciste*) called and examined.

Chairman: We are joined by the Comptroller and Auditor General, Mr. Seamus McCarthy. He is accompanied by Ms Maureen Mulligan, deputy director. Apologies have been received from Deputy Catherine Murphy.

The next item is the minutes of previous meetings. Are the minutes of meetings from 15 May, 16 May, 23 May and 24 May agreed? Agreed. There is one matter arising out of the minutes from the meeting of 24 May. It regards category B correspondence, No. 1277, which we discussed last week. The correspondence in question is from Mr. John McCarthy, Secretary General of the Department of Housing, Planning and Local Government, and he provided much helpful and useful information regarding unfinished housing estates, the local authority mortgage protection insurance scheme, the local authority mortgage resolutions arrears process and the taking in charge of estates. The resolutions process dealt with the number of repossessions obtained by local authorities. People will have seen the figures, which were quite high in some areas but not in others.

I wish to follow up that letter asking Mr. McCarthy to supply information relating to evictions achieved by local authorities. We have the figure for repossessions involving people with shared ownership loans and mortgages - they are staggering in some counties - but we would like to see the figures for evictions achieved by local authorities. We would also like to see which were done on foot of a court order or otherwise, as the case may be. We know people have been evicted for non-payment of rents and possibly other reasons. It would be useful to get that information for each of the past three years, taking in 2015 to 2017, inclusive. I would like to get the figure from the voluntary housing associations funded by the taxpayer as well. It is a matter we have not touched but when we saw the figure for repossessions by local authorities, the next question would be in respect of tenants in voluntary housing associations and evictions achieved. This takes in local authorities and the approved housing bodies. We should get the information and take it from there when we get it. Is it agreed to seek that additional information? Agreed. Members should understand that it is about following up the excellent information provided on the previous occasion.

The next item on the agenda is correspondence. There are three categories of correspondence. Category A refers to briefing documents and opening statements. No. 1333A is from the office of the chief administrative officer, An Garda Síochána, enclosing the internal audit report of the ICT payments process. We will note and publish this. There was a previous report provided to the committee. No. 1344A is from the acting Garda Commissioner, Mr. Dónall Ó Cualáin, providing his opening statement. We will note and publish that.

The next item is correspondence from category B, correspondence from Accounting Officers and Ministers to follow up previous meetings of the committee. There are a number of items in this category, starting with a letter from Mr. Ciarán Breen of the State Claims Agency, as well as correspondence from the Health Service Executive, HSE. I want to group these together in one discussion as different letters have popped up. We will come to it in a moment but

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I would like to get the other items of correspondence out of the way. Is that okay?

No. 1329 is correspondence from Mr. Robert Watt, Secretary General of the Department of Public Expenditure and Reform. Deputy O'Brien had a query about this matter, which regards the contract with the new national lottery operator and assurances given with respect to unclaimed prizes.

Deputy Jonathan O'Brien: This is seeking further information. Basically, we want to know how, when the legislation was being drafted, the confidentiality clauses were included. Who knows about the unclaimed prizes? I presume the regulator knows but is unable to divulge the information as a result of the clauses put in place. I am trying to figure who else knows aside from the regulator. Does somebody in the Department know and who audits those accounts? The Comptroller and Auditor General does not do it.

Mr. Seamus McCarthy: No.

Deputy Jonathan O'Brien: It is just the regulator.

Mr. Seamus McCarthy: We audit the regulator but not the operator.

Chairman: I will ask the secretariat to go through, in particular, the Committee Stage and Report Stage debates of the relevant legislation in the Houses when the national lottery was, essentially, privatised. I would be surprised if the matter was not discussed and assurances were not given by the Ministers during the passage of the legislation. Perhaps there was a commitment. If a commitment was given, we want to know if it was followed through into the subsequent contract. The commitment is to go through the transcripts of the debate on the legislation. Deputy Howlin brought it through when he was Minister. I was a spokesperson for the Opposition dealing with it. I have not checked the record but I suspect the item would have come up for discussion. I would be surprised if it did not. Deputy McDonald was probably part of the committee when we discussed the matter. We will go through the debates relating to the passage of the legislation allowing the national lottery to be essentially privatised. We can perform a search for the term "unclaimed prizes" and see what discussion took place and if the then Minister gave any commitments on the matter. When we get that, we can follow through. It is as much as I can suggest at this stage and it is really what I was suggesting at our previous meeting.

Deputy Jonathan O'Brien: I have no issue with that. I just want to know, apart from the regulator, who knows the figure. How is it checked? Are we just taking the word of the operator that this is the figure or will somebody go through it? There was another €1 million that went unclaimed last week.

Chairman: That is right.

Deputy Jonathan O'Brien: I do not know if there is a mechanism for the regulator to ensure that €1 million would go back to be spent for the purposes specified under the contract, including promotion of games-----

Chairman: It includes general advertising or whatever. The Comptroller and Auditor General audits the regulator. Would it have detailed access to such information, although it might not be in the accounts?

Mr. Seamus McCarthy: I would rather not speculate on it.

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Chairman: Have we written directly to the regulator about this?

Mr. Seamus McCarthy: The regulator wrote back saying she is not in a position to discuss it.

Deputy Jonathan O'Brien: She could not discuss it because she is bound by a confidentiality agreement. She asked the operator if she could provide the information but it did not allow it.

Chairman: She must have it then.

Mr. Seamus McCarthy: That was our interpretation of the letter.

Deputy Jonathan O'Brien: I presume she does.

Deputy David Cullinane: She had it but could not share it.

Deputy Jonathan O'Brien: She could not even confirm she had it.

Chairman: We are not there yet and I do not know if we will get there. We will keep after it and we will not give up yet.

Deputy Catherine Connolly: On that, it is a very good idea what the Chair is doing but where are we in terms of staff? This is something I keep asking - have we lost staff, have we a full-time researcher or who have we?

Chairman: We just have more work.

Deputy Catherine Connolly: The work is essential. We cannot do our job without checking things out. I agree totally but we need clarification on a regular basis where we are with staff.

Chairman: We will have a private session and we might discuss that but the Deputy's point is well taken. The workload is increasing and that is absolutely definite.

The next item is correspondence No. 1330B from Mr. Seán Ó Foghlú, Secretary General, Department of Education and Skills, dated 18 May 2018 providing a detailed note in relation to the following: the approach to national procurement by the education and training board, ETB, sector, the systems, number of staff and support given to the ETBs on procurement and a response to the final paragraph of the letter from the Chief Executive of Galway and Roscommon ETB to the committee. We will note and publish that and people are free to use that information.

The next item is correspondence No. 1334B from Mr. Derek Moran, Secretary General of the Department of Finance, providing an information note requested by the committee regarding the statement of claim in the proceedings against the Minister for Finance pertaining to the terms and conditions of remuneration and expenses of the special liquidators, and their oversight by the Department. We will note that and we will be discussing that issue in private session today. Deputy Mac Sharry is not here so we will hold it over.

The next item is correspondence Nos. 1336B and 1337B on the CervicalCheck claims controversy and the letter from the State Claims Agency so we will hold all of that together.

The item is correspondence No. 1338B from Mr. Ray Mitchell. This is on a separate issue

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providing information requested by the committee as follows: Our Lady's Hospice Harold's Cross review of general account and fundraising report; Our Lady's Hospice Harold's Cross procurement and HR training report; submissions on behalf of the former CEO of Our Lady's Hospice Harold's Cross for the report entitled "General Account and Fundraising"; submission on behalf of the former CEO of Our Lady's Hospice Harold's Cross for report entitled "Procurement and HR training"; and, letter re Our Lady's Hospice audit to Kane Tuohy. solicitors for the HSE. Mr. Mitchell requests that as Our Lady's Hospice Harold's Cross report is subject to a Garda investigation and that we do not publish it in unredacted form or deal with it publicly. Can we note this, we might discuss it tonight but I have looked at some of this? This matter has been aired very publicly on the national airwaves. I am discussing this now briefly and I am asking people not to say anything that might implicate any particular individual because if there are Garda investigations under way we will certainly not cut across those. However, I think there are matters on the internal audit that are smack bang within the remit of this committee to discuss and we will do that so I hope people will understand what I am saying there.

Deputy David Cullinane: I had raised this first. I had asked that we write to the HSE to request a copy of the audit. I fully appreciate the request that we do not discuss someone in detail for the reason the Chair gave that it is subject to a Garda investigation and some of the individuals involved have a right to protection as well so I have no difficulty with that. The one thing I took from the audit itself and what was in the media reports, because a lot of this is in the media, was the attitude of the organisation as a corporate body to the audit. I found it to be quite shocking to be honest. Leaving aside all the issues which we will not go into, it was the response from the organisation to the audit that shocked me. We see lots of audits and reports where there is a finding or an opinion, whether it is a Comptroller and Auditor General report or an internal audit report and an organisation may not agree fully with the finding or the recommendations. There would be some commentary but it seemed to me that the attitude of the corporate body was "nothing to see here, hands off and how dare you even come in and ask questions". That seemed to me be the attitude so there are certainly issues for the PAC. We always look at process and whether the governance issues that should have been in place were robust and it seems they were not. We have been here before so this is not the first of the section 38 organisations that have been before us unfortunately.

If I remember correctly, when I raised this we had the HSE in some time ago where we discussed generally what improvements were being made and the relationship between the HSE and these organisations. The Comptroller and Auditor General was saying that improvements had been made on the back of our meetings and the work the HSE was doing and that the issues in this audit go back to a period a number of years ago where improvements have happened since. It might be unfair to us to say that there is still a huge problem but these issues still need to be ventilated some way. Maybe I will leave it at that and if we want to deal with it in private session or under our work programme we can but I certainly think we need to examine some of the issues. I am open to how we do that and I am deeply conscious of what the Chair said at the start as well.

Chairman: I am conscious of that. I want to put one or two things on the public record by way of information in case the public are wondering what we are actually talking about. There are two separate reports and I am not getting into the detail but the key finding of one of them relates to a Spanish residence in Marbella that was bequeathed to the organisation in about 2008 and then there was substantial legal costs to get it transferred into their title and it was sold. These are facts. The property was later sold for €37,500 without being put up for sale on the open market which resulted in a loss based on the original estimated value and the cost incurred.

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The report goes on to state that it would appear to the audit that the property was sold at a very low valuation considering the sale price was just €37,500 and it refers to appendix B as a way of comparison to properties in the Marbella area at that time.

Deputy Jonathan O'Brien: The report states they lost in the region of €32,000.

Chairman: In other words they got the property bequeathed to them. They spent €69,703 getting it refurbished and transferred over and then they sold it at €37,500. They did not even cover their costs of taking possession of the property.

Deputy David Cullinane: There was a loss of €32,000 and I think the internal audit's-----

Chairman: That was a loss.

Deputy David Cullinane: -----problem was the paper work. There were no invoices. There was a lack of transparency around the process which is a matter for us. That is a Committee of Public Accounts issue.

Chairman: It is a Committee of Public Accounts issue because this organisation gets funding through the HSE but it did not even cover the costs of getting the property transferred. They lost money on that issue, not to mind the value of the property and they have included two possibly similar properties in the appendix that were on sale at around that time in Marbella, one was for €260,000 and the other was for €245,000. It is extraordinary to be left such a valuable asset and actually lose money on the sale of it. That is the estimate of that report and we will ask the HSE for a detailed response on that issue so that people will understand what we are talking about.

Deputy David Cullinane: Without referencing any of the details it is also very clear as well that there are-----

Chairman: We are not getting into any names or persons.

Deputy David Cullinane: No, but concerns are raised about the management of conflicts of interests again.

Chairman: That is on the other report in relation to procurement of human resource training. There are two separate reports and the second one is about potential conflicts of interest and lack of transparent arrangements in place regarding a procurement process so the public will at least know what we are talking about. We are not getting into the detail so we will raise these issues for detailed response with the HSE when the time comes and we might discuss it in private session later on in the course of the day but we will flag this with the HSE that we will want to discuss it at the next scheduled meeting which is in a couple of weeks time in June.

We move on to the rest of our correspondence. That was correspondence No. 1338 from the HSE. The next item is correspondence Nos. 1339B, 1340B and 1341B. These are all connected with the cervical cancer issue and corporate risk registers. We will deal with the matter in a moment.

Deputy Alan Kelly: Will all of that correspondence be discussed as one item?

Chairman: Yes. We will discuss them in a minute because this topic consists of five or six items.

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The next item is No. 1348B from Mr. John Connaghan, director general of the HSE, on a discrepancy in evidence between the State Claims Agency and the HSE. We note same. We will discuss the matter in a moment but I propose that we finish the rest of the correspondence.

The next item is No. 1284C, dated 9 May, received from an individual on information given to the committee in response to a question raised regarding public moneys being spent on Job-Path. The individual believes inconsistent information was given by the Secretary General who attended a meeting of the Committee of Public Accounts. Before we make any assessment on this matter, we should write to the Department asking it to explain the apparent inconsistency highlighted by the individual. When we get a response, we will revisit the matter.

Deputy Catherine Connolly: This is entirely necessary. That is important because an issue has been raised here, and it is an issue that has been raised by many Deputies in the Dáil. This person has taken great trouble to point out inconsistencies and I am sure that took a huge amount of work. First, we should recognise that fact. Second, we must follow up on the matter. There is a clear conflict or contrast between certain aspects. I will not go into the matter as it has been all set out.

Chairman: Yes, it is in the document.

Deputy Catherine Connolly: The matter needs to be followed up. We must not ignore the matter.

Chairman: We will revisit the matter.

Deputy David Cullinane: I raised this matter with the Accounting Officer when he came here. I was not satisfied with the response and it was obvious that the matter was never really followed up. Two service providers are involved and we asked how much each of them received. We were told that we could not get such information even though one knew what the other was getting because the overall amount was given, which was nonsense. We were given the runaround. We were told that we could not have the information due to commercial sensitivity and all of the rest. The matter is shrouded in secrecy. Let us not forget that public moneys are involved and many concerns have been expressed about this programme. Leaving aside the concerns that people have about the programme, it is problematic if we cannot get basic information on how taxpayers' money is spent. I ask that the committee revisits the matter as part of our work programme. I was dissatisfied with the responses that we received.

Chairman: Plus the way they operate has been a matter for discussion in the Dáil. There has been a proposal to amend how to deal with people but that is a separate issue.

Deputy David Cullinane: I have a specific question for the Comptroller and Auditor General. I know that he has reported on the Department of social welfare or social protection. Has he examined the matter?

Mr. Seamus McCarthy: We are looking at it in the context of the 2017 audit. I have not made a determination yet whether I will report on it but we are looking at JobPath and the kinds of issues that are raised.

Chairman: In the meantime, we will seek a reply to the correspondence. When we receive that, we will revisit the matter and we will keep the individual informed.

Correspondence No. 1285C is from an individual and is dated 9 May. It is on the non-

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payment of farm grants. We received a response from the Department, which we forwarded to the individual, in which it stated that the individual is now fully up to date with his payments. I propose that we note the item.

Correspondence No. 1312C, from Deputy Catherine Murphy, is on the Road Safety Authority. We will hold this matter over. The Deputy has sent her apologies for being unable to attend today's meeting.

Correspondence No. 1316C is from an individual and relates to a meeting of the committee to discuss the Cork Institute of Technology. We will hold such correspondence over until private session when we will discuss the best way to proceed.

Correspondence No. 1331C is from the Minister for Justice and Equality, Deputy Charles Flanagan. It relates to the committee's discussions on the review of the protected disclosures policy that is taking place in the Irish Prison Service, the process to appoint a protected disclosures manager, and the reporting procedure to be adhered to. Is it agreed that we note and publish this response? Agreed.

Correspondence No. 1332C is Ms Ann Marie O'Grady, chief executive, Leopardstown Park Hospital, on the draft financial statement and the delay. We will note and publish. We have received a number of similar letters. We will have a report on the up-to-date position concerning the matter at a meeting on 14 June. I wish to advise that as a letter went out in my name, I got letters back yesterday from ten organisations or covering ten organisations, primarily in the Department of Finance, saying that all of the accounts had been lodged last week. The letter has woken up some people. We will get an update report on those 37 organisations. At this stage, many of them are in since we last discussed the matter. We will get an update in a fortnight. There are probably a handful of organisations that have particular difficulties that the Comptroller and Auditor General will have to work through.

Mr. Seamus McCarthy: Yes. I think this letter from Leopardstown Park illustrates that in a small organisation, where individuals are unavailable because of illness or whatever, it can have a significant impact.

Chairman: Yes, when some of the key staff are out. We will be in a strong position to close that topic when we get the final report next week or at the next meeting.

The next item is No. 1335C and is correspondence, dated 24 May, that alleges the falsification of data by University College Cork about disabled access. I propose that we write to the Higher Education Authority, HEA, to draw attention to the alleged issue and request a note on what constitutes a part-time and full-time student. We will also ask the HEA whether it is satisfied that UCC adhered to the requirements in terms of declarations about the number of part-time and full-time students. Is that agreed? Agreed.

The next item is No. 1342C and is correspondence from an individual, dated 24 April, about the wards of court fund. This person has written to us on several occasions. The individual appears to be asking whether there is some way that the Comptroller and Auditor General and the Committee of Public Accounts could examine the wards of court fund, even though it is a private individual fund. We have discussed the matter at length several times. I am inclined to hold over this matter because Deputy Catherine Murphy, who is not present today, seems to deal with this particular group regularly. I think we should hold over the matter because I would not like to conclude a discussion without the Deputy being present to make an input. Is

it agreed that we hold the matter over until the next day? Agreed.

Correspondence No. 1343C, dated 15 May, is from an individual who refers to concerns following on from a protected disclosure. He is recording his warnings and concerns with the committee. Can we note same? Noted. The matter is connected with a protected disclosure in the Irish Prison Service, as has been mentioned. I do not propose that we publish the matter at this time.

Deputy David Cullinane: I wish to declare that I have met a prison officer who also works in Mountjoy Prison. That prison officer wants to make a protected disclosure. The matter concerned seems very similar to the issues that have been raised. As soon as I get the disclosure I will forward it to the committee. I will talk to the secretariat on how that can be done. It seems that there are issues and we have more than one matter. There seems to be a crossover of issues so we may have to examine or find some way to examine them with the Irish Prison Service.

Chairman: The final item of correspondence is No. 1345C from Mr Pat Leahy in the Department of Finance. He has provided an update to the committee on the Apple escrow account. He has said that €1.5 billion has been received recently and the Department expects €13 billion. It is a very short report. We asked for an update on the Apple escrow account. The Department of Finance has confirmed that the total amount of the contested state aid involved is €13.1 billion, plus interest. The Department has said that €1.5 billion, including EU interest, has been paid into the account and it has confirmed that the timescale for when it expects to receive the balance of the amount is the end of September 2018. The correspondence is very short, concise and to the point. Will we note and publish? Agreed. The money has been lodged into an escrow account so we cannot get our hands on it yet. There will be a big queue for that money whenever the matter is resolved.

Deputy Catherine Connolly: I note that €1.5 billion been paid into the escrow account.

Chairman: That is not bad. The money has been lodged in an escrow account and people know it is being managed.

Deputy David Cullinane: It is €1.5 billion.

Chairman: Neither the Apple company nor the Irish Revenue Commissioners can access the account in the meantime.

No statements of accounts have been submitted in the past week. The only item on the work programme, and I will return to the main topics of correspondence later, is our meeting with the National Treatment Purchase Fund and Nursing Homes Ireland on 14 June. No further changes have been made.

I will return to discussing the various items of correspondence that have been received in terms of the cervical cancer issue. I will work in reverse. I note that Deputy Darragh O'Brien has indicated. Yesterday, we received a letter from Mr. John Connaghan, director general of the HSE. Interestingly, he was the interim director general last week but he has written his signature above the title of director general on correspondence that was issued this week. I believe he has a big job ahead of him. We were concerned because we were given evidence that people had informed the State Claims Agency that all of the women involved had been informed about their audit, whereas the State Claims Agency wrote back last week and said very straight that this was inaccurate, so we asked the HSE to respond accordingly. We need to discuss the matter, which is a culmination of some of these issues in CervicalCheck. I ask the secretariat to

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display the letter, No. 1348, on the screen so everyone has it in front of them. People can view the correspondence on the screen now. It reads:

At the request of the HSE, SCA officials met with officials of the HSE, including Mr J Gleeson Programme Manager CervicalCheck.

The purpose of the meeting was to clarify the apparent difference as to the content of a telephone call between the SCA legal team and Mr J Gleeson which occurred during the trial of V Phelan v HSE and another. The context of the telephone call was to discuss matters pertaining specifically to the case. The issue of all the other women (the subject matter of the audit) being informed arose as a brief discussion issue.

While Mr Gleeson cannot recollect the specifics of the conference call with the SCA in April 2018, we clarified Mr Gleeson's understanding was consistent with the record of the call. Mr Gleeson's understanding of the communication with the women was that at the time he assumed the women had been informed by their treating physicians. We now know that this was not the case.

Hence the HSE and SCA are satisfied that the apparent difference around the understanding of the communication with the women has now been resolved.

Obviously that is to the satisfaction of the HSE and the State Claims Agency.

My issue, as Chairman of the Committee of Public Accounts, is we are given very definitive, categorical evidence in public session and immediately afterwards we find it is not the case. That is a problem for the committee in terms of witnesses appearing before us. It is not about the cervical cancer issue; it is about evidence. The committee has to have an absolute assurance that evidence given here is correct because if it is not correct we are all on the wrong track. That is the issue I am concerned with. Deputy O'Brien indicated he wished to speak.

Deputy Jonathan O'Brien: I am not happy with this and I will tell the Chairman why. The issue is not whether Mr. Gleeson was of the understanding the women had been informed or not. The issue was he sat in that chair and said he did not have a conversation with the SCA and he did not tell them that all of the women had been informed. It is not an issue of whether he was of that belief or not. He categorically said he did not speak with the SCA and neither did anyone from CervicalCheck. That is the issue. He cannot now come back and say that he had the conversation, that he told them this, that he was under that belief and that is now resolved. The issue around the HSE and the agency may be resolved in the context of the apparent difference in understanding of whether women were told or not. I do not want to use the word "lie", but we have somebody who came before a committee and who did not give us accurate information and even denied having a conversation, and now we know that not only did he have the conversation, he said what we all knew at that meeting. The other issue I have is that we had the director of communications from the HSE at the same meeting state that he was-----

Chairman: Committee of Public Accounts meeting.

Deputy Jonathan O'Brien: At the same meeting, he told this committee he had a conversation with the SCA outside this room and, according to him, the agency told him personally that it was two individuals from the HSE who had informed the SCA that all of the women were informed, yet he could not remember the names of those individuals. The issue for me is not whether he knew; it is whether he sat in the chair here and denied even having that conversation. He needs to be brought back before the committee to give an explanation for that rather

than this back and forth with correspondence.

Chairman: I want to be fair. We are all in the same space. Members should be careful about the language they use and about using the word “lie”. It was definitely incorrect but the word “lie” probably implies it was deliberate. Perhaps there is a memory blank.

Deputy Jonathan O’Brien: I did not want to use the word “lie”.

Chairman: The Deputy did not want to use it. We will not use it.

Deputy Alan Kelly: The Deputy qualified what he said.

Chairman: Let us be absolutely fair. We have a conflict-----

Deputy Jonathan O’Brien: I said he gave incorrect information.

Chairman: That is a fact. That is our concern. I call Deputies Kelly, Cullinane and Connolly on this topic.

Deputy Alan Kelly: There are two issues. First, without prejudice, what he said here was inaccurate. It may have been inaccurate because he just could not remember. My question about the letter is that it is written almost as if the SCA agrees with it. Is the SCA 100% in agreement with this letter?

Deputy Jonathan O’Brien: It is my understanding that the agency is agreeing with the point that the individual who told it was under the belief-----

Deputy Alan Kelly: The first action is to write to the SCA.

Chairman: May I help on that question? My reading of that letter is, in straightforward English,-----

Deputy Alan Kelly: They met.

Chairman: -----is they met to discuss the discrepancy. The SCA had given its official position to us in writing and it is now saying that Mr. Gleeson’s understanding was consistent with the agency’s record of the call. The agency is now saying, as I interpret it, that Mr. Gleeson is saying the agency was correct.

Deputy Alan Kelly: It is signed by Mr. John Connaghan so we need-----

Chairman: We need the State Claims Agency to verify it.

Deputy Alan Kelly: We should write to the agency referring to the letter and ask it if it concurs 100% with it or does it now need to make further clarifications or anything like that. That is the first issue.

Chairman: That is agreed. We will do that.

Deputy Alan Kelly: The second issue is that we are dealing with the biggest health crisis in decades. In this situation we all know the issues relating to management in CervicalCheck and confidence and so on. The programme manager came in here and gave us information which we now know to be inaccurate. In that scenario, we have to question having confidence in a management team that appears before the committee and gives information that, for whatever reason, is inaccurate. Not alone is it inaccurate but it is based on a case that was in the High

Court. This is pretty serious stuff and we will have to have a discussion about what we do about this. If the SCA had not written to us last week, we would be none the wiser. It begs the other question: what else is inaccurate? What else do we not know about? It raises a serious question for Mr. Connaghan. What will he do about it? He has a management team, previous and current, that has given inaccurate information to the Committee of Public Accounts based on a High Court case. If Vicky Phelan had signed the confidentiality clause, we would not even be talking about it in the first place. This raises deeper questions. We should write to the SCA, verify that it agrees 100% with the context and the way in which the letter was written and ask if it has any other further clarifications or information it wants to give to us. Second, we have to seriously consider the impact of being given information like this which is completely inaccurate for us and which is based on other evidence given to us. Dr. Scally is doing his report but we have to consider what our next steps will be as regards actioning something on this.

Chairman: We will make a decision shortly.

Deputy David Cullinane: I want to separate out a couple of issues in my head. I agree with Teachta Kelly's analysis. Regarding these emails, we had two polar opposite viewpoints at the same committee meeting from individuals within two different organisations.

Chairman: State organisations.

Deputy David Cullinane: Yes. One being the State Claims Agency and the second being CervicalCheck. They were polar opposite views. Mr. Gleeson was strident in his view that the SCA was never told that all women had been informed. This was not just a miscommunication around a misinterpretation of the meaning of what was said. His view is that, as Teachta O'Brien said, there was no conversation and there was no information of that nature given to the SCA. What has happened since - and I want to be careful how I frame this point - is we had two polar opposite viewpoints, then we had a meeting between individuals of the two organisations and we now have a common position.

Chairman: Resolved.

Deputy David Cullinane: That concerns me. I could put it a different way but I want to be careful in what I say. It troubles me that we heard from two organisations that had polar opposite views on what is a very sensitive issue. Conveniently — if I can use that word — we now have a mutually agreed position. As I simply do not accept that at face value, I believe Mr. Gleeson has to appear before us again.

We should not, however, miss the bigger point, which is what An Teachta Kelly was getting at. I am giving my opinion from what I have heard. We look at process failures and systems failures but there is a sense that a deliberate strategy was put in place to limit the number of women made aware of the results. That is the bigger issue. In my view, Mr. Gleeson was at the core of the decision-making in that regard. I do not believe that issue should be lost in the confusion over emails and what was said or not said. The Committee of Public Accounts should produce a report from that perspective and should not encroach on the work of Mr. Scally or anyone else. We have had a number of meetings, however, and cannot just bookend them saying we have had discussions with witnesses because we have our job to do.

There were three elements to the strategy. One was to limit the number of women who knew. The second was to get those who knew and who had legal recourse to sign confidentiality clauses. Where that did not work, the third element was to drag it out through the courts.

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Ms Vicky Phelan rumbled all that. That is my sense of it. It is only my sense of it so I am not speaking for the committee. I do not believe we can forget the strategy.

As the Chairman knows, some of the women involved were in Leinster House again yesterday. Some of them are still taking cases in the High Court. Women who are dying are still in the High Court fighting the system. We have to have their backs. Deputy Fleming, as Chairman of the Committee of Public Accounts, promised them that we would fight their corner for them so we cannot just drop the matter and say that is it. At the very least, we have to produce a report and give our view on whether we feel there were systems values. I know the word “cover-up” was used by the solicitor for Ms Phelan. That is still an allegation. I do not believe Mr. Scally will be looking at that. I would imagine that if there were failures he will come back and state that. Then we will need a commission of investigation. If that happens, it will be locked into a two-year process whereby nobody will be able to talk about the matter again. That is what happens with these commissions. We have been here before with all these issues. I am just making the point that we started a process and made a commitment and promise to the victims at the centre of this. Not only because we made a commitment, but because of our responsibility, we need to see it through.

Deputy Catherine Connolly: I find the letter shocking. I have serious questions over the fact that the director general has put his name to this. I am not given to extreme statements but am inclined to make one when I see a new director general coming forward in a situation like this, where there was clear evidence from the State Claims Agency, to say he decided to bring the two together to have a meeting. We have no minutes of that meeting. He refers to an “apparent difference”. There was nothing apparent about it; there was a difference. Now we are talking about apparent differences, assumptions and consistencies. There is something seriously amiss. I find this letter totally unacceptable. The last line states: “Hence the HSE and SCA are satisfied that the apparent difference around the understanding of the communication with the women has now been resolved.” As a member of this committee, I believe nothing has been resolved for me. There was no “apparent difference”. It has already been said this is a very serious issue. We have only a very limited, specific role in it. When we are given differing accounts as evidence, it is then up to us, not the HSE, to make decisions on how to resolve it. The representatives of the organisations in question, including the director general, need to appear before us again. We will hear what has been said and we will make conclusions in our report. We have no choice but to do that. I say that most reluctantly because there is a much bigger issue here for the women. We need an investigation as quickly as possible. This is now undermining confidence even more.

Chairman: I call Deputy Jonathan O’Brien. We will bring this to a conclusion.

Deputy Jonathan O’Brien: There are two issues here. First, we now know a conversation took place between Mr. Gleeson and the State Claims Agency.

Chairman: They keep mixing dates. They do not even say when it happened. They just state-----

Deputy Jonathan O’Brien: Yes, but even in this letter Mr. Connaghan says Mr. Gleeson “cannot recollect the specifics of the conference call”. He told this committee that there was no conference call. Those concerned are being very cute with how they are playing with words here. There was an apparent difference regarding a misunderstanding over whether women had been informed. Mr. Gleeson told the committee it was his understanding that all the women had been informed. If the HSE is saying that is the misunderstanding and that the State Claims

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Agency and HSE are now happy it has been clarified, that is the end of the matter. The issue for me, however, is that the programme manager of CervicalCheck is not even recollecting that there was a telephone call in the first place. He appeared before the committee and said he had no communication whatsoever with the State Claims Agency, and that no one in his organisation had any either. He appeared before the committee towards the start of May, two or three weeks ago, and he could not even remember a telephone conversation he had two weeks previously.

Deputy Alan Kelly: I have a suggestion. Obviously, we have agreed to write the letter. We are back here in two weeks so for an hour at the beginning we should bring in representatives of the State Claims Agency. May I make a suggestion?

Chairman: Yes.

Deputy Alan Kelly: There are three people mentioned as witnesses or as having been part of the conference call. The three should be brought in. The head of the State Claims Agency, as well as Mr. Connaghan, Mr. Gleeson and Ms O’Keeffe, who is over Mr. Gleeson, should be brought in. For one hour, let us get to the bottom of what is going on here.

Chairman: We can agree to that for this day two weeks.

Deputy David Cullinane: I have one observation on that. I fully agree with the proposal. On a point of clarification, however, I understand there were a number of legal people involved in the conference call that was referred to. Were there not?

Chairman: Yes.

Deputy David Cullinane: Was it subject to privilege?

Chairman: It was. In our correspondence the previous week, we were told it was subject to legal privilege because it was taken by the legal team.

Deputy David Cullinane: I am only pre-empting what the response might be. Given that legal people were party to the conference call-----

Chairman: Yes.

Deputy David Cullinane: Is Deputy Kelly saying they should be brought in also?

Deputy Alan Kelly: Let us thrash that out. They can refuse to come in-----

Deputy David Cullinane: Whether they come in or not, I am just trying to-----

Chairman: I propose the following, bearing in mind that we are starting from the public accounts perspective. We are not investigating everything. Members will have noticed I have included a new paragraph in my opening statement to witnesses in the past month or six weeks. I state specifically that we expect witnesses to answer questions put to them clearly and with candour. As Chairman of the Committee of Public Accounts - I believe I am speaking for all members - I did not believe we had questions answered clearly and with candour on the last day. It am referring not just to one person. I just left the meeting with that feeling. I was disappointed with the quality of some of the evidence. I suggest that Mr. Connaghan, Ms O’Keeffe, Mr. Gleeson and whoever they feel the need to bring with them be invited. I refer to one session, not two separate sessions. Also to be invited are Mr. Breen, from the State Claims Agency,

and the people he feels are appropriate. We will ask him to bring his legal advisers. We may choose, during the course of the meeting, to go into private session if he wants to say something that cannot be put on the public record. He should be prepared to have part of the meeting in private session, if necessary, if he wants to say something that cannot be said on the public record. It might not be necessary.

Deputy David Cullinane: May I make a point on that?

Deputy Jonathan O'Brien: Sorry, but in the transcript from 17 May, which is up on the screen, Mr. Gleeson states, "I do not think anyone from CervicalCheck could have said that because it would never have been our understanding [...]" He denies even having the conversation, and that is the issue for me. It is not the information that was relayed within the conversation but the fact that there was no conversation.

Deputy David Cullinane: My only point is that our quarrel, issue or source of contention concerns the individual from the State Claims Agency who answered the questions and Mr. Gleeson. The more people we involve, including legal people, the more difficult we could make it for ourselves to have a meeting. I am just saying we need to consider this carefully so we will not be cut off at the pass.

Chairman: We will ask him to have his legal people available in the building-----

Deputy David Cullinane: That is fine.

Chairman: -----not necessarily to close down the meeting but available if they are willing to allow us to speak to them. We are agreed on this. People will ask why the Committee of Public Accounts is following this matter. We were dealing with this as a result of the 2016 financial statements and following through these contracts. The committee had good reason to test the evidence of the witnesses from the HSE. We had verification from a number of people including Vicky Phelan and the State Claims Agency. We now find that the evidence given in public session by the HSE to this committee does not stand up. That is an issue which the committee has to address. We must make it clear to all witnesses coming before the PAC that their information has to be accurate. We cannot just get a letter stating the issues have been resolved.

Deputy Jonathan O'Brien: I agree completely with the proposal. However, the director of communications needs to be here as well. He made a claim at the meeting which is now not true. He needs to explain the basis of that claim he made on the record.

Chairman: I absolutely agree.

Deputy David Cullinane: In private session, can we have a discussion around the wider issue of what led to the circular being issued and the decision-making on open disclosure? These are important issues and deal with what Teachta Kelly said earlier.

Chairman: We will have a private session when we finish public session today. At the end of the meeting in two weeks, the committee may formally bring its end of it to a conclusion and hand over to Dr. Scally before he completes his work. We should not let it just hang there. We will be focused as to why the witnesses are here.

All the reference numbers to the items of correspondence I read out are included in this correspondence discussion. We had intended bringing in the National Treatment Purchase Fund also on that day. Does the committee want to deal with this HSE visit first?

Deputy Alan Kelly: Let us be realistic. It will probably take two hours.

Chairman: We will schedule it for 9.30 a.m. after correspondence.

Deputy David Cullinane: Can we postpone correspondence and deal with it early?

Chairman: We might get correspondence out of the way. We will schedule the meeting for 9 o'clock. When we are finished with that, we will have a short recess and then continue with the business of the meeting with the National Treatment Purchase Fund and whoever else is scheduled to come on that day. We will finalise the timing arrangement in private session.

Deputy Jonathan O'Brien: If they are not available on that day, we should make it for another day that week.

Chairman: Deputy Jonathan O'Brien is quite right. We will have a discussion on timing in private session shortly. The availability of witnesses is important.

I forgot to reference correspondence No. 1346C from Deputy Cullinane.

Deputy David Cullinane: Was I leaving prematurely?

Chairman: I was giving the Deputy credit for sending an email directly on this.

There are no account and statements this week.

We will now suspend to allow witnesses to take their seats.

Sitting suspended at 10.04 a.m. and resumed at 10.08 a.m.

Garda Internal Audit Report on ICT Directorate Payments Process

Mr. Dónall Ó Cualáin (*Acting Commissioner, An Garda Síochána*) called and examined.

Chairman: The committee will discuss issues on tendering and procurement regarding €26 million worth of ICT contracts in An Garda Síochána. This matter was discussed at the Oireachtas Joint Committee on Justice and Equality's meeting with the Policing Authority on 21 March. In our role, as public spending watchdog, we are following up on the matter as it relates to 2016 financial accounts.

We are joined today from An Garda Síochána by: acting Commissioner, Dónall Ó Cualáin, Mr. Joseph Nugent, chief administrative officer; Mr. Michael Culhane, executive director of finance and services; Mr. Liam Kidd, executive director of ICT; Mr. Niall Kelly, head of internal audit section; Mr. John Cunnane, head of procurement; Mr. Kieran Downey; Superintendent John Ferris; Ms Gail Malone, strategic transformation office; and Ms Therese Carolan, internal audit.

We are joined from the Department of Justice and Equality by Ms Nuala Ní Mhuirheartaigh, principal officer, policing division, and Ms Tracey Germaine, assistant principal office, policing division. We are also joined from the Department of Public Expenditure and Reform by Mr. Jim Deane, head of policy, Office of Government Procurement.

I remind members, witnesses and those in the Gallery that all mobile phones must be

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switched off. That includes putting them on flight mode, as putting them on silent mode is not adequate as it will still interfere with the recording equipment.

I wish to advise the witnesses that by virtue of section 17(2)(l) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of their evidence to this committee. If they are directed by the committee to cease giving evidence on a particular matter and continue to do so, they are entitled thereafter only to a qualified privilege in respect of the evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person or persons or entity, by name or in such a way as to make him, her or it identifiable.

Members are reminded of the provisions within Standing Order 186 that the committee shall also refrain from inquiring into the merits of a policy or policies of the Government or a Minister of the Government or the merits of the objectives of such policies. While we expect witnesses to answer questions put by the committee clearly and with candour, witnesses can and should expect to be treated fairly and with respect and consideration at all times, in accordance with the witness protocol. Does the Comptroller and Auditor General wish to make an opening statement?

Mr. Seamus McCarthy: I will briefly make a couple of points. While the 2016 appropriation account for the Vote for An Garda Síochána is not formally for examination in this morning's meeting, it does provide a context for consideration of the issues dealt with in the internal audit report.

The Accounting Officer's statement on internal financial control at the front of the appropriation account discloses significant financial and other risks faced by An Garda Síochána and the steps taken to address those risks. The statement also deals with procurement matters and notes that there were 94 procurement arrangements availed of in 2016 where a competitive process had not been followed. The combined expenditure under those arrangements in 2016 amounted to €27.8 million. Within that total, expired contracts had been extended beyond the specified contract end date for 27 procurements with combined expenditure of just over €20 million. This included procurement of information and communications technology, ICT, goods and services, some of which were the focus of the internal audit examination being considered by the committee today.

More generally, I would point out that, as part of the annual audit of accounts of financial statements, we review the work and outputs of internal audit units. That work aims to identify any systemic control issues that need to be addressed by the audited body, and to ensure that they have responded appropriately to any findings and recommendations. An Garda Síochána's internal audit unit completed the examination on the ICT directorate payment process in August 2017, and this committee was provided with a copy of Garda management's response to the report in March 2018. The report and responses are being examined as part of the audit of the 2017 appropriation account of An Garda Síochána, which is ongoing.

Chairman: I ask Acting Commissioner Ó Cualáin to make his opening statement.

Mr. Dónall Ó Cualáin: ICT plays a critical role in supporting the policing and security services provided to the State and its people by An Garda Síochána. ICT services must be robust, secure and, in many cases, available 24-7 to ensure we are in a position to provide an effective service.

A large number of policing and security services processes are dependent on ICT. These include the management of the emergency 999 communications control centre; incident recording; criminal investigations; fingerprints; registration of EU nationals; and international policing and security co-operation and information exchange.

In addition, ICT is being increasingly used in new ways to support the organisation's daily activities in areas such as strategic planning, data analysis and modelling of the organisation and its functions.

In delivering such services, An Garda Síochána has always been very conscious of the need to ensure the ICT budget available to it is maximised and is invested in a cost effective manner. Despite its capital budget being reduced by 50% as a result of the recession and the level of staffing being below those of other Departments, the Garda ICT department has successfully delivered a number of major projects, such as the TETRA radio communications network, e-vetting and an automated number plate recognition system that have enhanced the delivery of policing and security services.

Delivering these kinds of new services, as well as maintaining ICT services to an organisation of more than 15,000 people who work in a very complex environment, would not have been possible without a comprehensive approach to governance and project management.

In line with other public sector bodies, the annual Garda ICT budget is approved by the Office of the Government Chief Information Officer, OGCIO. Annual ICT expenditure is reviewed regularly in that given year by the executive director of Garda ICT. In addition, it is subject to review by the ICT governance board, which is chaired by the chief administrative officer, and includes representatives from the Departments of Justice and Equality and Public Expenditure and Reform. The ICT governance board meets on a quarterly basis.

A key element of the organisation's modernisation and renewal programme is the need to upgrade, replace and develop new ICT systems. In taking on these initiatives, An Garda Síochána faced the challenge of progressing ICT projects where the number of people employed in ICT is significantly lower than in similarly sized public sector organisations. As a result, and, additionally, in order to maintain critical policing and national security ICT systems on a 24-7, 365 days a year basis, it was necessary for the ICT department to avail of a very significant level of external skilled resources.

By their nature, given the range of ICT services to be provided and supported, contracts with suppliers can be very complex. The skilled resource contract with the largest provider of external resources to the organisation commenced in 2009. The contract has been rolled over to ensure the continued operation of ICT services and, given the complex nature of the procurement required, An Garda Síochána engaged the assistance of a specialist ICT service to assist developing a procurement approach which would maximise competition opportunities. A series of tenders have issued, with more currently progressing, and contracts with a number of different suppliers have been awarded. Over this period, the cost of the existing contract was carefully managed, with the average cost per resource decreased by 8%.

The report by the Garda internal audit service raised a number of issues, which are being addressed. For instance, since last year, all external staff working under the skilled resource contract in ICT are subject to the Garda electronic time recording system.

Since receiving the approval from the Department of Public Expenditure and Reform to use

the Office of Government Procurement, OGP, framework to tender for new skilled resources, a series of procurement competitions have commenced. To maximise competition options, the existing contract has been broken into five tenders for different services, namely, ICT service desk provision; IT operations; ICT security; ICT application development; and support for the strategic transformation office. These tenders are at different stages of the procurement process. Subject to the outcome of the five tender processes, which are independent and operate via open competition, we would anticipate that reliance on a single provider in this area will significantly reduce.

Over the past year, the number of inhouse skilled resources in ICT has begun to increase and will increase further in the coming years. Increased numbers and skills, combined with new structures in the ICT department, will reduce the level of dependency overall on external contractors.

On the matter of agreed rates, all rates are contained in the master services agreement and annual project documents. There are no verbally agreed rates.

In addition, the internal audit service raised the issue of pre-payments. The decision to apply prepayments is in line with the overall Garda budgeting process and has resulted in a 5.5% discount.

To conclude, ICT plays a fundamental role in An Garda Síochána providing a service that protects and supports communities. We fully recognise the need to ensure that investment in ICT is in line with public procurement rules and provides value for money. Our approach to breaking-up the skilled resources contract will assist us in this and our focus on increasing the number of our personnel working in ICT will reduce our overall reliance on external contractors.

Chairman: Deputy Alan Kelly will be the first speaker and he will have 20 minutes. He will be followed by Deputies David Cullinane and Catherine Connolly.

I have one question arising out of that because it is a matter that came across our desk in regard to another public body. It concerns the question of prepayments. The committee found that Dublin Institute of Technology lost in the order of €700,000 on prepayments in respect of a library contract. It thought it was dealing with a reputable international company and it so happened that was not quite the case. What level of credit check do the witnesses do in respect of organisations to which he makes prepayments because if they are gone, they are gone and they will not get them back? What kind of ongoing monitoring is done in that regard? When a contract is signed today that will run for a couple of years, it might be fine on the day the credit check is done and the contract is signed but where there is a prepayment system in place, there has to be some annual update of a credit check. Sometimes the published financial statements might provide hints. What system do the witnesses have in place in terms of security of prepayments if the supplier is not there to deliver the contract? Have the witnesses dealt with that yet?

Mr. Michael Culhane: In terms of the number of prepayments to Accenture, we are relying on the financial standing of that company. We do not have access to its financial statements at the moment. I am certainly conscious of the prepayment mentioned about the library service because I read about it already. We are conscious we are exposing ourselves to the same type of risk. As part of the process of developing a more robust system to ensure our prepayments are secure we are limiting the type of prepayments to the companies that we believe have sufficient financial stability or substance to guarantee the security of the prepayment. The prepayment

tends to be for a relatively short period so we are minimising any type of exposure we have.

Chairman: What type of prepayment is it? Are we talking about hundreds of thousands?

Mr. Michael Culhane: Yes, it could be hundreds of thousands. It is hundreds of thousands of prepayments so we limit the companies we make prepayments to and we look at the financial stability of those companies. I take on board the Chairman's suggestion. It is an excellent suggestion that we look at the credit status of the company on an ongoing basis to ensure there is no exposure.

Chairman: We have learned through bitter experience from previous organisations that have appeared before the committee. I want to impart the knowledge about what went wrong. I ask the witnesses to build it into their structures for the future. I do not know where Accenture came from but there is a big company called Arthur Andersen which was one of the big five and it was dissolved so nobody is secure in this world. There has to be a checking system in place for prepayments each year. I will let Mr. Culhane develop that but he gets the point I am making.

Mr. Michael Culhane: I do, certainly.

Chairman: I will ask Deputy Kelly to commence.

Deputy Alan Kelly: I thank the witnesses for coming in. We are quite familiar with one another at this stage. The game of cat and mouse will continue today. I said that as a joke; it is not serious. Perhaps it is half serious.

Five weeks ago, we went through all this in the justice committee. I asked a range of questions which Mr. Nugent came back to me on late last night. I have the answers on my phone. The answers to my questions, which were meant to be delivered within two weeks, were sent yesterday, five weeks later, and they were not satisfactory. I will go through some of them but they were not satisfactory. I had to chase for the answers. I will get back to them. I used the phrase "cat and mouse" but that is what is going on because trying to get straight answers to a number of questions is borderline impossible at this stage.

Well done on the audit, which was necessary. There needs to be an investigation into the way in which some of these contracts were handled. I say this with officials of the Department of Justice and Equality present and with the Secretary General of the Department of Justice and Equality watching proceedings. There should be an investigation into how contracts in An Garda Síochána relating to some companies were handled because of the volume of money and the lack of procurement processes. Mr. Kelly has outlined it. It is not acceptable in modern times that this would happen with An Garda Síochána and that it would not enforce procurement rules in respect of rolling contracts. It is not acceptable that it would have people on site dealing with very sensitive information not clocking in so it would have no knowledge of what they are doing, how they are doing it or what hours they are doing. The audit states, "No assurances can be given that procurement rules were being followed on major IT contracts in the force". It stated that there was a lack of a paper trail over key financial agreements. I ask Mr. Kelly whether that is correct.

I presume acting Commissioner Ó Cualáin has read this audit in detail and I presume he has taken action as a consequence. Who is at fault? The vast sums are incredible. What sanctions has he put in place for those who were over this? How can he explain the statement in the audit that there is no paper trail for the decision-making on these projects? They are my first three

questions.

Mr. Dónall Ó Cualáin: The first thing I will say in the context of the contract that was developed in 2009, which was to provide-----

Deputy Alan Kelly: This was Accenture.

Mr. Dónall Ó Cualáin: Yes. What we have learned - Mr. Liam Kidd can confirm this - is that it was the perceived wisdom at that juncture that it would be better to go for one major supplier as distinct from breaking it up. That sets the scene for how the contract was developed and given out. That contract was extendable and it was extended. Mr. Kelly has agreed that the contract was within the proper timeframes up until 2014. Between 2009 and 2014 that contract was valid. There was a period in 2015 when it was out of date. Mr. Kidd can explain that at that time the skill resources were not available internally to An Garda Síochána to develop a new contract. With the governance arrangements in place it was deemed appropriate that that would continue. In January 2016, I took over the responsibilities of the chief administrative officer for a number of months in the absence and retirement of the previous chief administrative officer before Mr. Nugent arrived in August. One of the first things I did was to set that process in train to ensure that a new set of contracts would issue. That started in January 2016.

Deputy Alan Kelly: How does Mr. Ó Cualáin explain the lack of tendering for such vast sums of money? I will ask him again who was at fault because I have not heard of anyone being at fault. Perhaps it is the Government but will Mr. Ó Cualáin just say who? There has to be a reason it happened. What sanctions, if any, have been taken? They are the same questions. There has been no answer.

Mr. Dónall Ó Cualáin: I will ask Mr. Kidd to explain the detail of how the thing was developed.

Deputy Alan Kelly: I have heard it before. I was at the justice committee meeting for four hours and I have read the transcript. I do not need it repeated. I would like to know from the acting Commissioner why it was not tendered, who was at fault and what sanctions there have been. If “nobody” is the answer Mr. Ó Cualáin should just say so.

Mr. Dónall Ó Cualáin: Mr. Kidd is responsible in the context of his job in ICT. He is our executive director of ICT so it is in his area for these things to be developed. I have given the Deputy the context in which this thing was developed back in 2009 and what was deemed to be appropriate at the time, which was this would go to one provider as distinct from breaking it up.

Deputy Alan Kelly: My background is I was an IT manager before I had the foolishness to enter politics. There is a single point of failure, which is Accenture. It has knowledge of a system that has been built for An Garda Síochána, which means the Garda cannot get rid of Accenture. Mr. Ó Cualáin’s organisation has managed to develop that situation where there is a dependency. I know it is trying to work its way out of it and it is breaking up the contract. That does not take away from the fact that that is what happened. There has to be an explanation. From the audit, we know from Mr. Kelly that there is no paper trail and no explanation. Presumably, as acting Commissioner, given the vast sums of taxpayer’s money, Mr. Ó Cualáin has found a reason and has imposed sanctions on those who allowed this to happen. If I was in my previous job and did this, I would not be in a job.

Mr. Dónall Ó Cualáin: I outlined in my opening statement the amount of governance and oversight that pertained then, and still does, in the context of how these contracts are awarded

and how they are managed once they are awarded. On that basis, we had that reassurance from those particular bodies that this matter was being dealt with in an appropriate manner throughout those years.

Deputy Alan Kelly: Can I ask for specific information? There are 41 contracts with Accenture. Can Mr. Ó Cualáin provide me with the dates and amounts of the contracts and who in the organisation at the highest level signed off on each contract? If the witnesses could provide it in a spreadsheet, that would be helpful.

Chairman: If the witnesses do not have the information here they can send it on.

Deputy Alan Kelly: I do not want it now, in fairness. My next question is for Mr. Kelly. In the context of the report, was Mr. Kelly astonished by the lack of a paper trail here?

Mr. Niall Kelly: I would not say there was a complete lack of a paper trail. There were records, for example-----

Deputy Alan Kelly: I will quote from the report, which says that there was “no paper trail”.

Mr. Niall Kelly: What page is that on?

Deputy Alan Kelly: I did not write down the page number. I took notes but Mr. Kelly did say that there was no paper trail.

Mr. Niall Kelly: There certainly was a paper trail but it may not have been comprehensive in certain areas.

Deputy Alan Kelly: Obviously, the rolling out of the contracts was wrong and should not have happened. What justification did Mr. Kelly find for that? Surely there must be a paper trail in the form of feedback forms, independent reviews, independent analyses or some such. There must be some logic that is substantiated by a paper trail to justify it.

Mr. Niall Kelly: Is the Deputy referring to a justification for the extension of the contract?

Deputy Alan Kelly: Yes.

Mr. Niall Kelly: As the Commissioner has said, the contract was placed in 2009, with a five-year run. It was for three years but could be extended for a further two years, which brought us up to 2014. I do not have the figures in front of me but the amount of expenditure was low in the period between 2012 and 2014 because we were not doing a lot of new projects. We were ticking over the systems we had rather than developing new projects. A new contract was not put in place in 2014 but we still had to keep the systems going. We could not say that we did not want-----

Deputy Alan Kelly: I am sorry for cutting across the witness but I am pressed for time. What documentary evidence was there to justify the decision? It should be substantial and should include reviews, feedback forms across the organisation, independent analysis and so forth. There must be evidence available. Can it be provided to the committee because I have not seen it? Surely it was not just a case of deciding to continue and rolling the contract on.

Mr. Niall Kelly: We were in a situation where we had to keep the systems going. We could not say “No”.

Deputy Alan Kelly: I know but I am asking a very specific question-----

Mr. Niall Kelly: I agree with the Deputy that the level of detail that should be there was not there.

Deputy Alan Kelly: Was there any justification documentation for this decision? Was there even one document?

Mr. Niall Kelly: No. I have just conferred with my colleague who also says that very little documentation was provided to us.

Deputy Alan Kelly: For the record the internal auditor in An Garda Síochána has told us that there is no documentation to justify the rolling over of the contract. How much is this contract worth per year, on average?

Mr. Niall Kelly: In 2016 we spent €26 million.

Deputy Alan Kelly: That is extraordinary. We are talking here about taxpayers' money. Taxpayers are watching this. An Garda Síochána, which polices this State and upholds its laws, conducted no tendering process and provided no justification for spending that amount of money. It conducted no internal analysis and there is no documentary evidence to support it. The Department of Justice and Equality is watching this. I thank Mr. Kelly, who has been very helpful.

Outside of national procurement rules, I presume on some occasions there was a breach of European procurement rules. I ask Mr. Kelly to tell me about that.

Mr. Niall Kelly: National and European rules are essentially the same. The rules were European initially and were transposed into Irish law through statutory instruments. Subsequent to this report, I audited the European internal security fund. If one makes a claim to Brussels under that fund, it must be audited. As a result of the findings of my earlier audit report, an amount of €1.6 million was deemed to be ineligible, out of a total spend of €2.7 million, because the procurement rules were not observed.

Deputy Alan Kelly: A total of €1.6 million out of €2.7 million was ineligible. Is that correct?

Mr. Niall Kelly: Yes. This was a claim under the aforementioned fund. It is a relatively small amount of money but-----

Deputy Alan Kelly: It is not insignificant. I presume, given his role in the organisation, that Mr. Kelly's findings have been referred on to the relevant European bodies. Is that the case?

Mr. Niall Kelly: Yes.

Deputy Alan Kelly: Can I presume that the Department of Justice and Equality is taking this very seriously? The European bodies, one presumes, will investigate all of this.

Mr. Niall Kelly: Yes but for clarity-----

Deputy Alan Kelly: Can we have an update on any investigations, please?

Mr. Niall Kelly: I will give the Deputy an update now. In terms of the issue around the spending, there is a derogation for national security-----

Deputy Alan Kelly: I understand that and am not worried about that. Indeed, I agree with it.

Mr. Niall Kelly: If we get the derogation for security - and there are very good grounds for claiming national security in the context of this expenditure - then the European Commission has indicated that it will review this. I will have to review my audit findings on this too. The Directorate-General for Migration and Home Affairs of the European Commission has indicated that it will review the claim.

Deputy Alan Kelly: The Policing Authority's report asserts that no one was willing to take responsibility for the budget. That was the authority's finding. I ask the Garda Commissioner to tell this committee who is in charge of the budget now.

Mr. Dónall Ó Cualáin: As Accounting Officer, I am in charge of the Garda budget.

Deputy Alan Kelly: Was Mr. Ó Cualáin shocked when the Policing Authority said that no one was willing to take responsibility for the budget?

Mr. Dónall Ó Cualáin: I am not aware of the Policing Authority having made that statement.

Deputy Alan Kelly: That was the insinuation, basically, that there was no one-----

Mr. Dónall Ó Cualáin: I am not aware that the authority made that statement.

Deputy Alan Kelly: Mr. Ó Cualáin might go back and have a look at what the authority said because that is what I took from its report. In relation to current tendering, I presume that all of the contracts that were awarded to Accenture, which is the single point of failure here, have been broken up and tendered appropriately. Is it safe to assume that we are not going down the same road again?

Mr. Dónall Ó Cualáin: As I outlined very clearly in my opening statement, that is the approach being taken since 2016, since I -----

Deputy Alan Kelly: Let us find out. I want to ask a number of other questions. A contract was awarded to a company called Ultan Courtney HR. What was that contract for and was it tendered?

Mr. Dónall Ó Cualáin: I am not aware of any-----

Deputy Alan Kelly: I ask the witness to come back to me with information on that contract. Is Mr. Kelly aware of it?

Mr. Niall Kelly: I am, yes.

Deputy Alan Kelly: He might explain it to me.

Mr. Niall Kelly: We are currently engaged in an audit in relation to issues around that.

Deputy Alan Kelly: Around what?

Mr. Niall Kelly: Around the procurement of that contract.

Deputy Alan Kelly: I ask Mr. Kelly to explain further. Was there a procurement process for that contract?

Mr. Niall Kelly: No.

Deputy Alan Kelly: What was the contract for?

Mr. Niall Kelly: It was for services to human resources management.

Deputy Alan Kelly: In regard to what?

Mr. Niall Kelly: I think it was a mediation situation-----

Deputy Alan Kelly: I do not want the details if it is a mediation issue. It is enough to know that it concerned mediation.

Mr. Niall Kelly: Yes.

Deputy Alan Kelly: Is it not extraordinary that there was no tendering for a contract like that, which was valued at €50,000 as I understand it?

Mr. Niall Kelly: At the moment we are only auditing that so I do not have the full facts about it.

Deputy Alan Kelly: When will Mr. Kelly have the full facts about it so that he can tell the committee?

Mr. Niall Kelly: We are close to concluding the report on it.

Deputy Alan Kelly: Is it safe to say that Mr. Kelly is concerned at the fact that this was not tendered in the normal way?

Mr. Niall Kelly: Yes.

Deputy Alan Kelly: I have been engaging on these issues for some time with the current witnesses and with other witnesses who appeared before this committee at previous meetings. We have heard a lot of detail and a lot of conflicting information on the use of private email accounts across the force. On a number of occasions, I have asked individual witnesses the same question, which was whether they had ever received private emails on business-related matters relating to An Garda Síochána or whether they ever sent anything for use in private email relating to Garda business. I received an answer last night from Mr. Nugent. I apologise for reading it off my phone but I only got it last night.

Chairman: The Deputy probably raised this in the-----

Deputy Alan Kelly: -----in the Oireachtas Joint Committee on Justice and Equality five weeks ago. The message states:

An Garda Síochána has previously confirmed that, on occasion, members of the organisation have used commercial email systems to send or receive business-related emails. That generally occurred when access to commercial email systems was available from Garda desktops, which is no longer available, and was used for operational reasons. It should be stressed that in all cases, a record of all emails sent from or received by An Garda Síochána is maintained within the Garda email archive.

I will not bother playing the cat-and-mouse game of asking all the witnesses again because I have done it twice and have not got any answers. Mr. Nugent stated that every email is kept.

He stands over that. So every email relating to Garda business is kept?

Mr. Joseph Nugent: Every email that comes into and leaves the organisation is held in an archive.

Deputy Alan Kelly: That is standard operating procedure.

Mr. Joseph Nugent: With respect, it is not standard operating procedure. Having worked in another Government Department, I can say that would not be the case.

Deputy Alan Kelly: There are laws relating to time periods for a year and all this sort of stuff. We will not argue that point. Mr. Nugent said that members of the force and civilian members of the force were using private emails. In fairness, I have to acknowledge that he said that. If somebody used private email and communicated to a colleague using private email, no record is kept of those emails.

Mr. Joseph Nugent: A record of those emails is kept.

Deputy Alan Kelly: How?

Mr. Joseph Nugent: If it involves using private email then a record is not kept. My apologies.

Deputy Alan Kelly: Can the Acting Commissioner confirm that all emails relating to Garda business are kept by An Garda Síochána? He should remember that Mr. Nugent, who is sitting beside him, confirmed to me in writing yesterday that all emails sent and received using Garda email are retained and I understand that. He has also confirmed that private email has been used. Can the Acting Commissioner guarantee to me, this committee and the public watching that every single email sent by An Garda Síochána has sent on official business is retained within the records of An Garda Síochána?

Mr. Dónall Ó Cualáin: I cannot because if people use their own personal email and send it to another personal email account-----

Deputy Alan Kelly: Exactly.

Mr. Dónall Ó Cualáin: We have a Garda email system. It was part of the process by which one could enable a phone - that one needed another commercial email in to download apps-----

Deputy Alan Kelly: I understand that.

Mr. Dónall Ó Cualáin: That is how these emails started to emerge.

Deputy Alan Kelly: Let me join the dots. In fairness to Mr. Nugent, his email to me last night was helpful in this instance. We have an acknowledgement that private email was used by people in the force - civilian and those of rank. We also have confirmation that emails sent and received on the Garda IT system are kept. However, we now have confirmation that in our State that where members use private email and an email is not sent to or received using a Garda email account, our country and An Garda Síochána has no record of those. There is, therefore, no record of any Garda-related business conducted in private emails. That is a fact. That is not acceptable. There is a range of issues for the Department relating to this, including security, financial and audit issues. What does the Acting Commissioner think of that?

Mr. Dónall Ó Cualáin: Everyone in An Garda Síochána is issued with an email address on

the official system. That is the system that should be used for all Garda business. In the context of a period of time in respect of the enabling of telephonic equipment, a separate email address had to issue for each of those and they may have been used in that interim period but as of now, they are no longer being issued a Gmail address in the context of-----

Deputy Alan Kelly: May I explain something to the Acting Commissioner? It does not matter whether An Garda Síochána issues them with email addresses. Unless there is a diktat from the Commissioner basically saying members cannot use private email for business-----

Mr. Dónall Ó Cualáin: That policy is there and if people breach it, they are open to sanction.

Deputy Alan Kelly: That is good point because the Acting Commissioner has led me to my next question which I have asked on numerous occasions of every witness who has appeared before this committee and the Oireachtas Joint Committee on Justice and Equality in this regard. It was a waste of time so now I will rephrase it. I ask Mr. Nugent not to answer for everyone because he is only one individual. I want witnesses to listen to this question and answer it individually if they so wish. Can anybody tell me that during their time working in An Garda Síochána, they never sent or received business-related emails even on one occasion using a private email address? If any of the witnesses can say they never received business-related correspondence from a colleague using a private email address or sent it to a private email address, can they please say so now? I rest my case.

Mr. Joseph Nugent: Regarding the nature of the question, in fairness, the organisation is being held to account and we are asking individuals. We have had this conversation previously. It is difficult for us to be able to stand over and say that. To be clear, what Deputy Kelly is asking is impossible. There is no organisation-----

Deputy Alan Kelly: It is not impossible.

Mr. Joseph Nugent: It is impossible.

Deputy Alan Kelly: I do not accept that.

Mr. Joseph Nugent: I hear that. The idea that two individuals could have a conversation and that is not retained as a record because that is the equivalent of what Deputy Kelly is describing-----

Deputy Alan Kelly: We know-----

Mr. Joseph Nugent: Let me finish.

Deputy Alan Kelly: I will.

Chairman: We will wrap up and the Deputy will get a second opportunity.

Mr. Joseph Nugent: The use of personal email to personal email is the equivalent of two individuals meeting on the street and having a conversation. That is the reality of what we are talking about. No organisation in the world is in a position to prevent two individuals using their personal email accounts and to audit, trace or check them. That cannot be done. I hear what Deputy Kelly is saying but all we can do is---

Deputy Alan Kelly: With all due respect-----

Mr. Joseph Nugent: Let me finish. All we can do is put in place the best processes we can. We can, and we have, prevented the use of personal email on official desktops in the organisation. That is in place. We record any personal email that comes into the organisation to official accounts and any that is sent out. That is as much as we can do. We cannot stop somebody going down to a coffee shop and using the email services provided there.

Deputy Alan Kelly: I find that answer very disingenuous because Mr. Nugent is missing one basic component of what I said on purpose. It is none of my business if Mr. Nugent uses his private email to communicate with Mr. Ó Cualáin or Mr. Kelly to discuss the results of a GAA match or a golf game that is happening. This is about official Garda business and documentation being shared. My question, the answer to which I can infer because none of the witnesses denied it, was whether anybody had ever sent or received anything involving Garda-related business using private email. The issue is that this creates risk. It creates risk when somebody uses private emails for business purposes because there will be no record of what transpired. It has nothing to do with individuals sharing information that is not related to their work. I am asking about work and I have been asking this question for a year.

Mr. Joseph Nugent: Can I answer what I think it is a more appropriate question? I have never used my personal email to send official work to another personal email account.

Deputy Alan Kelly: Or received?

Mr. Joseph Nugent: Or received, which is the more appropriate question.

Deputy Alan Kelly: That is what I asked. if Mr. Nugent listens-----

Mr. Joseph Nugent: No, it is not-----

Deputy Alan Kelly: I challenge Mr. Nugent to go back and read the record of what I said.

Mr. Joseph Nugent: I will do that.

Chairman: We are moving on to Deputy Cullinane. Deputy Kelly will be able to come back in a second time if he wishes.

Deputy David Cullinane: I welcome all our witnesses back again. I wish to start with Mr. Kelly. He wrote the audit and signed off on the audit report. Page 3 states that the Garda internal audit section had planned to conduct audits within the ICT directorate and would focus on a number of areas. Why was that?

Mr. Niall Kelly: Why did we-----

Deputy David Cullinane: Why was it planned? What triggered the planning of looking into these areas?

Mr. Niall Kelly: There is substantial expenditure in this area. When we started this in 2016, it was after a period when we had not been spending a great deal of money. Then, we were approved for getting some of these projects back running again. There was an urgency to get some of these in place, like the Schengen Agreement and the Prüm Convention, because we had commitments to Europe. Given that we were spending significant money again, it became an area that potentially had risk attached to it.

Deputy David Cullinane: Basically, the trigger or motivation for doing the audit was not

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so much that internal audit took the view there might be issues, but rather that a considerable amount of money would be spent. Many changes were happening and internal audit wanted to see whether there were any issues, but the section was not aware that there were any issues.

Mr. Niall Kelly: No, the risk really was that after a period of almost being dormant there was a good deal of activity. We wanted to ensure that all the procedures and processes that should be applied were being applied.

Deputy David Cullinane: The Garda internal audit section has an audit committee. Is that correct?

Mr. Niall Kelly: There is an audit committee for An Garda Síochána.

Deputy David Cullinane: How many people sit on the committee?

Mr. Niall Kelly: There are four or five on it.

Deputy David Cullinane: What is their job?

Mr. Niall Kelly: They are external.

Deputy David Cullinane: What is the purpose of having an audit committee?

Mr. Niall Kelly: It has a number of purposes. One is to review the reports from internal audit. Another is to ensure the correct independence for internal audit and to ensure we have the right resources, skill set and so on to enable us to do the job. The committee provides assurance to the Commissioner, as Accounting Officer, that in its view the systems are adequate and are doing what they should.

Deputy David Cullinane: Let us consider what Mr. Kelly found in his audit report. It was not all a question of lack of assurance. Mr. Kelly could give assurance in some areas, to be fair. However, in areas where he was unable to give assurance, it was because he found problems.

Mr. Niall Kelly: Yes.

Deputy David Cullinane: Had Mr. Kelly not planned this audit for the reasons he did, he would not have come across these issues. How could the issues that Mr. Kelly was not in a position to give us assurance on have been missed by the internal audit section through its routine work?

Mr. Niall Kelly: This is our routine work. That is what we do. We have a programme of audits. We go through it and then find-----

Deputy David Cullinane: I do not think that is a fair answer. The internal audit section planned to do the audits because more money would be spent. If more money was not to be spent or if those changes were not about to take place, internal audit may not have carried out the planned audits specifically looking into ICT. Is that accurate?

Mr. Niall Kelly: Procurement, as this committee knows well, is a constant issue throughout the public service and across An Garda Síochána. Non-compliance with procurement is a risk that we look out for.

Mr. Dónall Ó Cualáin: I wish to add a comment. As Accounting Officer, I depend on Mr. Kelly and the internal audit unit. Part of the remit of internal audit is to look at emerging risks

and ensure that the organisation is adequately dealing with those risks. It is part of the remit of the committee and part of my remit to ensure that areas that I, as Accounting Officer, believe need the scrutiny of Mr. Kelly and his team are addressed. I then ask for that and it is made part of his annual programme of work. He has independence in the context of where he may wish to put his resources at any given time, but if risks are emerging they need to be addressed. Since the area of procurement involves such vast amounts of money, I would expect it to form part of the annual work of any auditor. That allows internal audit to give me the reassurance that I need in the context of the timeliness, etc., with regard to these contracts.

Deputy David Cullinane: That is helpful. I commend the internal audit service on the work done on this audit. I have no difficulty with that.

Page 4 contains the main findings and recommendations. I wish to talk Mr. Kidd through some of these. He may be able to help me to understand some of the issues. Under the main findings and recommendations the reference to priority 1 recommendations includes the recording of hours. It says that some contractors were engaged through Accenture. What does that mean? How were they engaged?

Mr. Liam Kidd: That particular Accenture contract was put in place on the basis of payments for work done and things like that. When I started in the organisation in 2008-09----

Deputy David Cullinane: How were they engaged?

Mr. Liam Kidd: They were engaged under the skilled resources contract but they were paid quarterly on the basis of work done and services supplied.

Deputy David Cullinane: Were they employed on a contract basis?

Mr. Liam Kidd: Yes, it was on a contract basis for things like help desk, security and IT operations functions. From 2010-11, I introduced timesheets for all contractors throughout the organisation. There was some question as to whether they would operate on a timesheet clock or physical timesheets. I wanted a requirement in 2010 for all contract resources to submit a weekly or monthly timesheet, which would be certified by a supervisor. Those paper records came in from 2009 to 2010.

Deputy David Cullinane: Was that part of the contract?

Mr. Liam Kidd: That was introduced.

Deputy David Cullinane: They are subcontractors, essentially. Is that correct?

Mr. Liam Kidd: They are. It applies to anyone working on the skilled resources side. Schengen is a specific project that is measured on the basis of deliverables but contractors working in ICT operations, ICT security and the ICT help desk work on an hourly basis within An Garda Síochána. From 2010 onwards, all those contractors either submitted timesheets through the electronic time recording system or through paper timesheets.

Deputy David Cullinane: I have all of that and I accept all of that. My point is that these subcontractors are engaged through Accenture and there is a contract with An Garda Síochána.

Mr. Liam Kidd: It is through Accenture.

Deputy David Cullinane: It is through Accenture. Within those contracts there is an obli-

gation to comply with timesheets.

Mr. Liam Kidd: That is correct.

Deputy David Cullinane: The internal audit report states that some contractors engaged through Accenture do not record their hours of attendance on electronic time recording system, unlike other contractors. Is that because they use paper?

Mr. Liam Kidd: They use paper systems. I would have a view that they are contractors and therefore they are not like full-time staff.

Deputy David Cullinane: I have that. Will Mr. Kelly indicate whether it is the case that no issues arose with regard to contractors not using either the electronic system or the paper system? Did internal audit come across any instances where no hours were recorded either on paper or electronically?

Mr. Niall Kelly: Yes.

Deputy David Cullinane: Yes, to what? Did internal audit find instances of this?

Mr. Niall Kelly: It depended on the work they were doing. Some contractors were clocking on a clock and some were providing timesheets.

Deputy David Cullinane: Maybe I will be clearer with my question. It is straightforward. Mr. Kidd is saying there is a contract as well as an obligation to record hours, whether electronically or through a paper trail. Mr. Kelly carried out an internal audit and reported that there was a difficulty with the recording of hours. I am asking whether there were any examples of subcontractors or people engaged through Accenture who did not use paper recordings and did not log on the electronic time recording system.

Mr. Niall Kelly: They did one or the other.

Deputy David Cullinane: Is Mr. Kelly certain on that?

Mr. Niall Kelly: The essential line in the report is that the Garda internal audit section considers handwritten timesheets to be a far weaker system of accountability than the electronic system.

Deputy David Cullinane: That seems to be different from what I got earlier. I want absolute clarity on this because I have no wish for Mr. Kelly to have to come back in a few weeks' time to give a different response. I realise Mr. Kelly is conferring with someone behind him. My question is clear. Mr. Kelly is certain there are no instances of individuals who were contracted using neither the paper trail to record the hours nor the electronic system. Mr. Kelly is certain of that. Is that correct?

Mr. Niall Kelly: No, to the best of my knowledge it was either one or the other, either paper or electronic.

Mr. Joseph Nugent: There is a category of people who are involved in fixed-price contracts. In other words, Accenture would not have been engaged purely on a time-related basis but for the delivery of certain work within a set time period. In those cases, individuals would not have been completing timesheets because it was not being billed on an hourly basis.

Deputy David Cullinane: They were employed on a project basis.

Mr. Joseph Nugent: Exactly.

Deputy David Cullinane: Outside those projects, the contractors used one or the other. We are certain of that. That is fine.

The next part of the report states, “Recording of hours provides a valuable verification for ICT management and personnel responsible for authorising invoices.” I can understand that. This relates to verification of the hours. Who authorises the invoices?

Mr. Liam Kidd: Individual supervisors authorise the invoices, so whoever the manager or the supervisor is in the particular area using those contractors-----

Deputy David Cullinane: When one goes up the chain in terms of the line management, somebody then authorises the invoice. To whom is that person accountable?

Mr. Liam Kidd: Typically, someone at assistant principal officer, APO, or superintendent level will authorise the invoice.

Deputy David Cullinane: To whom is that person accountable? Who is ultimately accountable?

Mr. Liam Kidd: He or she is accountable to me, ultimately. I would like to come back to the point made about the governance of ICT money because it was raised earlier. We have governance structures in place for all ICT projects and expenditures. Previously, in 2009 and onwards, we had the ICT steering group, which met quarterly. Underneath that, there were governance boards which dealt with projects. Then, in 2016, the new ICT governance board was launched. I have the terms of reference here, but all of those are attended by people internally and externally from the Departments of Public Expenditure and Reform and Justice and Equality. Therefore, there is governance in place. Those boards meet quarterly. Subordinate to those, there are individual project boards which deal with the internal projects on which we are working within the projects. On a routine basis, within ICT, I manage money monthly. I have a monthly financial meeting from the start of the year through to September. That is attended by my own line managers, and we manage the budget through to the end of the year-----

Deputy David Cullinane: I will stop Mr. Kidd there. All of that is fine. I understand all of that. I do not really need that level of context. My point is a more specific one. Somebody authorises the invoices for those who are not doing project work, and we know that their contract is such that they have to record their hours.

Mr. Liam Kidd: Yes.

Deputy David Cullinane: The next line of the audit report states:

GIAS recommend this [that is, making sure there is verification of hours] as a reasonable control. In addition, there is no clearly documented process in place and no evidence of countersigning of timesheets to verify hours worked for some Accenture personnel.

Mr. Kelly was of the view that there was a problem with the countersigning of time sheets. I am trying to understand what his concern is. His concern is, first, that the electronic system was not used more and second, that there was no countersigning of the paper time sheets. Obviously, somebody authorises the signing off of those invoices.

Mr. Liam Kidd: All I know-----

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Deputy David Cullinane: I am only giving context; I have not asked the question yet. My question is to Mr. Kidd. Is he satisfied that people who authorised the invoices did so appropriately?

Mr. Liam Kidd: I am satisfied because we went through all of that a good number of years ago, and if-----

Deputy David Cullinane: Mr. Kidd is satisfied. That is fine. Is Mr. Kelly satisfied that the invoices were authorised appropriately?

Mr. Niall Kelly: The invoices were authorised appropriately. The point I was making is that the paper system involves a much reduced level of control compared with the electronic clock, whereby there is no doubt at all as to when people were working and what they were working on.

Deputy David Cullinane: To be clear on what Mr. Kelly is saying, he stated in his audit report: “there is no clearly documented process in place and no evidence of countersigning timesheets to verify hours worked for some ... personnel.” However, he is also saying that the authorisation of the invoices was done appropriately. This does not really make sense to me.

Mr. Niall Kelly: What page of the report is the Deputy on?

Deputy David Cullinane: I am on page 4, at “Recording of hours”. This is one of Mr. Kelly’s key findings.

Mr. Niall Kelly: The point is that there were time sheets or there was clocking on. However, the time sheets represented much weaker control, and in all cases they were not properly signed off and verified-----

Deputy David Cullinane: If they were not properly signed off, which is the question I asked, how, then, is Mr. Kelly satisfied they were authorised correctly? That is a different way of answering the question I asked a moment ago.

Mr. Niall Kelly: The authorisation is up to the manager in charge of whatever the project is. He or she has time sheets put in front of him or her. They may not be completely signed off or whatever, but that manager is still responsible for saying, “I am happy that the payment can go forward because I know the work was done.”

Deputy David Cullinane: I do not want to be unfair to anybody - I will move on to the next issue I wish to raise shortly - but would a fairer assessment be that the authorisation of the invoices was being done based on the use of a weaker system of control?

Mr. Niall Kelly: Yes.

Deputy David Cullinane: Would that be Mr. Kelly’s assertion?

Mr. Niall Kelly: Yes. That is the crux of the issue.

Deputy David Cullinane: That would have been easier to say a few moments ago, but that is it. Moving to the contracts, Mr. Kelly’s report states:

The contract with Accenture provided to the audit is dated August 2009. This contract was extended without recourse to tendering.

GARDA INTERNAL AUDIT REPORT ON ICT DIRECTORATE PAYMENTS PROCESS

This is where Mr. Kelly then says he can give no assurance that public procurement requirements are being complied with, which represents a high risk. Is that so?

Mr. Niall Kelly: Yes.

Deputy David Cullinane: I will then put the question to Mr. Kidd: why was that the case? Was the contract rolled over a number of times and, if so, how many times?

Mr. Liam Kidd: Yes, Deputy. In reality, it came down to the complexity of the contract and having the resources.

Deputy David Cullinane: I did not ask about the complexity. I ask Mr. Kidd to bear with me. I do not want to be rude in any way. I am just trying to elicit information first, and then we will look at whether there are issues in this regard. When was the contract with Accenture first signed?

Mr. Liam Kidd: In 2009. It should have lasted until 2014, but it was rolled over in 2015, 2016 and 2017 and is still in place today.

Deputy David Cullinane: Who signed off on that each and every year?

Mr. Liam Kidd: I signed off on that.

Deputy David Cullinane: Mr. Kidd signed off on it?

Mr. Liam Kidd: Yes, and it would have gone to the governance board.

Deputy David Cullinane: I ask Mr. Kidd to bear with me. He signed off on it each and every year. Was he aware, when he signed off on it each and every year, that-----

Mr. Liam Kidd: Yes, I was aware.

Deputy David Cullinane: -----there were procurement issues?

Mr. Liam Kidd: Yes.

Deputy David Cullinane: Would he have had a view, as Mr. Kelly does in his report, that doing so presented a high risk?

Mr. Liam Kidd: It presented a high risk, and I was looking at the greater risk of how I would get the procurement in place.

Deputy David Cullinane: Leaving aside the greater-----

Mr. Liam Kidd: I was aware that it was-----

Deputy David Cullinane: Mr. Kidd was aware that there was a high risk-----

Mr. Liam Kidd: A high risk from-----

Deputy David Cullinane: -----and he still rolled over the contract each and every year.

Mr. Liam Kidd: -----a procurement perspective. I had to balance that with the high risk involved in keeping the PULSE systems up and running and available, the TETRA systems up and running and available and all the Garda information systems up and running and in place,

which we have done and continue to do. It was therefore a case of how quickly I could get the tender put together and how I would get that out to the market as quickly as I could.

Deputy David Cullinane: That is Mr. Kidd's rationale.

Mr. Liam Kidd: Yes.

Deputy David Cullinane: He had to balance risks.

Mr. Liam Kidd: I had to balance risks.

Deputy David Cullinane: If Mr. Kelly is saying he could give no assurance that public procurement requirements were complied with, would it be his view that in 2014, it should have gone out for tender again?

Mr. Niall Kelly: Yes, it should have.

Deputy David Cullinane: Does Mr. Kelly accept what Mr. Kidd is saying, that there was a greater risk involved?

Mr. Niall Kelly: Yes. I accept we had to keep the systems going.

Deputy David Cullinane: Why would Mr. Kidd put it out for tender if there was a bigger risk involved?

Mr. Niall Kelly: He should have put it-----

Deputy David Cullinane: What I am asking is, what mistake was made?

Mr. Niall Kelly: The mistake was that, from the end of 2014 onwards, we effectively did not have a contract in place. The terms of the contract had exceeded at that stage, so from that point onwards we were effectively contracting people without a proper contract in place. We had to do that in order to keep-----

Mr. Liam Kidd: We had a contract.

Deputy David Cullinane: Sorry, Mr. Kelly. Mr. Kidd says he had a contract.

Mr. Liam Kidd: We had a contract in place; we did not have a procurement in place, which is different. The contract is a legitimate contract with the company.

Deputy David Cullinane: This is what I am trying to understand. I will put a question to Mr. Kelly now. He has published an internal audit report.

Mr. Niall Kelly: Yes.

Deputy David Cullinane: In that report, he says, in the four areas where he gives assurances, that no assurance can be given that public procurement requirements are being complied with, and this represents a high risk.

Mr. Niall Kelly: Yes.

Deputy David Cullinane: That is a critique of the ICT department.

Mr. Niall Kelly: Yes.

Deputy David Cullinane: Mr. Kelly is criticising the fact that not taking appropriate action, whatever that appropriate action was in his head, presented a high risk.

Mr. Niall Kelly: Yes.

Deputy David Cullinane: What Mr. Kidd is saying is that there would have been a greater risk to him had he done something other than what he did. Does Mr. Kelly accept that?

Mr. Niall Kelly: Yes, I do accept that. I was looking at one issue-----

Deputy David Cullinane: How then can Mr. Kelly say he can offer no assurance that the appropriate action was being taken? He is accepting that Mr. Kidd was in a very difficult position.

Mr. Niall Kelly: Yes, I accept that Mr. Kidd was in a difficult position. He had to strike a balance and keep the systems going. He had to make sure that the service was provided to the citizen.

Deputy David Cullinane: Mr. Kelly did not put that in his report.

Mr. Niall Kelly: No, I did not because I was-----

Deputy David Cullinane: I ask Mr. Kelly to bear with me. He has a responsibility in this regard. What he is telling me today is not what is in the internal audit report. The internal audit report says that he cannot give any assurance and that there is a high risk. Now we are getting the rationale from Mr. Kidd as to why that is the case, because there may have been a greater risk. None of this is reflected in Mr. Kelly's report.

Mr. Niall Kelly: I was looking at the ICT payment process. The procurement rules are legislation. They are not just guidelines; they are actually legislation. If we are non-compliant with legislation, that is a very high risk, and that was the position we were in. There is also the risk of not having the systems available but that was a more strategic, higher risk that I was not looking at in the context of this report. I was just looking at the ICT directorate payments process.

Deputy David Cullinane: I accept what Mr. Kelly has said, but what I am taking from his contribution, and that of Mr. Kidd, is that this is not ideal and should have been done differently. I read over the transcript of the Joint Committee on Justice and Equality. Mr. Kidd said it is difficult to employ people directly in IT. Is that the issue?

Mr. Liam Kidd: That is still the case. There is often a lead-in time in hiring people. A decision was taken in 2009 to outsource a certain amount of activity.

Deputy David Cullinane: Why could that have not been put out for re-tender so that a different company could be considered?

Mr. Liam Kidd: It would have been ideal to put it back out to tender, had I the resources to put together the tendering process in 2014.

Deputy David Cullinane: Why was it not done?

Mr. Liam Kidd: We did not have the resources available, or the people. I reported that through a separate HR-----

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Deputy David Cullinane: The resources and people required to carry out the process were not available?

Mr. Liam Kidd: Yes, the resources and people needed to do the actual work. The focus from 2009 onwards was to reduce costs, including the cost of ICT.

Deputy David Cullinane: Are those people available now?

Mr. Liam Kidd: We are starting to bring in those people now.

Deputy David Cullinane: When will it go out for tender?

Mr. Liam Kidd: The tender for the skills resources are in process. We are looking at helpdesk, security, IT operations, development and strategic transformations. There are five separate mini-tenders now which have been broken out of the main tender. They will be much simpler tenders, and we expect that it will open the market up to much more competition.

Deputy David Cullinane: I understand that. Does the Comptroller and Auditor General find that it is becoming difficult for public bodies to recruit ICT personnel, which is resulting in a higher dependence on outsourcing?

Mr. Seamus McCarthy: We certainly see that in other organisations. The conundrum organisations face is how to keep the show on the road and still comply but the obligation is there to comply with procurement rules.

Deputy David Cullinane: Mr. Kelly reported on the obligation, which is one issue, but if there are complexities-----

Mr. Seamus McCarthy: The higher obligation is to keep the service running.

Deputy David Cullinane: To be fair to Mr. Kidd, that is his position.

Mr. Seamus McCarthy: Part of the reason we see disclosures of instances of non-competitive procurement in statements of internal financial control is that it allows for a discussion at the Committee of Public Accounts of the issues that give rise to difficulties for organisations.

Deputy David Cullinane: Why is it difficult? What is the problem with recruitment in that area?

Mr. Seamus McCarthy: Scarcity of the skills in the market at a price the Department of Public Expenditure and Reform is willing to allow is the main problem.

Mr. Liam Kidd: As was the moratorium on recruitment, which went on for a long period. The focus for my branch at the time was to put our full-time Garda resources into more strategic areas, for example security and other areas that are specific to An Garda Síochána. I concentrated available resources there, and at the management and leadership level. Things such as the helpdesk, which is used to fix PCs, for example, were resourced at entry level. There are skilled resources on the ICT side, similar to plumbers and electricians. We are bringing in, as far as possible, skilled resources at entry level to assist us, but they are directed by Garda full-time resources.

Mr. Dónall Ó Cualáin: Deputy Cullinane asked whether we should have started this process in 2014. The learning for the organisation is clear in this area, and I have tasked Mr. Kelly with ensuring that this does not repeat itself and that we have controls in place now. For that

contract to be renewed, given the time it has taken since its initiation in 2016 we should have started in 2012. We are just now delivering on it. That is the reality. We have to flag up all our procurement in all other procurement areas and to provide a good lead-in time to ensure that the compliance requirements are respected.

Deputy David Cullinane: That is important, and is perhaps something that should form part of our periodic report as a recommendation to all public bodies.

Mr. Seamus McCarthy: It is about anticipating when services need be replaced. In many contracts, the idea of allowing an extension for a year and then a further year built into the contract at the beginning provides a buffer of two years, which should be reasonable if the original contract is a three-year contract. It almost means that, when a sizeable contract like this is put in place, the day it is in place planning to replace it must begin, and the procurement process to replace it must be planned.

Deputy Catherine Connolly: Cuirim fáilte roimh na finnéithe. Táimid fós ag streachailt agus os comhair an talún.

We need An Garda Síochána, and we need trust in the organisation. I am looking forward to looking at accounts on an annual basis as with all other organisations. That is what we need in a civilised society. This is particularly the case after the past few weeks, given all the tragic deaths and fatal assaults. We know what gardaí go through. There is a lack of training, among other problems.

I thank Mr. Kelly for his work on the audit report but I am struck by a number of issues. The strategic plan has not been implemented. It is noted that the Garda internal audit section, GIAS, is conscious that the ICT strategic plan has not been implemented. Why has it not been implemented? What are the implications of that?

Mr. Dónall Ó Cualáin: As the Deputy will be aware, there is an overarching strategic plan, which involves ICT.

Deputy Catherine Connolly: I am aware of that. Why has it not been implemented?

Mr. Dónall Ó Cualáin: It is being implemented. I am not sure what aspect of it the Deputy is referring to.

Deputy Catherine Connolly: On page nine of the report published in August 2017, it is stated that the GIAS is also conscious that the ICT strategic plan has not been implemented, which is seriously affecting the delivery of services and the effectiveness of available resources across the organisation. It was, therefore, recommended that the non-implementation of the plan is included on the corporate risk register.

Mr. Dónall Ó Cualáin: To be clear, that is not referring to the overall ICT strategy but rather the HR aspect of it, which Mr. Kidd can explain.

Mr. Liam Kidd: This relates to the HR resources required for ICT within An Garda Síochána. We published the HR strategy in 2015, which was approved by the Commissioner. To set the context in terms of the management and leadership within ICT, when I arrived there were two chief superintendents and two principal officers.

Deputy Catherine Connolly: Mr. Kidd has clarified that there is a lack of staff, which is such an important issue that it is on the risk register.

Mr. Liam Kidd: Yes, the Deputy is correct.

Deputy Catherine Connolly: Can he quantify that?

Mr. Liam Kidd: There are 284 staff in the organisation, whether contract or full-time resources. At leadership and management level, I have identified five leaders, that is, principal officer or chief superintendent equivalent and 14 assistant principal officers or superintendent equivalent. They are at the management and leadership level - the head of function to run ICT for An Garda Síochána. When I arrived there were four at the leadership level and eight at the management level. We have invested considerably through our ICT strategy in certain areas. I put together a HR strategy, which Mr. Kelly referred to earlier in the document. That is what is currently being implemented. We went down to one head of function and four managers, but we now have three heads of function and are recruiting two more. We are starting to put in place the new resources. A number of managers have arrived. Some have left, but we are starting the process of recruiting.

Deputy Catherine Connolly: When will adequate staff be in place?

Mr. Liam Kidd: I hope to have them in place by the end of the year. I am dealing with the chief administrative officer and the director of HR to get the recruitment processes up and running. I have identified 47 specific supervisor and managerial posts that need to be filled, and a number of those will be filled shortly. I am awaiting a date.

Deputy Catherine Connolly: Will that complement of staff be in place by the end of the year?

Mr. Liam Kidd: I hope that it will be in place by the end of the year, but I understand-----

Deputy Catherine Connolly: Mr. Kidd said that he hopes it will be in place.

Mr. Joseph Nugent: We have spoken about complexity, and I apologise because I am going to use the word again. There are issues associated with the terms and conditions of competitions in this area, most particularly relating to mixed competitions where individuals who were recruited into An Garda Síochána are competing with civilians. There have been challenges around addressing what the outcome, from a terms and conditions point of view, would require. As recently as last week I summoned all of the various sanctioning stakeholders involved to a meeting to resolve this once and for all. We want to have the competitions in place and we want Mr. Kidd to have all the resources necessary in place. Some of this is outside our direct control. We cannot dictate the terms and conditions element. This is primarily an issue relating to pensions rather than rates of pay.

Deputy Catherine Connolly: Is the dependency on external staff on the risk register as well as the lack of staff and resources?

Mr. Liam Kidd: We are not going to get away from a dependency-----

Deputy Catherine Connolly: Is it included on the risk register?

Mr. Liam Kidd: Yes, it is identified as a risk, but it is not as much of a risk as the shortage of full-time staff at the leadership-management level.

Deputy Catherine Connolly: Let me get something clear, and the witnesses are not to blame for this. After 2008 there was a moratorium on staff and, in looking at excess expendi-

ture in the public service, we cut down extensively on money being spent on direct staff. We gave more money to the private sector, which became the subject of examination at various committees. There were serious questions on procurement and how payments were made and monitored and we ended up costing the taxpayer more. Is that fair to say?

Mr. Joseph Nugent: I think it is fair but I would suggest caution. There are certain skills-----

Deputy Catherine Connolly: There are always certain skills-----

Mr. Joseph Nugent: -----that we cannot deal with. The skills we are talking about are incredibly expensive.

Deputy Catherine Connolly: I have no problem with that.

Mr. Joseph Nugent: I agree with the Deputy's general point.

Deputy Catherine Connolly: I am reading about two items on a risk register. They are lack of staff and the reliance on a private market. There has been a board of governance since 2010, or was it 2016?

Mr. Liam Kidd: There has always been a board of governance. A new board was put in place in 2016.

Deputy Catherine Connolly: There is an audit committee. Who appoints the audit committee?

Mr. Dónall Ó Cualáin: The audit committee is appointed by the Policing Authority.

Deputy Catherine Connolly: Is Mr. Nugent on the audit committee?

Mr. Joseph Nugent: Yes. I have been on it since last December.

Deputy Catherine Connolly: I read the transcript of an earlier meeting when Ms Josephine Feehily talked about a conflict of interest, though it was not on a personal basis. She highlights it in clear language. When she was asked about Mr. Nugent's role in the legislation she said he was on the audit committee and the governance board, of which he is actually the chair.

Mr. Joseph Nugent: I am chair of the governance board. I do not think there is a conflict of roles but I share Ms Feehily's-----

Deputy Catherine Connolly: Mr. Nugent is chair of the governance board and on the audit committee.

Mr. Joseph Nugent: Yes.

Deputy Catherine Connolly: When this was put to Ms Feehily, she stated there was a conflict of interest and she had discussed it but the legislation allowed the Policing Authority to appoint only Mr. Nugent or the deputy commissioner.

Mr. Joseph Nugent: That is correct.

Deputy Catherine Connolly: It is not a reflection on Mr. Nugent personally but this is the head of the Policing Authority highlighting that this as a conflict of interest and indicating that we need to look at the legislation.

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Mr. Joseph Nugent: I agree completely with Ms Feehily. The position in which the Policing Authority found itself was that if they appointed Deputy Commissioner Twomey, he would equally have had conflicts in relation to certain issues. That is the challenge. The issue would be resolved by the appointment of a third person at deputy commissioner level. The acting commissioner would not then have those conflicts as a member of the audit committee. When two deputy commissioners are in place I would certainly step out of the role on the audit committee.

Deputy Catherine Connolly: What report has the Garda made to the Minister to say there is a conflict here and that it is unacceptable?

Mr. Joseph Nugent: We share the views of Ms Feehily around the limitations we have.

Deputy Catherine Connolly: What has happened since she made this clear, in March 2018?

Mr. Joseph Nugent: The broader point is about us working our way through a temporary period when we have a vacancy for a deputy commissioner. One assumes that the issue will be resolved in the coming months, when the nature of the conflict will disappear. It is part of the broader reform issues coming out of the Commission on the Future of Policing in Ireland.

Deputy Catherine Connolly: How does Mr. Nugent find the conflict of interest? How does it materialise for him in his two roles at the moment?

Mr. Joseph Nugent: The particular issue relates to my attendance at the audit committee and my engagement with the committee. We discuss it and it is a question of hats. I will participate as a member of the audit committee but not as chief administrative officer, CAO, if that makes sense. I agree that it is far from ideal and we would not like to be in this position but that is where we stand.

Deputy Catherine Connolly: It was said that there were 94 contracts under procurement. An Garda Síochána is not unlike any other organisation but I believe there is an extra responsibility on the force when it comes to procurement. The number of contracts that are not compliant is unfortunate. Are they the same as the ones Mr. Kelly looked at?

Mr. Niall Kelly: The 94 contracts were required, under Circular 40/2002, to be provided with the appropriation account. Some of them would have been encountered in the audit work we do and some of them are just notified to us by the finance directorate.

Deputy Catherine Connolly: Are the ones Mr. Kelly looked at in addition to that group?

Mr. Niall Kelly: No. They are included in it.

Deputy Catherine Connolly: The payout to Accenture has been discussed in many forums. You are now in the process of breaking that up and tendering out. Is that correct?

Mr. Liam Kidd: That is correct.

Deputy Catherine Connolly: Originally, in 2009, there was a procurement process but there was none on the roll-over.

Mr. Liam Kidd: Yes.

Deputy Catherine Connolly: Rolling it over and becoming reliant on one provider is

something which also happens in the health service and other organisations. It is extremely worrying that procurement allows one big agency or company to provide services.

Mr. Liam Kidd: I would not say we are fully reliant on Accenture. We have put Accenture into places where we also have Garda resources and this is certainly the case in strategic areas where we need full-time resources and to fully understand what is happening. The ICT helpdesk, for example, runs the day-to-day operation of the systems and many companies could do that. The key issue for An Garda Síochána when bringing in other organisations is to make sure we have security clearance for all the personnel, which means there is a lead time of about three months.

Deputy Catherine Connolly: Accenture was entirely in charge of the national transformation office.

Mr. Liam Kidd: Yes, but that is a programme office. Other programme office people could come in.

Deputy Catherine Connolly: Accenture staff were mainly responsible for doing it.

Mr. Liam Kidd: Yes.

Deputy Catherine Connolly: You were utterly reliant on Accenture for it.

Mr. Liam Kidd: At the moment we are.

Deputy Catherine Connolly: The monitoring of the roll-over was poor and risky, for example, in the area of clocking in.

Mr. Liam Kidd: Yes.

Deputy Catherine Connolly: There was manual clocking in but no electronic clocking in. Has that all been rectified now?

Mr. Liam Kidd: Yes.

Deputy Catherine Connolly: Completely?

Mr. Liam Kidd: All Accenture staff clock in using the electronic time recording system.

Deputy Bobby Aylward: We depend on An Garda Síochána for our safety every day and we wish the force well. It has been under a great deal of scrutiny in recent years, which is good for everyone. There was a surplus of €11.5 million in 2016 and €8.49 million in 2015, with a deferred surrender of €9.3 million. Does that mean the force gives the money back to central funding?

Mr. Michael Culhane: The surplus on page 8 of the appropriation account is €11.5 million. Under Government accounting rules we can roll forward 10% of our capital envelope, which was made up of €9 million to meet contractual payments-----

Deputy Bobby Aylward: It is money unspent.

Mr. Michael Culhane: It was unspent but was spent in 2017. In addition, we have to have a surrender balance of approximately €2 million to give to the Exchequer. That allows any other adjustments after year end and to ensure we do not burst the Vote.

Deputy Bobby Aylward: The €2 million is handed back.

Mr. Michael Culhane: Yes.

Deputy Bobby Aylward: Does it affect the allocation the year after? Does the Government take the view that because the Garda did not spend its full allocation, it will not give it as much the following year?

Mr. Michael Culhane: No. We have to make a surrender balance of approximately €2 million every year and that is factored into the Vote on an annual basis.

Deputy Bobby Aylward: The witnesses have answered questions on the 94 contracts as best they can. When the Garda opts for procurement, do plenty of businesses tender for the contracts? Does the Garda tender internationally or are tenders kept local? Does it look to Europe when going into a procurement process?

Mr. Liam Kidd: For ICT, hardware and skilled resources, and depending on the size of the contract, we would generally go through the Official Journal of the European Union and publish all our contracts in that.

Deputy Bobby Aylward: Does that mean it is open to tender?

Mr. Liam Kidd: Yes, it will be open to tender. By breaking the large one, which we were discussing earlier, into smaller lots, we would expect many more companies to be able to bid for that business, meaning there would be smaller and more manageable contracts.

Deputy Bobby Aylward: Would there be companies from, say, Germany and France bidding?

Mr. Liam Kidd: Germany, France and Ireland. Companies from everywhere could bid for those contracts.

Mr. Michael Culhane: In terms of the 94 instances, Accenture was in there for €14.5 million which accounted for 53% of the total €27 million. There are other cases like medical services which were mentioned in the document. There are 21 instances of medical services amounting to just over €2 million. When the skills resources contract is in place later this year, that will solve that particular problem and account for at least 50% of the current 40/02 return. When we have the contract in place for medical services, that will account for over €2 million. In 2018, we will see a substantial reduction in the 40/02 return because we will have those contracts in place.

There were other instances which were for less than €25,000. Anything in excess of €135,000, in accordance with EU directives, has to be advertised through the *Official Journal of the European Union*. Less than that, we would use the eTenders platform for public procurement procedures.

Deputy Bobby Aylward: Can Mr. Kidd explain the difference between an Accenture contract and a normal contract?

Mr. Liam Kidd: In terms of skilled resources, it would be a contract negotiated from the ICT perspective with the Chief State Solicitor's office. It is a standard Government contract. We have several contracts with Accenture. We have a skilled resources contract which is time and material. It delivers people in to fill roles in the organisation. There are some other projects

which are fixed-price based on deliverables. For example, the rosters and duty management system was tendered recently. Several companies bid for it and Accenture won the contract. That is on a fixed-price deliverable basis. As certain milestones are reached in the project and are certified and signed off by the project board, then payments are made on the basis of those milestones.

Deputy Bobby Aylward: Does that mean that 94 contracts in question will be sent out for procurement in future? For what length of time will the contracts be set?

Mr. Liam Kidd: It would be for three, four or five years. In 2016, there were seven pieces of work done on the basis of the skilled resources contract and nine other contracts relating to Accenture which all went to procurement. They were not all Accenture but different projects. There were nine other projects which went to procurement. Accenture won most of them. They are fixed-price deliverable projects. An ICT system will be built and delivered and then the company will go away.

Deputy Bobby Aylward: The Garda Síochána would hold confidential information and so forth. One would have to be careful as to who would get these contracts. What is done to ensure this?

Mr. Liam Kidd: Yes. Once the contract has got to a point where we are evaluating a company, all companies and individuals involved are security cleared by our crime and security branch.

Chairman: Is it that the companies or the individuals have to be cleared?

Mr. Liam Kidd: The individual people working in the companies have to be security cleared. It is not just the company but the individuals involved.

Deputy Bobby Aylward: No matter where they come from, be it France or Germany.

Mr. Liam Kidd: No matter where they come from. Details of individuals are submitted. We submit them to our crime and security branch which vets them. If they are people who work overseas, they are checked with the overseas security authorities as well.

Chairman: That probably adds an extra layer to the procurement process which would not normally apply in other processes in State agencies?

Mr. Seamus McCarthy: In those situations, key personnel would be security vetted like in Revenue or the Department of Employment Affairs and Social Protection. Obviously, the organisations would be applying to An Garda Síochána.

Deputy Bobby Aylward: Is there a danger of breaches of security? No system is fool proof.

Mr. Liam Kidd: We have a process with which I am not familiar because it is done by our crime and security branch. However, we send the details of any personnel coming to work in An Garda Síochána to our crime and security branch. It will tell us if they can or cannot. There have been instances - I do not want to give examples - where people have not been security cleared. It has been unfortunate for the individuals for whatever reason.

Deputy Bobby Aylward: Regarding the PULSE system, two years ago we were told it was outdated and not up to scratch. That was the reason for problems with policing. Is it in need of

updating? Is a new system being proposed?

Mr. Liam Kidd: There are a number of systems. Prior to the current modernisation and reform programme, we had an ICT strategy which identified 22 projects and systems which needed to be upgraded or replaced. PULSE is one of those. Part of the replacement for PULSE is not necessarily to throw it all away but to make it more accessible out on the field. The mobile project on which we are working is bringing some of PULSE, such as person and vehicle checks, out on to smartphones and mobile devices which will sit in cars. That project is at an early stage. It recently won a Tech Excellence award in that it will take the police station out to the front line to officers and patrol cars.

Deputy Bobby Aylward: Is there a major cost involved in replacing any part of the PULSE system?

Mr. Liam Kidd: The first step is to look at how we bring PULSE out on to the front line. The mobile project is that first step. I do not have the full detailed figures on giving that to every officer but they are being produced for me.

Mr. Joseph Nugent: There is a view that PULSE is not fit for purpose. The underlying system is fit for purpose, however. There are problems - this will sound perverse - with getting information easily out to gardaí on the ground. We have done a lot of work in this regard. Without considerable investment in technology, we have been able to provide 100 mobile phones to officers in Limerick who are accessing PULSE on the street. The process is good. The underlying system is there but it looks dated. It does not have easy graphical access and is not easy to get the information out of it. The information is there, however, and we know we can make improvements in that space.

Deputy Bobby Aylward: We were all told PULSE was outdated, not up to scratch and it was holding back the police force. I am glad to hear the opposite is the case.

Mr. Dónall Ó Cualáin: The PULSE system does what it was asked to do in the beginning. The problem is now we are asking it do up things it was never designed to do. Part of the future developments in ICT is to ensure we fill those gaps. If we can, we should make them accessible to PULSE. It is a large database of rich information. Other police services would love to have that level of instant recordings. However, where we lose out is that it is not flexible enough to do things it was not designed to do.

Deputy Bobby Aylward: Going back to the financial irregularities with the Garda College which the committee brought to Garda management's attention, what is happening in the college now? I know three of the 19 recommendations from the committee were implemented in 2017. How many were implemented in 2018?

Mr. Joseph Nugent: If we take out the top-and-tail recommendations, which are generic, we are left with the transfer of land and the winding up of the Sportsfield company itself. The main element of the land transfer is at the contract exchange stage. Essentially, the bank accounts have been addressed and dealt with.

Deputy Bobby Aylward: Are they all closed up?

Mr. Joseph Nugent: All the ones that are supposed to be closed up are. The procurement of food is in place. Again, we are at the contract award stage. It is about ensuring the companies can deliver.

In essence, if all of the land can be transferred, we are then in a position to wind up the Sportsfield company. That will resolve any of the outstanding matters.

Deputy Bobby Aylward: Local people had access to the sports fields at the college. The committee received representations on this. Is that access back in place? I might steal his thunder and I am not even standing down there.

Mr. Joseph Nugent: I had a conversation with the Office of Public Works yesterday. It commented on the positive engagement on the use of the pool, for example. It is being heavily used now and very well received. Arrangements with the local sports organisations are positive and the playing fields access is also available. We are not hearing of any more concerns, but if there are - and I am not aware of any - I am sure local Deputies will make us aware.

Deputy Alan Kelly: We might even give a compliment in the process.

Deputy Bobby Aylward: I wish to address the breath test issue. I refer to the 14,000 incorrect summonses. The Garda Síochána has undertaken to appeal these outcomes to the Circuit Court. Any fines imposed would be reimbursed and all costs involved would be corrected. Has that been done? Has it been put to bed and is the book finally closed on this period of breath testing?

Mr. Dónall Ó Cualáin: The breath testing is closed-----

Deputy Bobby Aylward: Is the backlog done?

Mr. Dónall Ó Cualáin: The fixed charge notices, FCN, issue was being managed by a group of people under Assistant Commissioner Michael Finn. They had to go through a long list of people they had to communicate with but that process is nearing completion. Those people who-----

Deputy Bobby Aylward: Have people been reimbursed?

Mr. Dónall Ó Cualáin: Yes, that is part of the process.

Deputy Bobby Aylward: That has been done completely and 100%.

Mr. Dónall Ó Cualáin: No, the process is still ongoing.

Deputy Bobby Aylward: It is ongoing.

Mr. Dónall Ó Cualáin: Yes, but it is being managed.

Deputy Bobby Aylward: Is it coming to a satisfactory conclusion?

Mr. Dónall Ó Cualáin: We are working through it and when we get out the other end we will be able to give a full report.

Chairman: Deputy Connolly asked to come back in briefly but Deputy Marc MacSharry has not had the opportunity to come in yet. Does he want to come in now or later?

Deputy Marc MacSharry: I do not want to hold people up.

Chairman: Deputy Connolly has only some brief questions.

Deputy Marc MacSharry: I can come in then.

Chairman: We are nearly done on this issue.

Deputy Marc MacSharry: That is fine.

Deputy Catherine Connolly: On the other companies highlighted in the report, I forget their names, but they are highlighted for non-compliance with procurement. What is the position in respect of those?

Mr. Joseph Nugent: In some cases they related to proprietary pieces - Oracle as a single provider was one of those. If we exclude those of a proprietary nature, procurements in respect of the other areas is under way or has concluded.

Deputy Catherine Connolly: There were three companies: Advantage Resources Limited and Sogeti, and then there was-----

Mr. Liam Kidd: They are all subject to procurements and are all in hand.

Deputy Catherine Connolly: They are all in hand.

Mr. Liam Kidd: Yes, they are.

Deputy Catherine Connolly: I have one final question. I went back and it seems very clear from the Policing Authority that the reliance on outside staff is a danger and a conflict for the governance issue. It needs to be dealt with. I welcome the clarity of what was said. Concern on the spend on ICT was referred to and that we thought some of it could have been done by skilled professionals hired directly by the Garda. It would probably have cost less money. That is the context. The bottom line is that private companies are in it for repeat business. That has been clearly stated by the Policing Authority, as well as the difficulties. We also see contracts running on without monitoring and without procurement. We can see where the difficulties arise in respect to trust in the system.

Mr. Joseph Nugent: Perhaps we can provide assurances to the committee and to the public at large if we look at some of the broader procurements that have run in this area. They have been awarded to other companies. People can see that whether it was our cultural audit which was referenced very recently - that was a six figure contract awarded to another company, or our-----

Deputy Catherine Connolly: Every week we get reassurances Mr. Nugent. I am never reassured by assurances. I am reassured by seeing the actual machinery working on the ground. Here it did not. It was the contrary. Reasons have been given as to why but what I am more interested in the timing around the gaps. The witness has said that by the end of the year the staff will be in place and there will be less reliance on outside staff and internal expertise will be built up again. That is what I am hearing. I welcome that and that gives me much more reassurance.

Mr. Joseph Nugent: We have awarded contracts in the very recent past which have gone outside of a single provider. I am adding that to the assurances we are giving about the other competitions running.

Deputy Catherine Connolly: I will finish on this. If we return to the main company in question, Accenture, how did that contract run on each year without documentary evidence? My colleague already asked about this and I did not hear a clear answer.

Mr. Liam Kidd: I have the annual accounts for ICT and I manage the budget for ICT.

There is a certain amount of money spent every year. We have the ICT governance boards in place. Previously, the ICT steering group, which was chaired by the then chief administrative officer, CAO, Mr. John Leamy, and Mr. Cyril Dunne would have had a role in that as well, and the current ICT governance board which was re-established in 2006 under the modernisation and renewal-----

Deputy Catherine Connolly: 2016?

Mr. Liam Kidd: I am sorry, it was 2016. That was again chaired by the CAO and the governance board. I have the terms of reference here.

Deputy Catherine Connolly: My question was awful simple. How was the contract rolled over without documentary evidence that the witness can refer us to? On what basis was it rolled over? Was it a phone call or a chat?

Mr. Liam Kidd: It would not have rolled over. There would have been a signed agreement, which I would have signed as a director. I know it would have been discussed because it was not a secret. It was published and known by our auditors and generally across the organisation.

Deputy Catherine Connolly: One second, is there documentary evidence when it was rolled over each year?

Mr. Liam Kidd: I will go back and check the minutes of the steering group. I should have done that before I came.

Deputy Catherine Connolly: Would a business case be made out each year for the roll-over of that project? It was a sizeable amount of money. Would there be a business case to say that it needed to be rolled out for that year and outlining the reasons?

Mr. Liam Kidd: It is reasonable to ask that question, and whether there was a file to say there was a business case or whether it was done through my office. I manage the ICT finances, and, with the individual line managers, there was a person involved in running that contract. On whether there was as file-----

Deputy Catherine Connolly: Is that not the most basic thing?

Mr. Liam Kidd: Yes, it is. I will go back and check.

Deputy Catherine Connolly: When the witness said he was caught, I have seen it in other organisations, but there would have to be a business case or some type of case to explain the reason it was being rolled over. It could have said at the same time that it was not believed that this was the right thing to do, it was a difficult situation, it would be raised with the Minister but it would be done for that year. It could have been set out that way. Should that be there somewhere?

Mr. Liam Kidd: It should be there. I cannot answer here today.

Deputy Catherine Connolly: If it was there, would the witness have it with him today?

Mr. Liam Kidd: I am sure I would have.

Deputy Catherine Connolly: I thank Mr. Kidd

Chairman: Will Mr. Kidd come back to us on that issue?

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Mr. Liam Kidd: Yes I will.

Chairman: I take it that there is a provision in the original contract----

Mr. Liam Kidd: Yes, there is.

Chairman: -----that allowed for a roll-over-----

Mr. Liam Kidd: The contract-----

Chairman: -----and it was done in accordance with those conditions?

Mr. Liam Kidd: Yes, it was.

Chairman: Is it recognised that we need something every year?

Mr. Liam Kidd: I will do that. We recognised that we needed to go to procurement and we had governance in place. It was not a secret that there was an issue with the Accenture contract. I do not know if it is minuted in the minutes of those meetings. I am not sure. I will need to go back and check that.

Chairman: Does Mr. Kidd have the agreement that was signed each year rolling over the contract?

Mr. Liam Kidd: I will go back and get the signed agreement. It would have come to my office for an agreement.

Chairman: Mr. Kidd does believe that there are such substantive documents.

Mr. Liam Kidd: Yes, I do.

Chairman: I refer to the business case Deputy Connolly spoke of - if there is evidence of that, that is fine. Aside from that however, it is a big budget item. There had to be a discussion among some people in respect of this budget item for the coming year. There must have been some level of approval for that expenditure, notwithstanding non-compliance with procurement. There must be some discussion in the system. A budget of €26 million could not have been agreed without some discussion somewhere.

Mr. Liam Kidd: The detailed budgets happen in two places. One is at the ICT steering group and then separately at the Office of the Government Chief Information Officer.

Chairman: Will Mr. Kidd give us what he has on this issue?

Mr. Liam Kidd: The only issue that may not have come up was the procurement question. The amounts of money and what it would be spent on was set out in detail for the Office of the Government Chief Information Officer and it would have been managed by my team and also overseen by the ICT steering group.

Chairman: In other words, the people who agreed the budget may not have been aware that it was a roll-over rather than new.

Mr. Liam Kidd: Yes, that is the case.

Chairman: A budget was agreed but the specifics of the procurement may not have been known to them;

Mr. Liam Kidd: Yes. I would be surprised-----

Chairman: If they did not know.

Mr. Liam Kidd: -----but it may not be minuted.

Chairman: That is fine. Will Mr. Kidd give us what he has?

Mr. Liam Kidd: I will.

Chairman: I call Deputy Kelly.

Deputy Alan Kelly: I have one observation that does not affect the lads here. It is incredible that the Policing Authority has a role in respect of anyone being appointed to any role in An Garda Síochána. It does and that is right. However, it has no role in respect of contracts of €26.5 million. That is a weakness and as legislators we need to deal with that. It is not the fault of the witnesses. I am just saying that as fact. I have a quick question for Mr. Niall Kelly. We heard about issues with Garda tax numbers before. Are all the tax issues in regard to An Garda Síochána dealt with? Are there any outstanding issues? How many tax numbers are there?

Mr. Joseph Nugent: I will answer this.

Deputy Alan Kelly: That is fine.

Mr. Joseph Nugent: The only payments that are being made by An Garda Síochána at this moment in time come out of the main Garda tax number. That is the first point.

Deputy Alan Kelly: How many tax numbers are there?

Mr. Joseph Nugent: There is one main Garda tax number.

Deputy Alan Kelly: Is there only one and no more?

Mr. Joseph Nugent: The other tax numbers that have been associated with the college have all been closed. We continue to be in discussions with the Revenue Commissioners on the voluntary disclosure. That has not been boxed out yet.

Chairman: Which?

Mr. Joseph Nugent: A voluntary disclosure was made to the Revenue Commissioners and the discussions with the Revenue Commissioners continue on that.

Deputy Alan Kelly: How long is that ongoing?

Mr. Joseph Nugent: It was this time last year certainly, if not earlier.

Deputy Alan Kelly: A year.

Mr. Joseph Nugent: Yes, that is correct.

Chairman: Will that affect the Garda's main tax number?

Mr. Joseph Nugent: No.

Chairman: What tax number will that go through?

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Mr. Joseph Nugent: Primarily the issues relate to the bar operation.

Chairman: So that tax number is still open.

Mr. Joseph Nugent: No, it is closed. The actual bar is closed. The primary issues that are being discussed at present relate to the operations of the shop and bar.

Chairman: That is fine, but if a settlement has to be made by An Garda Síochána to the Revenue through which tax number will it be made? Is it the main one?

Mr. Joseph Nugent: It will have to go back to the main one, yes. That comes back to the broader governance question as to where we are.

Chairman: The wrap-up of that will come through the main tax number.

Mr. Joseph Nugent: It will, yes.

Deputy Alan Kelly: The Garda will have to make a settlement and it will come through the main tax number.

Mr. Joseph Nugent: If a further settlement is required, yes.

Deputy Alan Kelly: How many settlements have there been already?

Mr. Joseph Nugent: As part of the voluntary disclosure we made a payment.

Chairman: Has that been published yet by the Garda?

Mr. Joseph Nugent: I am pretty sure Mr. McCarthy made reference to it in material that was provided.

Mr. Seamus McCarthy: There was a payment in the 2016 account.

Chairman: I ask Mr. Nugent to send us an up-to-date note on where the Garda is-----

Mr. Joseph Nugent: I am happy to put on the record that essentially two payments were made in the autumn, totalling in the order of €40,000.

Chairman: That has been paid and there may or may not be a balancing figure.

Mr. Joseph Nugent: The discussion will continue.

Deputy Alan Kelly: The Garda may have to pay more but Mr. Nugent just does not know yet.

Mr. Joseph Nugent: Or we may not have to pay more.

Deputy Alan Kelly: Is Mr. Ó Cualáin confident that An Garda Síochána is fully compliant with SIPO and that all legacy issues have been dealt with?

Mr. Dónall Ó Cualáin: Yes.

Deputy Alan Kelly: As an add-on question, so they can be answered together, we found out that in the past a number of senior ranking gardaí were directors of companies. I presume that has all ceased and appropriate action has been taken to ensure that-----

Mr. Joseph Nugent: We still have senior officers who are members of Sportsfield. The reason for this, and we took advice on the issue, was that the tape to remove-----

Deputy Alan Kelly: Is that the fire alarm? Did the witnesses organise it?

Chairman: We will suspend the meeting.

Sitting suspended at 11.53 p.m. and resumed at 12.17 p.m.

Chairman: We are back in public session.

Deputy Alan Kelly: Mr. Nugent was answering my questions on SIPO and companies.

Mr. Joseph Nugent: Deputy Kelly asked whether senior officers were still involved as directors in companies, and I was in the process of saying we continue to have two senior officers who are directors of Sportsfield. The advice we obtained from the Office of the Chief State Solicitor and the Attorney General was it was preferable that the existing individuals would remain as directors at this moment in time while the transfer of land issue was working its way through. Notwithstanding the other issues, the actual replacement of those individuals could in itself introduce delays to the process. It is something we are keeping under review and we may revisit it later this year. As it stands, to be factually correct, we still have two officers who are directors of a company.

Deputy Alan Kelly: What about SIPO?

Mr. Joseph Nugent: As we have discussed before, we have sent out the request for individuals to confirm that they have complied with SIPO returns. The most recent figure I have seen in terms of response was that 80% had confirmed they had complied. The reason for the others could just be about people being away and on leave. I am comfortable we have an awareness, which is most important, about SIPO compliance and ensuring people make returns.

Deputy Alan Kelly: I spoke to Mr. Ó Cualáin briefly outside. I am a strong supporter of the use of closed circuit television, CCTV, on motorways. When I was Minister I gave a grant to a community in Laois and I have to say the gardaí there were excellent and the CCTV system is in place. We also gave grants for CCTV in a number of other places. They did not proceed but in fairness to the Government, it followed my initiative and allocated €1 million to get the projects moving again. I am trying to help the Garda. What can we do to roll out CCTV projects quicker? I represent a county that has two major motorways running through it. We all know about the issues highlighted in places such as Littleton and Two-Mile Borris. CCTV projects are also needed in Nenagh and Thurles in my local area. What can we do to highlight the issues? Everyone involved, including An Garda Síochána, has the will to proceed but there are obviously issues relating to data protection that need to be dealt with.

Mr. Dónall Ó Cualáin: We are aware there is great value in these projects from a policing perspective, both in prevention and detection. All of the schemes in the towns and cities in the State have proved that for us.

We have a working group looking at CCTV and body-worn camera equipment etc. How it might be rolled out must be discussed in the context of the current environment of general data protection regulation, GDPR, and the protection of citizens' rights, while providing us with the obvious benefits that would arise from it.

Deputy Alan Kelly: I understand that but can we have some clarity? I am trying to help out

here because I am a huge supporter of this. I initiated such projects when I was a Minister and I used some community funding from the then Department of the Environment, Community and Local Government. I wanted to see how the experiment would work and it has been successful. People are frustrated that they cannot go live with this. A lot of work has gone into it, such as in my county in Burgess, in Nenagh and in Two-Mile Borris, but they cannot go live with it. What can we do? Is it a data protection issue? Is it about where the information is to be stored?

Mr. Dónall Ó Cualáin: There are aspects of that nature such as the storage, retrieval and use of the data. To be of use to the committee, perhaps the people who have been asked to do that work could give an update report. This may point to the areas that are causing us difficulty at present.

Deputy Alan Kelly: Yes, let us try and help the Garda here. The State is going through a process of GDPR, which is transformative. It is causing a huge range of issues. We might as well deal with it once and for all. Ultimately, I would support all funding that goes into CCTV across the State and especially for motorways. The motorways are brilliant but they are a cause of crime, as we all know, because they offer the link to accessibility. As with mobile phones, motorways make everywhere accessible. I would like to see this initiative rolled out as quickly as possible and I ask the Department representatives present to please take note of this. The public is getting frustrated. People are not into the nitty-gritty of the data protection issue. I have spoken with my own council, and they do not understand. If it is about where the data are stored, given cloud technology surely there can be a way in which this is managed.

Mr. Dónall Ó Cualáin: I will get that report to the committee.

Deputy Alan Kelly: I have a final question and perhaps Mr. Nugent could answer. With regard to Templemore Garda College, progress has been made on the issues surrounding the sports facilities. There are some outstanding issues that are not major and I can speak directly with Mr. Nugent about these later rather than taking up the meeting. We must, however, sort out the issues around the golf club in a progressive way. The land is owned by the Office of Public Works, OPW, and I accept that the college has to expand. There is a farm there that is of no use anymore and part of the land for the golf club, about which people are not fully aware, is not all owned by the OPW. As far as I know there is an extra piece. We need some solution. After this length of time - since the early 1970s - getting rid of the golf club is not going to happen. It will not be tolerated or acceptable. As they are flexible on how to reorganise that, where are we with this situation?

Mr. Joseph Nugent: At a meeting with the Office of Public Works this week on a range of issues, this is one of the areas we discussed. I agree with the Deputy that we have to resolve the issue, sooner rather than later, of the State's involvement around the land associated with the golf club. I am not saying how this should be resolved but it has to be done. The discussion with the OPW was about understanding the needs of An Garda Síochána. I do not mean this in a threatening way, please do not take it in that way.

Deputy Alan Kelly: I am not.

Mr. Joseph Nugent: The State needs to resolve this based on what An Garda Síochána says it needs. This unitary position has not happened yet, but I suspect it will happen within the next two months. We are trying to regularise some of the land ownership issues. Excuse the pun but we need to take the sports field off the pitch. The transfer of the playing field lands is close to conclusion. Contracts have been exchanged and that issue will be resolved. There are

other issues to do with the land around the golf club area, which need to be resolved. We need to do that in the spirit of engagement with the golf club but only at a time when we understand. Within two months we will have a view of where we stand.

Deputy Alan Kelly: The executive summary is that An Garda Síochána will outline where the college is going in the future and what space requirements are needed. Trust me, the college needs it. The volume of cars, for example, is a nightmare. I accept that the college needs to expand. As a constituency Deputy this is positive and I would be very supportive of it. Having said that I do not believe the community will tolerate the golf club going. The golf club will remain. I know the members there and they are flexible enough with regard to the college requirements to see how things can be assuaged to facilitate everything. I would encourage An Garda Síochána to work in that spirit.

There is a lot of talk about procurement and issues that were regularised - for want of a better phrase - in respect of Templemore coming under public procurement rules and so on. I understand this. Nobody is above public procurement rules, despite what some of my colleagues in Tipperary may have said. I will not go into that. Within the procurement rules for small amounts of goods and services, I have a question about some components coming under certain thresholds with regard to using three local suppliers. Would the witnesses consider looking at the process by which services and goods are bundled together to make larger contracts and if this is always the right thing to do? I know the public procurement guidelines quite well and in that scenario, there is flexibility for smaller amounts of goods and services, especially for perishable goods, to be sourced locally having had three tenders. I ask An Garda Síochána to look at this in the spirit of co-operation, but obviously within the rules.

Mr. Joseph Nugent: To join the two elements of the Deputy's contribution together, An Garda Síochána is very proud of its relationship with the local community in Templemore. We clearly want to maintain this. It is an important message to send. On procurement issues we are guided by the Office of Government Procurement.

Deputy Alan Kelly: Of course, and I agree with that 100%.

Mr. Joseph Nugent: We have run through and only just put in place contracts for a range of these in many instances. We need to see how they work and assess whether the bundles that were put together were the right bundles. It is a reality that the scale of expenditure in the college, even in the smaller areas, is quite significant. I hear the Deputy and it is a fair request. We will certainly feed this into our review process.

Deputy Alan Kelly: I thank Mr. Nugent.

Ms Nuala Ní Mhuircheartaigh: Deputy Kelly referred to CCTV and assistance. There is a scheme in the Department of Justice and Equality with funding of up to €1 million available for a period of three years. The purpose of the scheme is to provide capital grants up to a maximum of €40,000 for community groups that want to establish CCTV.

Deputy Alan Kelly: Are there applications?

Ms Nuala Ní Mhuircheartaigh: The Department and the Minister are very keen to see more applications and to see the available funding used. The Data Protection Commission has confirmed that it does not have any concerns around the legislative underpinning-----

Deputy Alan Kelly: That is good.

Ms Nuala Ní Mhuirheartaigh: -----of the key issues for community CCTV, the local authorities as data controllers and the systems of approval that are there. This is a positive confirmation. We are willing to provide as much assistance as we can for applicants who wish to come into the scheme. We can provide details of named officials who can help with applications. We would like to see it succeed.

Deputy Alan Kelly: I thank Ms Ní Mhuirheartaigh for her contribution, and there is no blame attached to anybody but there is an issue around data protection that somebody needs to grasp, to set it right, to set the precedent and to have it locked in and firm, so the initiative can be rolled out seamlessly or as quickly as possible. This is the executive summary. I do not know how this will happen but somebody needs to grasp it.

Chairman: We will ask Ms Ní Mhuirheartaigh to give a detailed response to that question. The committee will also write to the Department of Housing, Planning and Local Government. From the joint policing committee meeting I attended the issue is very simple. As Ms Ní Mhuirheartaigh has said, the local authorities are the data controllers. Many local authorities believe it is not the job of their officials to go to court. They say it is a matter for the Garda. While the legislation is clear, somewhere along the line it has been a case of pass the parcel to the local authorities.

Deputy Alan Kelly: That is spot on.

Chairman: Some local authorities are probably doing it. Others are resisting it. We want an agreed response, and we probably need it by local authority because there are different practices happening. We will write the same letter to the Department of Justice and Equality and the Department of Housing, Planning and Local Government seeking information by local authority. There is an issue in my area. I am told it has nearly been solved. If other counties have satisfactorily resolved it and some have not, let us learn from experience. We need a response from both sides. I call Deputy MacSharry.

Deputy Marc MacSharry: I am sorry I missed the earlier part of the meeting with the opening statements, but I have read them. I have prepared a few questions. However, given that I was not present earlier, I ask the Chairman to indicate to me if any of my questions are repetitive or the ground has been covered. I can always check the transcript later to avoid delaying the witnesses.

In his opening statement, Mr. Ó Cualáin mentioned that a large number of policing and security services processes are dependent on ICT, including incident recording and criminal investigations. How many times has a case such as that of the late Mr. Shane O'Farrell occurred where a person was convicted of several offences and these were not joined up? I am referring to cases involving one court not being aware of a judgment of another court or one set of officers not being aware of the position when they stop and question someone. Have there been many such cases?

Mr. Dónall Ó Cualáin: The main focus and emphasis of what we are trying to do in the ICT area would be to ensure that we have one record for any individual citizen who may need to be on our system and that it is fully visible to all other aspects of our architecture in the ICT space. That has been given primacy in the context of what we are designing and developing and will be delivered on over the coming months and years because we are at the stage where things are starting to come on stream.

I would have to say that there will be other examples because of the way the system is currently built. We need to get rid of those issues out of our system and make sure that any add-ons that we put in are clearly set up in a way that we record information once on an individual and then it is clearly visible across our whole platform.

Deputy Marc MacSharry: Is that not the case at present?

Mr. Dónall Ó Cualáin: The same individual can be on the PULSE system twice, maybe because there is a variation of address or something.

Deputy Marc MacSharry: Mr. Kidd had kind of verbalised something there. Does he want to add to that?

Mr. Liam Kidd: It is recognised. We have both our PULSE system and our national systems. We have a number of systems as well as PULSE in operation and individuals could reside several times on the PULSE and also on our other systems, such as our immigration systems. As part of our ICT strategy, the direction is that we start to integrate across all of those so that there would just be one record for an individual.

Deputy Marc MacSharry: That is not the case at present?

Mr. Liam Kidd: No, not at the moment.

Deputy Marc MacSharry: If I had a charge sheet the length of my arm for various offences and I was stopped by a garda on Kildare Street, would the officer be in a position to identify me as Marc MacSharry, a person with a serious record, and decide, on that basis, to spend more time questioning me?

Mr. Liam Kidd: The garda would be able to so provided there was not a duplicate on PULSE. There is a process in Castlebar where we are de-duplicating cases on PULSE. Cases end up being duplicated on PULSE but there is a process for de-duplicating them. The ICT branch provides some reports to help with that.

Deputy Marc MacSharry: I am asking about the current position. I understand we all want to get to an integrated system where a garda will be able to find out from his handset that Marc MacSharry, for example, has a long charge sheet and he should spend some time finding out where he is going.

Mr. Liam Kidd: All of the convictions should be on the PULSE computer system. If we make an inquiry on an individual, these should all appear through the PULSE computer system. At the moment, that information is provided over the radio from the Garda information services centre, GISC, in Castlebar, and an officer will ring in to check. As part of the mobile project, we are going to deliver into the front-line gardaí, on mobile phones and on laptops, the ability to query PULSE out in the field but at the moment they ring in to Castlebar to check that information.

Deputy Marc MacSharry: Is that a 24-hour service?

Mr. Liam Kidd: That is a 24-hour service.

Deputy Marc MacSharry: How many staff man it, for example, during the night?

Mr. Liam Kidd: I do not have those numbers.

Deputy Marc MacSharry: Does the acting commissioner have them?

Mr. Dónall Ó Cualáin: The GISC provides a 24-hour service. It has to do so because that is the main portal for information.

Deputy Marc MacSharry: Are there many staff manning the phones in the GISC?

Mr. Dónall Ó Cualáin: There would be a full crew. I could not give the Deputy the number but it is significant.

Deputy Marc MacSharry: Is it ten or 50?

Mr. Dónall Ó Cualáin: It is at least ten on any given shift.

Deputy Marc MacSharry: Would it be the same during the night as in the mornings?

Mr. Joseph Nugent: I would say there would be very considerable numbers. There would be tens of people on duty.

Deputy Marc MacSharry: That is good to hear. Would that also be the case at night, on a shift basis?

Mr. Joseph Nugent: Yes, absolutely, and weekends.

Deputy Marc MacSharry: The service is open to any officer in the country. Would he or she need to have a suspicion first?

Mr. Joseph Nugent: Yes.

Deputy Marc MacSharry: Would an officer call the centre for any other reason?

Mr. Dónall Ó Cualáin: If one is putting on an incident, for example, if one makes an intercept down the street and there is a need to call it in, it goes on the system at that stage. If the person is already on the system, the system should flag it for the garda.

Deputy Marc MacSharry: Let us say a garda is stopping somebody at a checkpoint under the auspices of motor tax and insurance and wants to be conscientious about his job. Will he have a facility when running the licence plate to ask the driver's name, type it in merely as a matter of form and a message will pop up that Marc MacSharry has a significant list of issues and the officer should spend a little more time asking him where is he going, what is he doing and so forth?

Mr. Dónall Ó Cualáin: What must be understood as well is that the information involved in what the Deputy just mentioned - where the officer would run the plate - resides on another database which is not ours but belongs to another organisation.

Deputy Marc MacSharry: Who owns that?

Mr. Dónall Ó Cualáin: The national vehicle registration.

Deputy Marc MacSharry: Will the general data protection regulation, GDPR, now make that even more difficult for the Garda or can the Garda access that information?

Mr. Dónall Ó Cualáin: We have access. In fact, for somebody who has penalty points - Mr. Nugent could elaborate on this a bit better - we have a pilot running at the moment where

there are a number of gardaí in the Limerick city division who can do exactly what Deputy MacSharry was talking about at the side of the road and immediately all the elements from the several databases feed into that will pop up to show whether the individual has previous penalty points, how many penalty points he or she may have and all that kind of stuff. Those are rich veins. That work is well advanced. What we are trying to do, as Mr. Kidd stated earlier, is to bring the Garda station out to the side of the road so that gardaí do not have to go back into the station again.

Deputy Marc MacSharry: They will have a hand-held-----

Mr. Dónall Ó Cualáin: Yes.

Deputy Marc MacSharry: -----with which they will be able to check in to all of these databases with integrated systems, whether it is to run the plate, establish if the person has a criminal record or whatever.

Mr. Joseph Nugent: The pilot that is running in Limerick provides access to all of the systems, including those outside of the organisation and covered by appropriate-----

Deputy Marc MacSharry: Have we any timeframe on when we will have all the front-line guys kitted out with this stuff?

Mr. Joseph Nugent: We will make an Estimates pitch for next year to provide the service to all operational staff.

Deputy Marc MacSharry: Who in An Garda Síochána has the internal expertise to assist the workability of the system? Is that Mr. Kidd?

Mr. Liam Kidd: I would have that, but I have people who have more detailed knowledge of all of the systems than I have.

Deputy Marc MacSharry: How many staff have dedicated expertise specific to the complexities of ICT?

Mr. Liam Kidd: We have 100 full-time equivalents or 110 staff in all.

Deputy Marc MacSharry: Are they dedicated ICT staff? Are they civilians?

Mr. Liam Kidd: They are gardaí and civilians. Previously, people in the ICT area were recruited as gardaí under regulation 14 and regulation 7. There were specific technical skills that were recruited. Since 2009, they have been recruited under the Civil Service contract.

Deputy Marc MacSharry: Who is named on the risk register?

Mr. Liam Kidd: I am named on the risk register for the ICT infrastructure.

Deputy Marc MacSharry: The contract is with Accenture, as we know. I will come back to the procurement end of it in a second.

Let us say a system failure leads to an outcome for a member of the public who subsequently takes an action against the Garda. In such circumstances, is the Garda covered by the State Claims Agency?

Mr. Dónall Ó Cualáin: Yes.

Deputy Marc MacSharry: If that was the fault of the ICT system going down, would Accenture or the Garda Síochána be liable?

Mr. Liam Kidd: It would be An Garda Síochána. Accenture provides the server to us, as the ICT organisation, but we run and own the systems.

Deputy Marc MacSharry: If the system falls, the comeback is on the Garda Síochána, not Accenture.

Mr. Liam Kidd: Yes, because we own and run the systems. As for other agencies, we mentioned a number of other companies. Vantage and Sogeti were mentioned. Different suppliers play different roles within the overall Garda systems.

Deputy Marc MacSharry: Is Mr. Kidd satisfied that he has a sufficient level of experience or has sufficient experience available to him in An Garda Síochána to carry that burden?

Mr. Liam Kidd: I have already set out that we produced the HR strategy just over two years ago, which set out the structures and the people we needed for An Garda Síochána. In terms of whether they are full-time, certainly at the leadership management and supervisory level I would want at least to have full-time people in those positions and, where we need to outsource, it would be in the less critical areas. If we have to outsource, it will be areas such as the ICT service desk, which is to do with fixing personal computers, PCs, and things like that, but in certain areas we cannot do that. All of that is set out in our ICT HR strategy, which is mentioned in the audit report.

Deputy Marc MacSharry: Mention was made in some of the opening statements of the 50% cut to the budget-----

Mr. Liam Kidd: Yes.

Deputy Marc MacSharry: -----during the period of the recession. The Department of Public Expenditure and Reform, DPER, as well as the Department of Justice and Equality sit on the governance board. Realistically, how will we achieve all we want to achieve if we have had a cut of 50%?

Mr. Liam Kidd: There has been an allocation of funding for additional projects on that. To put the 50% cut in context, when I started in 2008 a number of projects including the automated fingerprint identification system, AFIS, and other projects were under way but the total ICT expenditure was in the order of €90 million. This year, expenditure will be in the order of €78 million but €30 million of that expenditure is for a radio system we did not have when I started. That is where the 50% figures comes from. We have the additional expenditure on the TETRA radio system in the order of €30 million-----

Deputy Marc MacSharry: What is the total cost estimated for the ideal system we were talking about where front-line people have access in their hands to all information?

Mr. Liam Kidd: There were 22 initiatives in the ICT strategy that was delivered in 2015 and we estimated the cost of those to be in the order of €300 million. A capital allocation in the order of €200 million over the next five years has been provided for and work has commenced on a number of those projects, including major investigations management, Schengen and the computer aided dispatch, CAD, project.

Deputy Marc MacSharry: Commitments have been given that €200 million will be avail-

able.

Mr. Liam Kidd: Yes.

Deputy Marc MacSharry: Mr. Kidd is still 30% short.

Mr. Liam Kidd: Yes.

Deputy Marc MacSharry: What is he going to do?

Mr. Liam Kidd: We are working with the projects. We will go out to tender and see what the prices will be but we will continue to review the overall capital demand, the estimate produced a number of years ago, the allocation and the work we can actually get done.

Deputy Marc MacSharry: It may be less than €300 million.

Mr. Liam Kidd: It may be but it will come down to procurement.

Deputy Marc MacSharry: Does Mr. Kidd believe the €200 million is enough?

Mr. Liam Kidd: We are working through the initial projects that have been prioritised and again, through the modernisation and reform programme, things like Schengen, the major investigations management system, MIMS, and command and control are the major ones. Mobile is another one. We have a number of priority projects so we are costing those and working through them. We are satisfied that we can fund those projects.

Deputy Marc MacSharry: Did Mr. Deane want to say something on that? I know he is on the DPER side of the house.

Mr. James Deane: We are under the Department of Public Expenditure and Reform but I am representing the Office of Government Procurement here today on the expenditure side.

Deputy Marc MacSharry: On the procurement side, what sanctions does the Department of Public Expenditure and Reform apply to organisations which have not complied with the procurement rules?

Mr. James Deane: There is not a sanction *per se*.

Deputy Marc MacSharry: Is it a case of being put in the bold corner and told not to do it again?

Mr. James Deane: Yes, but if we step back-----

Deputy Marc MacSharry: I see the Comptroller and Auditor General nodding so-----

Mr. Seamus McCarthy: This is the bold corner.

Deputy Alan Kelly: They end up here, basically.

Deputy Marc MacSharry: I know this is the bold corner. There is no sanction.

Mr. James Deane: We were formed to look at the procurement function across Government and we spend a lot of money across Government. We estimate that to be in the order of €12 billion, which will significantly increase in the next number of years with the capital investment programme. In terms of what we have put in place, we have a national public procurement

policy framework, which sets out the overarching policy for public procurement in Ireland. As well as that we put in procurement solutions such as framework agreements which the Garda is using in this case as well. What we are doing is promoting best practice and we believe that, over time, all the issues the Deputy is mentioning such as proper planning, having contract registers and a corporate procurement plan in place, will see improved practices in place. We are working with our public bodies on highlighting where they can bring in improvements. It is a process. We are working with the Garda in this regard. We worked with it on 16 projects last year and I believe another 16 projects are planned for this year. It is buying a lot of its IT equipment through us also such as PCs, laptops, firewalls and so on. While there is no sanction, as the Deputy is aware, under the Ministers and Secretaries Acts, the Accounting Officer is responsible for their expenditure but in putting the spotlight on the procurement function and giving supports to public bodies as well, we hope over time that all these-----

Deputy Marc MacSharry: It is the shame and embarrassment we shower on them, plus a visit to the Committee of Public Accounts, but nothing else happens. Cross-departmentally there should be sanctions against politicians for abuse of privilege. Equally, in terms of all of us who are paid by the public purse, if there are breaches there needs to be a demonstrative sanction from the public's perspective to give them a sense of ownership. I know it is not Mr. Deane's fault but I thought it was important to point out on the record that there are no official sanctions for breaches that, theoretically and in practice, have been shown to cost the people a great deal of money.

Does Accenture provide reports periodically? Is there a quarterly or annual report on how the system is going, where it is failing and how it needs to be improved? Does it give a breakdown of what it does in terms of X number of staff working so many hours at whatever per hour and so on.

Mr. Liam Kidd: Yes, it does. We have a detailed breakdown on that.

Deputy Marc MacSharry: Are any value for money reports generated internally by Mr. Kelly or-----

Mr. Liam Kidd: In terms of specific value for money reports, I am not sure that we deliberately get one but I know we micromanage the Accenture resources through the time sheet mechanism, and that goes down to-----

Deputy Marc MacSharry: I understand that. That is why it is important that Mr. Kidd is able to say that he or some of his team know from their expertise that X individual with expertise should typically charge so much an hour and it should take X number of hours to do the task. Is Mr. Kidd happy that we have that?

Mr. Liam Kidd: I am satisfied on that. When we see the rate card we pay for Accenture, it is very comparable in terms of-----

Deputy Marc MacSharry: I ask that Mr. Kidd might look at a value for money assessment. Accenture is a global company very qualified in a variety of areas but for the committee, internal audit might look at that and say whether it is value for money or identify where it could be improved. That could come to us at a later date when we could consider it.

That is all I want to say on this but as everybody else has decided to veer off today's subject matter, I will ask one question-----

Deputy David Cullinane: I did not.

Deputy Marc MacSharry: I did not hear Deputy Cullinane's contribution. As he is here, can Mr. Kidd give me an update on Sligo Garda station? There were media reports that the Office of Public Works, OPW, had purchased a site for that. Is that the case?

Mr. Joseph Nugent: My understanding is that because it was very close to conclusion a site was identified and that the OPW was engaged with the provider of the site. I do not know whether the final contracts have been signed.

Deputy Marc MacSharry: I think it was a political comment from a Government party person who said it was closed. Would it be fair to say it is not closed, as far as Mr. Nugent is concerned?

Mr. Joseph Nugent: No. We are talking about the formalities of exchange of contracts, as I understand it. The site has been identified.

Deputy Marc MacSharry: The site is secure.

Mr. Joseph Nugent: The site is secure, yes.

Ms Nuala Ní Mhuircheartaigh: On that, the development of a new Garda station in Sligo, which is being progressed by the OPW with the Garda and the involvement of the Department of Justice and Equality, is being done through a public private partnership, PPP, bundle. The site for Sligo has been acquired.

Deputy Marc MacSharry: Good.

Ms Nuala Ní Mhuircheartaigh: The contracts are complete. Everything on that is done.

Deputy Marc MacSharry: Brilliant.

Ms Nuala Ní Mhuircheartaigh: The contracts are also complete for Macroom,-----

Deputy Marc MacSharry: Macroom and Clonmel.

Ms Nuala Ní Mhuircheartaigh: -----which is another in that context, and Clonmel is very close, so very shortly we will be moving on to the next stage of that.

Deputy Marc MacSharry: Will the tender seek one bidder for the three?

Ms Nuala Ní Mhuircheartaigh: It is a PPP bundle for the three.

Deputy Marc MacSharry: There were interim works that would have to be carried out for the members working in difficult circumstances in Sligo. How are they progressing? For example, are prisoners now able to be housed in Sligo town or do they continue to have to be moved elsewhere?

Mr. Dónall Ó Cualáin: They continue to have to be moved at this juncture. I visited Sligo in the recent past and there has been a lot of preparatory work done at the back of the station, which is very visible. There has been a lot of work done internally and that will continue in the context of making more open space available. It involves knocking down a few walls, which is not major work but will facilitate a much better working environment for those-----

Deputy Marc MacSharry: What about access to clean drinking water and things like that?

Mr. Dónall Ó Cualáin: I think they were dealt with at the earlier stage of the process.

Deputy Marc MacSharry: I thank the witnesses.

Chairman: I call Deputy Cullinane but ask him to be brief.

Deputy David Cullinane: I will not take any more than two minutes. I have a quick question for Mr. Ó Cualáin to wrap up on the procurement issue. When an audit is done there are findings and, I would imagine, there are learnings from that. Given the exchanges today and at the justice committee, what learnings have there been for the organisation in respect of the report?

Mr. Dónall Ó Cualáin: I suppose the biggest learning, and I mentioned it earlier, is the timing of going for contract and not allowing ourselves to be in a position where we run out of time. What was surprising to me was the amount of time it took from when this was initiated in January 2016. It has taken that length of time with the best will in the world to get it across the line. It shows that we have to be flagging these things much earlier. We all have a role to play in that, not least Mr. Kelly in his role as auditor as he goes around and the procurement office, which holds the database of all our procurement files. I am assured the flagging system has been introduced so we should not be in this position again of being out of contract or out of time in the context of services delivered.

Deputy David Cullinane: This is my chance to put a question that strays from the subject matter. The breath tests issue was discussed in this committee. There was a report since then from the Policing Authority, the Crowe Horwath report. Is that the end of the matter?

Mr. Dónall Ó Cualáin: Yes, in the context of that legacy piece. It is not the end of the matter in the context of the issues it raised for us with regard to data quality, how data goes on, how it is retained and the issue of local input and management. I have been to every division in the country since last November and I have spoken to all the chiefs and superintendents, who have put a huge amount of work into trying to get to the nub of the problem in their respective areas. They are well aware of what type of approach is required into the future in the-----

Deputy David Cullinane: That is very good but was any individual in An Garda Síochána at any level sanctioned as a result of what was seen as a scandal?

Mr. Dónall Ó Cualáin: The Deputy will recall that I was given the Crowe Horwath report by the Policing Authority and given some time to consider and reflect on it. I made a decision at the time that it would be counterproductive and divisive to go into discipline across the whole organisation-----

Deputy David Cullinane: It would be counterproductive to the corporate body that is An Garda Síochána.

Mr. Dónall Ó Cualáin: It was in the sense that it would be divisive. It would set our chiefs and superintendents against the people at the front line and it would be long, protracted and, not least, costly. I was looking for a way to get accountability and my decision at the end, having considered all aspects and there was no legal impediment-----

Deputy David Cullinane: Was there any human error at all involved in this?

Mr. Dónall Ó Cualáin: There were lots of different elements-----

Deputy David Cullinane: There were lots and that is what the report said. The difficulty I have is that if we have a scandal such as this, which is examined a number of times and is subject to hearings of Oireachtas committees, and it is found that failings and human error or worse were part of it but the Accounting Officer or person in charge decides not to take action against any individual because it might be divisive, what is to stop something similar happening again? Notwithstanding the process changes which the witness says can be made, the problem here is that there was also human error. I welcome the fact that the process can be tightened up. I hope it will not happen again. The problem is - and we have this over and over again - that if no sanctions are ever taken against an individual then nobody is held to account.

Mr. Dónall Ó Cualáin: The learning for the organisation has to be that we should not allow such a major situation not to give us the learning we need for the future. My job is to ensure that people do not forget what happened in that context. As the head of discipline for the organisation, and I delegate that to my chief superintendents, I have made clear that I and they will consider that any breach of that type, where information is put on erroneously or deliberately when people know it is wrong, would be subject to the most severe sanction.

Deputy David Cullinane: The nature of human behaviour is that people can forget-----

Mr. Dónall Ó Cualáin: Of course.

Deputy David Cullinane: -----very quickly if there is no sanction. While there was public commentary and many newspaper headlines, and the witness appeared before the Committee of Public Accounts, it was faceless. People do not know any of the individuals who made mistakes. Given that none of them was sanctioned people can forget it very quickly.

Mr. Dónall Ó Cualáin: I would say not, in the context of focusing on the elements that made up that problem. Some of it was to do with data storage and how data went on. Some of it was by mistake and there were IT issues around all that. It was a complex issue. However, if anybody would think that it would be okay for an individual garda to put information on a system when the garda knows it to be wrong, that would not be tolerated in any circumstances. That is my message, loud and clear, to the people who are charged with the discipline of the individuals under their control.

Deputy David Cullinane: What if it happens again? If that is done or if it happens in the future would there be sanctions or would the witness take a similar view that he cannot sanction because it would be divisive?

Mr. Dónall Ó Cualáin: No, there has been sanction. I am aware that there are individual cases in the area of false data being entered into our system where it has been addressed by local officers.

Deputy David Cullinane: In what way? What does the witness mean by “addressed”?

Mr. Dónall Ó Cualáin: In the context of discipline.

Deputy David Cullinane: There has been discipline.

Mr. Dónall Ó Cualáin: Yes, there has been.

Deputy David Cullinane: That was the question I asked earlier.

Mr. Dónall Ó Cualáin: I have to make the distinction between the legacy issue and post-

legacy, which are two separate areas. I would insist that the highest standards be applied as we move forward.

Chairman: I have a few final questions. Mr. Ó Cualáin mentioned PULSE being available 24 hours a day through Castlebar. The gardaí currently use their radio phones and I am sure they have universal coverage with them. He also mentioned the move to mobile telephones and a pilot scheme in Limerick city, which is very welcome. However what happens in the parts of the country that do not have a good mobile telephone signal? How does that impact on the Garda's work?

Mr. Joseph Nugent: Part of the pilot was to look at that issue. Before we roll out a particular technology having it used in a mixed urban and rural environment was seen as critical to that need. That will form part of the review to establish how well the system operates. I should explain that what we are talking about here is an addition to the services that are already available to the officer in question. The officer will already have his or her TETRA radio and so forth. This is an additional piece of assistance to the officer on the street.

Chairman: Would it be intended to replace the TETRA?

Mr. Joseph Nugent: No, not at all.

Mr. Dónall Ó Cualáin: It is supplementary.

Chairman: On the subject of technology and ICT, how many Garda stations around the country do not have access to high speed broadband? There must be some Garda stations that cannot function in the way you would like.

Mr. Dónall Ó Cualáin: I am told that there are 57 left. When we started the roll-out of PULSE it was the old copper wire system that was going into many of these stations, which was not sufficiently robust to take the level of width required. I think that has improved.

Mr. Liam Kidd: We are continuing to progress with connecting stations that are occupied 24-7. I would have a concern about putting PULSE into stations that are not occupied 24-7. We are looking at a mobile solution going into some of those stations. I do not have the specific number with me but I believe it is in the 50s.

Chairman: I am horrified at what I am hearing. Take County Laois as a typical county. There is one 24-hour station in Portlaoise. Are you saying there will be no PULSE available in any other Garda station?

Mr. Liam Kidd: No, it is not that we would not have PULSE. We are looking at mobile as the next way of connecting stations, in that PULSE could be taken from the station and is not left unattended in the station. It would go with the police car or the officer into the station.

Chairman: Do stations in medium sized towns around the country that have broadband, not the 24-7 stations, have access to PULSE?

Mr. Joseph Nugent: Yes.

Chairman: You are talking about removing the PULSE service.

Mr. Liam Kidd: No, that is not the decision.

Chairman: Can you clarify that?

Mr. Joseph Nugent: Hopefully, I can resolve this. In most instances the 57 locations that are not connected are in very rural locations where there is very periodic use by An Garda Síochána.

Chairman: I understand that.

Mr. Joseph Nugent: We are saying that for those stations, rather than the officers having to travel back to another station, we will provide them with a laptop so they would have access to PULSE while they are in one of the 57 stations. That is as opposed to having the difficulty of getting broadband rolled into the station.

Chairman: You are going to leave the PULSE facility in the stations that already have it.

Mr. Joseph Nugent: Yes.

Chairman: You are saying that ultimately stations that will not be 24-7-----

Mr. Joseph Nugent: No, we are not saying that.

Mr. Liam Kidd: We have not decided that.

Mr. Joseph Nugent: I want to be clear about this.

Chairman: You can understand my concern.

Mr. Joseph Nugent: Absolutely. We are only talking about the 57 stations here. There is no plan to withdraw PULSE from any station whatsoever.

Chairman: Okay.

Mr. Joseph Nugent: This is about the 57 stations that are left. I am saying that, rather than having the extraordinary cost and, probably, the impossibility of running-----

Chairman: A dedicated service.

Mr. Joseph Nugent: -----broadband - a dedicated service - into the 57 stations that are left, we should look to a mobile solution.

Chairman: I suggest that if there is no broadband in those areas, there might not be much of a mobile signal either. Those 57 are there for a reason.

Mr. Joseph Nugent: In their case, the reason is mainly because the fixed-wire connections have been the problem. That is what we have seen.

Chairman: Does Mr. Nugent understand that I hope he has not created a bit of a-----

Mr. Joseph Nugent: I understand what the Chairman is saying.

Chairman: My two last questions concern the Office of Government Procurement. What guidelines on prepayments and deposits of prepayments are in the documents that the office issues to all public sector bodies?

Mr. James Deane: Prepayment would not be a procurement issue; it would be a Government accounting issue.

COMMITTEE OF PUBLIC ACCOUNTS

Chairman: Stop. Mr. Deane is losing me there, and I am the Chairman of the Committee of Public Accounts.

Mr. James Deane: If the Chairman is asking about public procurement guidelines, he should note that what we have is our national public policy procurement framework, which sets out the various strands. We issued general procurement guidelines last July. The Minister and Minister of State launched them. They cover all aspects of procurement. The Chairman is talking about contract payments here. They are not actually covered in this-----

Chairman: Surely procurement includes how one pays. Does the standard procurement contract allow for prepayments?

Mr. James Deane: The contract can be modified to allow for prepayments.

Chairman: Can it or can it not?

Mr. James Deane: It can be, yes. From a Government accounting point of view, the normal practice is that one pays once the services are delivered.

Chairman: However, we have just heard Mr. Culhane say hundreds of thousands of euro in prepayments can be possible. We heard that DIT cost the taxpayer €700,000 with its library prepayment for the next 12 months, in advance of the academic season. Now the Office of Government Procurement is before us.

Mr. James Deane: I am saying that-----

Chairman: Has the office picked up on this? It needs to address this as part of its guidelines on prepayment.

Mr. James Deane: Government accounting rules cover that.

Chairman: I ask the Comptroller and Auditor General to respond.

Mr. Seamus McCarthy: The public financial procedures, published by the Government accounting section in the Department of Public Expenditure and Reform, have guidance on prepayments and the avoidance of them, where possible.

Chairman: What is the link between them-----

Mr. Seamus McCarthy: It arises in certain situations. Obviously, a contractor would prefer, for cash flow purposes, to be paid in advance and will offer a discount as part of the offer. In the Appropriation Account for An Garda Síochána, there is a figure, totalling €11.7 million, at the end of the year in prepayments.

Chairman: Wow.

Mr. Seamus McCarthy: Revenue would be another user. Again, it is particularly in the ICT area, where the use is heavy. It uses prepayments also. It is a feature of a particular segment of the service market.

Chairman: Right. I am still not satisfied.

Mr. Seamus McCarthy: We have reported on it to the Committee of Public Accounts, in 2010 or 2011.

Chairman: From a procurement point of view, aside from the contracting, if one is helping people to design their tender process surely a facility for prepayment or discounts in lieu of early payment or prepayments could be part of it. I do not understand what the office does if it does not deal with these types of issues.

Mr. Seamus McCarthy: If it is part of the process, it would have to be taken into account in the assessment of the tender. If one is offering a discount where prepayment is concerned and the other is willing to offer at a higher price but accepting later payment, one needs to assess the optimum approach and to protect oneself against the very risks the Chairman spoke about.

Chairman: Does the Office of Government Procurement have any role in issuing guidelines on this?

Mr. James Deane: We issue guidelines on the whole procurement process.

Chairman: On this issue.

Mr. James Deane: We have not issued guidance on this specific issue. It is something that we could look at.

Chairman: Does Mr. Deane believe the office should?

Mr. James Deane: What we do know is all these matters are taken into account prior to going to the market. Basically, it is set out in the tender documentation that the evaluation will be based on certain criteria. Generally, there is a quality element and a price element. In the pricing element, one could include factors such as that in question, and the bidders could compete against each other on that basis. It might be better value for the State in certain circumstances to get a discount up front, or not, as long as it is-----

Chairman: Is that in the Government Procurement Office's framework?

Mr. James Deane: It is not as explicit as that.

Chairman: Let me outline my worry as Chairman of the Committee of Public Accounts. In the past year, we have had an example of a State body costing the taxpayer €700,000 because of a prepayment and the relevant company going bust. Today, the Comptroller and Auditor General tells us that, at the end of the financial year, €11 million in prepayments to the private sector were in the system for the provision of services beyond the year end. Let us all hope they are-----

Mr. Seamus McCarthy: A sum of €11 million pertaining to An Garda Síochána alone.

Chairman: To return to Government procurement, I have listened to all the comments on procurement and the breaking of contracts but there is still a big risk that does not seem to have been registered in the Office of Government Procurement.

Mr. James Deane: I accept that-----

Chairman: I refer to guidelines on the risk. Mr. Deane said there might be a benefit, which I understand, but there is an associated risk. I see nothing coming from the office in regard to how it could be managed. I ask Mr. Deane to send us something and talk to the Department of Public Expenditure and Reform. We will write to the Department and the Office of Government Procurement.

COMMITTEE OF PUBLIC ACCOUNTS

Mr. James Deane: This would be part of overall governance arrangements, and public financial procedures would be one element of overall government arrangements. Procurement procedures would comprise another part. What we would say is that they should comply with public financial procedures as well. If, however, a public body for some other reason can justify why it believes this is in order-----

Chairman: It is too vague for me. As Chairman of the Committee of Public Accounts, I believe the situation is not adequately in hand. I am looking to Mr. Deane and to the Department of Public Expenditure and Reform to address this. There has been a loss to the taxpayer. Not only was there a loss but Mr. Deane is actually telling us there is no great system even to learn from that loss. The lessons have not been learned across the public sector as a result of the loss of €700,000 in DIT. Mr. Deane says this is related to Government accounting procedures and not a matter of procurement but I am at a loss to know who needs to learn lessons from this. Mr. McCarthy is telling us there is €11 million concerning the Garda Síochána. I hope that never creates a problem. I am sure, now that we have raised the issue, we will be coming back to the Comptroller and Auditor General to find out its extent across all Government bodies. Between the Department of Public Expenditure and Reform and the Office of Government Procurement, somebody needs to get a handle on the matter to ensure we are not here next year finding €3 million had been issued in prepayments to a contractor that went bust. I need to see lessons learned across the public service from what happened in DIT. One function of the Committee of Public Accounts is to make sure the public sector learns from what went wrong. Mr. Deane gets the gist of what I am saying. I have made my point and he knows where I am coming from. It is not personal. I am a little surprised the system has not adequately registered the risk, which was actually realised in some places.

I thank the witnesses from An Garda Síochána, the Department of Justice and Equality and the Office of Government Procurement for attending, for the materials supplied, and for offering to forward information on any outstanding matters referred to today.

We have completed our public meeting. We will be meeting in public session on Thursday, 14 June, when we will be meeting representatives of the State Claims Agency and the HSE. That will be followed by a meeting with Nursing Homes Ireland, subject to confirmation, and the National Treatment Purchase Fund. We shall now go into private session to do the committee's private work. I thank the witnesses very much for attending.

The witnesses withdrew.

The committee went into private session at 1.10 p.m. and adjourned at 1.25 p.m. until 9 a.m. on Thursday, 14 June 2018.