

DÁIL ÉIREANN

AN COISTE UM CHUNTAIS PHOIBLÍ

COMMITTEE OF PUBLIC ACCOUNTS

Dé Máirt, 25 Meán Fómhair 2018

Tuesday, 25 September 2018

The Committee met at 10 a.m.

MEMBERS PRESENT:

Deputy Bobby Aylward,	Deputy Alan Kelly,
Deputy Shane Cassells,	Deputy Marc MacSharry,
Deputy Catherine Connolly,	Deputy Catherine Murphy,
Deputy David Cullinane,	Deputy Jonathan O'Brien,
Deputy Pat Deering,	Deputy Kate O'Connell.
Deputy Alan Farrell,	

DEPUTY SEAN FLEMING IN THE CHAIR

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

Mr. Martin Fraser (*Secretary General, Department of the Taoiseach*) called and examined.

2016 Annual Report of the Comptroller and Auditor General and Appropriation Accounts

Vote 1 - President's Establishment

Chairman: We have a quorum and are now in public session. We are joined by the Comptroller and Auditor General, Mr. Seamus McCarthy, who is a permanent witness to the committee. He is joined by Ms Maureen Mulligan, deputy director of audit. Apologies have been received from Deputy Pat Deering. We will take the business of the committee as normal on Thursday next. Today we will be dealing with the 2016 Annual Report of the Comptroller and Auditor General and Appropriation Accounts, Vote 1 - President's Establishment. We will also have an update on the 2017 position.

I welcome Mr. Martin Fraser, Secretary General of the Department of An Taoiseach who is the Accounting Officer for the Vote relating to the President's Establishment. I thank him making himself available, especially as I understand he had an accident. His arm is in a sling and he is somewhat incapacitated. We wish him a speedy recovery.

I draw the committee's attention to some distinctions relating to Vote 1. First, while Mr. Fraser is the Accounting Officer for Vote 1, he does not have operational responsibility for the Office of the President. Second, our examination will be carried out in a way that respects the constitutional independence of the Office of the President, as per Article 13.8.1 of the Constitution which states, "The President shall not be answerable to either House of the Oireachtas or to any court for the exercise and performance of the powers and functions of his office or for any act done or purporting to be done by him in the exercise and performance of these powers and functions." I know members appreciate this point.

As Chairman, I want to put the purpose and timing of this particular meeting in context. An Taoiseach discusses the Estimates and related information for Vote 1 before a select committee of the Dáil every year. The related appropriation account is voted on in the Dáil at the end of each year. The actual appropriation accounts for 2017, which include Vote 1, the President's Establishment will be published by the Comptroller and Auditor General on Friday next, 28 September. The Minister for Finance and for Public Expenditure and Reform will publish the 2019 abridged Estimates for Vote 1, the President's Establishment, as part of his Budget Statement on 9 October. Our role as the Committee of Public Accounts is to complete the cycle by examining the allocation of moneys to the President's Establishment and how they were spent and to look at the governance and oversight measures adopted by the Accounting Officer relating to that expenditure.

Regarding the timing of this meeting, certain questions regarding the President's Establishment were raised over the summer months. The first opportunity this committee had to discuss these was on Thursday last. As already stated, this committee has a clear role in respect of the

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examination of all voted expenditure. However, I was concerned that we would do so in a way that is respectful of the upcoming election process. As a result, I proposed - and the committee agreed - that this examination should take place at the earliest opportunity and in advance of the closing date for nominations, which is tomorrow. Unfortunately, it was not feasible to hold this meeting any earlier and I wanted to put that on the record.

Before we begin, I want to summarise guidance for members because of the unique nature of this particular Vote. Objective questions relating to oversight and control of moneys allocated to or for the benefit of the President's Establishment are obviously in order. Detailed questions relating to expenditure that would, of their nature, potentially concern decisions or actions of the President are not in order. For other matters, I will carefully weigh up the question asked before deciding whether a particular matter is in order. We expect to get answers to all of our questions today. However, any matters that are not clarified will be dealt with at a later date. I ask for full co-operation from all members in this regard.

I remind members, witnesses and those in the Public Gallery that all mobile phones should be switched off. I wish to advise that by virtue of section 17(2)(f) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of their evidence to this committee. However, 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 qualified privilege in respect of their evidence.

They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable. While we expect the 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. I invite Mr. McCarthy to make the Comptroller and Auditor General's opening statement.

Mr. Seamus McCarthy: Thank you, Chairman. The 2016 Appropriation Account for Vote 1, President's Establishment, shows gross expenditure of €3.6 million. Expenditure in relation to the centenarian's bounty scheme accounted for €1.15 million, with the balance relating to other expenses of the President's Establishment. The amount provided in the Estimate for 2016 was €3.9 million. After receipts for the year of €84,000 were taken into account, a surplus of €287,000 was surrendered. There were no matters arising from the audit of the Vote for the President's Establishment that I considered warranted reporting.

Chairman: I thank Mr. McCarthy. I invite Mr. Fraser to make his opening remarks and note that he has not sent a pre-scripted opening statement.

Mr. Martin Fraser: The reason I did not supply one is that I can only use one hand for typing at the moment. I apologise for that. I do not have much to add to what the Comptroller and Auditor General has said. The spend of €3.6 million in 2016 is set out in the account in a lot of detail. There is only one non-office expenditure, the centenarian's bounty, which is the amount paid to people on reaching 100 years, in the country each year. My position is a little bit different in respect of Vote 1 in that I do not have any executive authority over the Office of the President, for obvious reasons.

Broadly speaking, in 2017 the spend is again approximately €3.7 million and that was again

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within budget, but the account has not been published yet. As I stated in my letter, I rely in the main on the Comptroller and Auditor General for assurance on the accounts, and he has found no problems. That is all I have to say in the way of an opening statement.

Chairman: I thank Mr. Fraser. He will be free to answer questions in so far as the Constitution permits. As it is a special meeting members have indicated the sequence in which they wish to speak. It has been agreed that each member will have a ten-minute slot and if people want to come back a second time they can do so. Members have indicated in the following sequence: Deputies Bobby Aylward, Alan Farrell, Catherine Connolly, Shane Cassells, David Cullinane and Catherine Murphy. Deputy Alan Kelly is next and we will see what happens after that. Deputy Aylward has ten minutes and because of the nature of the meeting I ask members to strictly adhere to the ten minute time slot.

Deputy Bobby Aylward: I welcome Mr. Fraser as the Accounting Officer for Vote 1, the President's Establishment. When there is a report from the Comptroller and Auditor General our remit is to scrutinise the Vote and to make sure there is value for money for the taxpayers of this country who pay to keep the system in place. The Comptroller and Auditor General said €3.6 million was the overall amount spent in 2016. In one of last Sunday's newspapers I read there had been a cost of €50 million. I do not know where that amount came from. That would be €7 million a year. Where did such a figure come from or how did anyone come up with the amount?

Chairman: Could the Deputy clarify the figure?

Deputy Bobby Aylward: I read in a newspaper that since 2011 a total of €50 million was spent on the Presidency. I am just asking Mr. Fraser or Mr. McCarthy to comment.

Mr. Seamus McCarthy: I did not see the article on Sunday. I imagine the calculation is based on aggregating the figures from the operating costs statement of the account. That statement tries to get the full costs associated with a service and so it brings in expenses that are borne on other Votes for which other Accounting Officers are responsible and includes them in the operating costs statement. If we go to page 7 of the Appropriation Account we will see a figure in 2016 of €8.2 million, and at the bottom of the page there is a breakdown. The net allied services figure is €4.6 million and the breakdown of it is given there. It indicates the other Votes and the Central Fund as being the sources.

Deputy Bobby Aylward: Are we saying that it is €3.6 million only, as Mr. McCarthy has said? There are other costs from the Garda, security, the Army and so forth.

Mr. Seamus McCarthy: Correct.

Deputy Bobby Aylward: There are also caretaking costs.

Mr. Seamus McCarthy: The upkeep of Áras an Uachtaráin is the big spending block. It was €2.4 million in 2016.

Deputy Bobby Aylward: Is the €3.6 million a true reflection, therefore, of the costs of having the Presidency in place, or could it be more than €7 million?

Mr. Seamus McCarthy: The point of the operating costs statement is to try to get the full costs of the service. The Vote is specifically for office expenses and the centenarian bounty, as I have said.

Deputy Bobby Aylward: I am trying to clarify whether the overall costs are more likely to be more than €7 million, as was quoted in this paper, since 2011.

Mr. Seamus McCarthy: In 2016, it was €8.2 million.

Deputy Bobby Aylward: Yes, so it would be more in line with that. Is Mr. Fraser happy with the procedure and the governance of the moneys that are spent? He is the Accounting Officer and he must stand over this each year. Is he happy with the way it is spent and distributed? Is he happy with all the procedures that are in place?

Mr. Martin Fraser: The way it is distributed and spent is a matter for the President and the President's office. If the Deputy is asking whether I am happy with the financial management, controls and oversight, I am. My main assurance comes from the clean audit reports from the Comptroller and Auditor General.

Deputy Bobby Aylward: That leads on to the next question. If Mr. Fraser believed there was an overspend or money was being spent unnecessarily, if there was extravagance or whatever else one might call it, who has control or the authority to check that and call it in? Can that happen and is it scrutinised to keep it under control in order that there is value for money in what is spent?

Mr. Martin Fraser: "Unnecessary" is a matter of opinion. If there was any sense that the proper procedures were not being followed in Áras an Uachtaráin, that would be picked up either under internal audit in the future or by the Comptroller and Auditor General.

Deputy Bobby Aylward: I asked that question because we can all go on holidays, go on business trips, travel first class or whatever way we like, and we can stay in different types of hotels and so on. Who decides who goes where? Who in the President's office decides who goes where, what hotels are used and what travel arrangements there are?

Mr. Martin Fraser: Asking me who in the President's office decides is asking me to discuss the office and the functions of the President. I can help somewhat. The Department of Foreign Affairs and Trade makes most of the travel arrangements but I cannot get into who in the President's office makes decisions.

Chairman: We cannot either.

Deputy Bobby Aylward: What I am trying to do is see if there is value for money. I am following the money, which is our job. I am asking a straight question and I do not want to overstep any mark or make any accusation. All I am asking is whether we are getting value for money on all aspects of the spend on Vote 1, the President's Establishment. That is what I am trying to get at. Scrutinising it is what we are doing here today. I am not trying to make any political gains or anything like that.

Chairman: Is Mr. Fraser saying that the arrangements are made substantially by the Department of Foreign Affairs and Trade?

Mr. Martin Fraser: Foreign travel arrangements are generally made by the Department of Foreign Affairs and Trade. If there was a state visit, and I am not talking about the incumbent but rather any President here, the Department of Foreign Affairs and Trade would make the travel arrangements in the host country. While it has its own procedures, broadly speaking it is interested in logistics, security, location, whether a venue is suitable and so on. Regarding

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the Deputy's general point, it is the responsibility of the people in Áras an Uachtaráin, and to a lesser extent in the Department of Foreign Affairs and Trade. I get assurance from the Comptroller and Auditor General. If he saw anywhere where procedure was not being followed, he would highlight it.

Deputy Bobby Aylward: There is good news there in that there was a 10% return in 2016. The money that was voted on was not even used. Is coming in under cost the norm, or are we giving too much money to the Vote in the beginning?

Mr. Seamus McCarthy: Yes, the underspend. One thing about an appropriation account is that there must be no overspending. That is the priority. One is always aiming to come in under the budget provided. The 10% underspend is about what is usual on the President's Establishment Vote and it is not out of line with spending for similar small offices or Departments.

Deputy Bobby Aylward: If Mr. Fraser saw that there was overspending or extravagance somewhere down the line, does he have power to intervene or speak to someone in the President's office?

Mr. Martin Fraser: It has not happened. Let me put it as follows. If I received an internal audit report or management letter or audit report from the Comptroller and Auditor General which gave rise to concern, I would have to take it up with staff in the Office of the President because that is my responsibility. However, I would not seek to intervene in the operations of Áras an Uachtaráin. As I am sure people understand, the relationships between the Government and the President and the Oireachtas and the President are very delicate. As such, it would be with the greatest reluctance that I would intervene in Áras an Uachtaráin. However, if a financial issue of the kind which would interest the committee arose, I would have to ask questions of the people in Áras an Uachtaráin and hope to have it fixed. However, it has not happened.

Deputy Bobby Aylward: The reason there is so much interest in it now is that a presidential election is coming up.

Mr. Martin Fraser: I thought that was not the reason.

Deputy Bobby Aylward: The public, media and newspapers in general want to scrutinise everything. That is why we have to be careful here today in what we say and what we ask about. In any event, Mr. Fraser is happy within his remit that the spend is well within reason.

Mr. Martin Fraser: In so far as I am responsible for it, yes.

Deputy Bobby Aylward: Why then did Mr. Fraser write us a letter last week, which we received last Thursday, about the constitutionality of the committee doing its job, as I see it here, of scrutinising Vote 1? Why did Mr. Fraser have a concern and write that letter, at which some members took offence in the view that the Secretary General was interfering with the running of our committee here? I ask him to comment on that personally.

Mr. Martin Fraser: I was not interfering with the committee. I was making a number of points which it is my job to make. As such, I made them. I think they are important. The first point was that the Presidency is above politics. The second was that my role as Accounting Officer is different in relation to Áras an Uachtaráin than it is in relation to the Department of the Taoiseach. The third point was that there is a very profound constitutional issue which everyone accepts here. The fourth point was that I was worried about political impartiality in the context of an election campaign, as I am in any other situation. Finally, I made the point that

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the President is, of course, open to scrutiny and will be in the election campaign. I felt they were important points to make.

Deputy Bobby Aylward: Did Mr. Fraser feel we were going to overstep the mark and that it would be unconstitutional for us to question the Vote?

Mr. Martin Fraser: If the committee had attempted to make the President answerable to the Oireachtas, it would have been unconstitutional. However, the Chairman has given me assurances on the point.

Deputy Bobby Aylward: We are very civil people. We are only here to follow the money.

Mr. Martin Fraser: It is not a matter of civility. To be fair, I have to deal with all aspects of the Constitution all the time in my work. I probably deal with the Constitution more than anybody else. As such, I am very careful about the Constitution. That does not mean the committee is not; it is just that I am.

Chairman: Mr. Fraser is satisfied that the performance of the meeting so far is not in breach-----

Mr. Martin Fraser: I am not going to comment on the-----

Chairman: No, but Mr. Fraser is not concerned so far that there has been any difficulty. The next speaker is Deputy Alan Farrell.

Deputy Alan Farrell: Good morning to Mr. McCarthy. I welcome Mr. Fraser. I will comment briefly on the decision to hold this meeting. I was not present at the previous meeting of the Committee of Public Accounts when the decision was made to have this hearing. Had I been present, I would have said that it stinks for us to make a decision to look at presidential expenditure the day before the closing date for nominations for the Presidency and the election. That said, the decision has been made democratically and I respect that.

From a procedural perspective, I note the references to the audit committee's chair being absent in 2016 and for a period of 22 weeks from the date on which the accounts were to be filed to the actual date of the filing of the accounts. Will Mr. McCarthy comment on those two issues?

Mr. Seamus McCarthy: On the filing of the accounts, I received the appropriation accounts from the Accounting Officer by the due date, which was the end of March 2017. There was an adjustment made in the statement on internal financial control which necessitated the Accounting Officer re-signing. I did get what the Accounting Officer was required to do.

Deputy Alan Farrell: It took 22 weeks to make that clarification.

Mr. Seamus McCarthy: The appropriation accounts are all received together at the end of March and all are audited over the summer. We get to various ones at various times. I am still signing appropriation accounts for 2017 at this stage.

Deputy Alan Farrell: Can Mr. McCarthy detail the nature of the correction?

Mr. Seamus McCarthy: It related to the text to do with the audit committee. It is more appropriate for the Accounting Officer to speak to that point.

Deputy Alan Farrell: Is Mr. Fraser satisfied with everything he said to Deputy Aylward and in his brief opening remarks in terms of the financial controls, processes and procedures in

place?

There is that question, however, regardless of the clear audit opinion. I understand the internal audit committee did not meet because it did not have a chairperson. I will not call it alarming but it raises a question or two about the process. The nature of the absence is not my business. From a financial control perspective, however, it begs the question what procedures were put in place to compensate for the lack of an internal audit committee. Will Mr. Fraser comment on that?

Mr. Martin Fraser: What happened was that I appointed a chairperson of the audit committee in spring 2014. That chair was indisposed. The committee may well know the circumstances but I do not want to get into it.

Deputy Alan Farrell: I am not asking about that.

Mr. Martin Fraser: For that reason, the audit committee did not meet and, therefore, the internal audit function which I set up did not-----

Deputy Alan Farrell: May I interrupt? The audit committee did not meet. Is the Áras responsible for ensuring that occurs or is Mr. Fraser responsible?

Mr. Martin Fraser: I am happy to take responsibility for it but it is actually the responsibility of the audit committee. Having appointed a chair to the committee, it would not be unreasonable. There are particular circumstances in this case. I presume the committee is aware of what they are.

Deputy Alan Farrell: I am not.

Chairman: It is up to the Deputy if he wants anything said about it.

Deputy Alan Farrell: I do not want to delve into the specifics.

Chairman: Then the Deputy should not.

Mr. Martin Fraser: I do think it is appropriate. It is a very sensitive matter and quite a sad matter.

Deputy Alan Farrell: I do not believe it is the committee's business but that is my own view.

Mr. Martin Fraser: To answer the Deputy's question, I would take great assurance from clean audit reports from the Comptroller and Auditor General. I get management letters from the Comptroller and Auditor General at quite a level of detail. I am obviously an Accounting Officer for the Taoiseach's Department, another small enough organisation. Nonetheless, I am very familiar with the procedures. I was a finance officer and set up the audit committee in the Taoiseach's Department, as well as in Áras an Uachtaráin. I am very familiar with all of these themes. In fact I wrote a thesis on value for money if the Deputy really wants to get bored.

I was happy that I was getting clean audit reports and reasonable management letters from the Comptroller and Auditor General's team in the Áras. That gave me the assurance. Indeed, the committee has the same assurance from the Comptroller and Auditor General. There were particular circumstances, which were not ideal but, I am afraid, were rather sensitive. I just felt it is not appropriate to go into them.

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Deputy Alan Farrell: Notwithstanding those sensitivities which I entirely accept, is there not a process in which an internal audit function in any Department or quasi-authority should have a procedure to initiate the holding of meetings or for a temporary chairperson to be appointed?

Mr. Martin Fraser: I agree with that. I think probably the issue here was that this was the first time there had ever been an audit committee in Áras an Uachtaráin. If we had an audit committee on an ongoing basis, it might have been in the swing of things. We did appoint a respected person to be chair but, unfortunately, he was indisposed. I made a judgment that it was not appropriate to pursue it.

Deputy Alan Farrell: I accept that. From Mr. McCarthy's observations, does any element of Vote 1 cover any form of co-ordinating function or security within the four walls of Áras an Uachtaráin?

Mr. Seamus McCarthy: Not to my knowledge. I understand that security is a matter for the Defence Forces and An Garda Síochána. The President's Establishment staff would have to be consulted and aware of the arrangements. Are we talking about physical security?

Deputy Alan Farrell: Yes. I am querying whether there may be an oversight function with the body of Áras an Uachtaráin that co-ordinates security services. Is that provided for? If I cannot question staff, I am wondering if it is a function of the Áras to co-ordinate such matters?

Mr. Martin Fraser: In respect of the President?

Deputy Alan Farrell: Presidential security.

Mr. Martin Fraser: The Deputy is asking me to comment on the President and security.

Deputy Alan Farrell: I am not asking Mr. Fraser to comment on the President. I am wondering if there is a co-ordinating function within the Áras, liaising with An Garda Síochána and the Defence Forces.

Mr. Martin Fraser: Of course there is.

Deputy Alan Farrell: Okay. I just wanted to determine that.

Deputy Catherine Connolly: I welcome Mr. Fraser. I am looking at the President's Establishment. I do not want any comment on Áras an Uachtaráin or any President. I am looking at the President's Establishment's Appropriation Accounts. Mr. Fraser is responsible for these accounts and the responsibility to ensure there is proper financial control is on his shoulders. He is free to answer all my questions on those matters.

Mr. Martin Fraser: I am financial controller.

Deputy Catherine Connolly: When did Mr. Fraser put the audit committee in place?

Mr. Martin Fraser: Originally in spring of 2014.

Deputy Catherine Connolly: So prior to spring of 2014, there was no audit committee in place. Why was that?

Mr. Martin Fraser: It has never been done.

Deputy Catherine Connolly: Why?

Mr. Martin Fraser: I do not know. I became Accounting Officer in 2011 or 2012 and took the view that there should be an audit committee in Áras an Uachtaráin in line with any other public spending.

Deputy Catherine Connolly: Mr. Fraser signed the accounts on 29 March 2012, so he was the Accounting Officer for the previous year. At what stage did he take the decision to set up an audit committee? Would he accept that an audit committee is an essential ingredient?

Mr. Martin Fraser: Yes.

Deputy Catherine Connolly: It is an essential ingredient of accountability. Why was there not one? How did Mr. Fraser take the decision to set one up?

Mr. Martin Fraser: I took the decision because I agree with the Deputy that there should be one.

Deputy Catherine Connolly: How long was Mr. Fraser there before it was set up?

Mr. Martin Fraser: I cannot remember when I was made Accounting Officer for Áras an Uachtaráin.

Deputy Catherine Connolly: Maybe Mr. Fraser could check that.

Mr. Martin Fraser: The Comptroller and Auditor General may know that.

Mr. Seamus McCarthy: I have just looked back at the 2012 Appropriation Account, when Mr. Fraser was Accounting Officer. My recollection of those years was that it was accepted that the audit committee of the Department of the Taoiseach would have had an oversight role with regard to the internal audit function. The internal audit function for Áras an Uachtaráin is the internal audit function of the Department of the Taoiseach.

Deputy Catherine Connolly: I am coming to that. I thank Mr. McCarthy. As has already been acknowledged, I acknowledge that opinion of the Comptroller and Auditor General is that the Appropriation Account properly presents the receipts and expenditure of 2016, with adequate accounting records and so on. I accept that. I am looking at the controls and processes in place. That is all we are looking at in this committee. Let us look at the audit committee which Mr. Fraser set up in spring 2014 for the first time ever. Talk to me a little bit about an internal audit.

Mr. Martin Fraser: The model we used was used in an at least one other body, as the Comptroller and Auditor General may know, the National Economic and Social Council, which is also under the Department of the Taoiseach. The internal audit unit for the Department of the Taoiseach has the skills. It is a small unit but these are very small organisations-----

Deputy Catherine Connolly: So that internal unit in the Department of the Taoiseach audits the President's Establishment, among other matters.

Mr. Martin Fraser: It mainly audits the Department of the Taoiseach. It audits the National Economic and Social Council, which is a very small organisation, and it audits Áras an Uachtaráin but there is a separate audit committee in both organisations.

Deputy Catherine Connolly: Explain that to me.

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Mr. Martin Fraser: There is an audit committee in the Department of the Taoiseach and one in the National Economic and Social Council.

Deputy Catherine Connolly: We are talking about the President's Establishment.

Mr. Martin Fraser: I am explaining how-----

Deputy Catherine Connolly: Is there a separate audit committee?

Mr. Martin Fraser: There is a separate audit committee for Áras an Uachtaráin.

Deputy Catherine Connolly: How often did that audit committee meet from when it was set up in spring 2014?

Mr. Martin Fraser: Again, I am afraid I have to repeat what I said to Deputy Farrell. It did not meet because the chairman was indisposed.

Deputy Catherine Connolly: It did not meet at all. That was not clear to me. What we have ended up doing is trying to avoid talking about personal matters which should not be even mentioned.

Mr. Martin Fraser: It did not meet.

Deputy Catherine Connolly: It did not meet. That is the fact. Mr. Fraser was the Accounting Officer. What did he put in place when that committee did not meet?

Mr. Martin Fraser: As I explained to Deputy Farrell-----

Deputy Catherine Connolly: No, explain it to me now, please.

Mr. Martin Fraser: I have just explained that it is quite a personal and sensitive matter and I do not want to talk about it too much. I feel the need to-----

Deputy Catherine Connolly: Mr. Fraser will have to stop this. Listen to me. We are looking at a system of accountability. I am talking about systems and procedures. I do not want to mention a person, so please do not.

Mr. Martin Fraser: No, I am not going to.

Deputy Catherine Connolly: When the audit committee did not meet, what was the result of that in terms of accountability?

Mr. Martin Fraser: Effectively, I had to rely on the Comptroller and Auditor General management letter-----

Deputy Catherine Connolly: There was no internal management and no auditing of anything from that time onwards.

Mr. Martin Fraser: There was very thorough auditing by the Comptroller and Auditor General.

Deputy Catherine Connolly: Leave the Comptroller and Auditor General out of it. It is the end of the year when he looks at it. I am talking about the Department's internal audit. I am not sure why Mr. Fraser is putting his eyes up to heaven.

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Mr. Martin Fraser: Sorry. I might be wincing because I have a broken elbow.

Deputy Catherine Connolly: I appreciate that.

Mr. Martin Fraser: I did not mean to put my eyes up to heaven.

Deputy Catherine Connolly: If we could just look at the procedures. There was no audit committee and no internal audit function. Let me repeat that. There was no internal audit function during all of this period. Is that okay?

Mr. Martin Fraser: No.

Deputy Catherine Connolly: Okay. Will Mr. Fraser tell me what he did, please?

Mr. Martin Fraser: I relied on the Comptroller and Auditor General.

Deputy Catherine Connolly: All right. I have to mention something positive. When I look back on the appropriation accounts for all of the years, there was very little information prior to Mr. Fraser's time, so it gradually improved in terms of what is written down. On 23 March 2016, he talks about periodic reviews and states that the internal audit function and its programme are subject to periodic reviews. The previous year he said exactly the same thing. Did he carry out periodic reviews?

Mr. Martin Fraser: I did keep an eye on financial controls in Áras an Uachtaráin but, throughout the period, as I said earlier, it was suboptimal because the chair was indisposed and, therefore, it was not as good as it might have been. I did not ignore the matter, however, and I certainly had access, as I said, to management letters and audits from the Comptroller and Auditor General.

Deputy Catherine Connolly: I am just going by what Mr. Fraser has said. I have looked at the data for the President's Establishment going back a number of years. It talks about periodic reviews and internal audit work. Was internal audit work carried out? If so, what was the theme of that internal audit work? If not, it was not-----

Mr. Martin Fraser: No, as I said-----

Deputy Catherine Connolly: Just a second. It was a case of no internal audit work, no audit committee and relying totally on the Comptroller and Auditor General.

Mr. Martin Fraser: There was an audit committee but it did not meet because the chairman was indisposed.

Deputy Catherine Connolly: It did not meet. In regard to the date-----

Mr. Martin Fraser: It is suboptimal and I do not deny that. I wish it were otherwise but I had a judgment to make on the matter, so I did.

Deputy Catherine Connolly: In regard to the date of the accounts, which has been explained, I want to go back a bit to find out why there was a delay. They were signed off in September of this year as opposed to earlier. Again, what was the reason for that?

Mr. Seamus McCarthy: That would have been a matter between ourselves and the Accounting Officer. When we would have got around to auditing all of the appropriation accounts, it was protracted over the summer and the matter was finalised-----

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Deputy Catherine Connolly: Okay. Is there nothing unusual about that?

Mr. Seamus McCarthy: No, there is nothing significant in it.

Deputy Catherine Connolly: When was the new chairperson appointed in 2017?

Mr. Martin Fraser: I think it was February of this year.

Deputy Catherine Connolly: He was not appointed in 2017.

Mr. Martin Fraser: I did say he was put in place in 2017 but, in the event, it took until February 2018 to get the chair on the audit committee. He is now in place and-----

Deputy Catherine Connolly: One second, I can only go on what I see. Mr. Fraser said somewhere that the chair was to be appointed in 2017. Was the chair appointed in 2017?

Mr. Martin Fraser: No. I said a new chairman “will be put in place” in 2017. In the event, I think it was February 2018 by the time I did that.

Deputy Catherine Connolly: This does not makes sense to me. I am looking at the accounts for 2016 and I am looking at Mr. Fraser’s comments on the accounts, which are in 2017, and the chairperson was to be appointed in 2017.

Mr. Martin Fraser: It was my intention at the time and I did say a chairman would be put in place. In the event, it took until February 2018.

Deputy Catherine Connolly: Can Mr. Fraser clarify for me the money, over €2 million, relating to the Office of Public Works? It went up every year from 2013 in the expenditure-----

Chairman: Deputy Connolly has one minute.

Deputy Catherine Connolly: Can Mr. Fraser clarify that for me?

Mr. Martin Fraser: Sorry. I am one-handed here so I am a little slow getting the paper-work.

Deputy Catherine Connolly: That is okay. We will take the Chairman’s time while-----

Mr. Martin Fraser: Sorry about that, Deputy. The OPW provides a load of services in the Áras. It provides household services, gardening and the upkeep of a very important historic building. It also looks after events. That spend covers all those various areas.

Deputy Catherine Connolly: I did not quite catch what that €2 million plus that is rising every year is spent on by the Office of Public Works. Gardening?

Mr. Martin Fraser: The OPW provides household staff in the Áras. It provides building maintenance. As the Deputy can imagine, Áras an Uachtaráin, its grounds and so on are obviously a jewel in our national crown that has to be maintained, so there are electricians, plumbers, gardeners and so on.

Deputy Catherine Connolly: The spend relates to staff as well.

Mr. Martin Fraser: It is mainly staff costs, including contract staff for the maintenance of the building. The OPW also looks after events that are held in the Áras.

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Deputy Catherine Connolly: I wish to go back to why we are here. I am finishing. I have less than a minute left. We have had various organisations before us, including the Garda in Templemore, and we put them under serious pressure in respect of internal audits and audit committees. We did so with the vocational education committees, VECs. That is part of our job. Mr. Fraser is here today, and this has not happened with the President's Establishment. Is that not correct?

Mr. Martin Fraser: It had not happened but it has happened now.

Deputy Catherine Connolly: I ask Mr. Fraser to tell me what is in place now.

Mr. Martin Fraser: There is an audit committee which has met three times and an audit programme in place.

Deputy Catherine Connolly: The audit committee has met three times. When?

Mr. Martin Fraser: Since February. I do not know the exact dates.

Deputy Catherine Connolly: Mr. Fraser should know the exact dates. We are talking about responsibility here. We are talking about governance.

Mr. Martin Fraser: Well-----

Deputy Catherine Connolly: Sorry. We are going from there being no audit committee to there being an audit committee. How often has it met?

Mr. Martin Fraser: It has met three times since February.

Deputy Catherine Connolly: Since February.

Mr. Martin Fraser: Yes.

Deputy Catherine Connolly: That is from February onwards. There were no meetings before then.

Mr. Martin Fraser: No. The chair was appointed in February.

Deputy Catherine Connolly: I thank Mr. Fraser. I will leave it to the Chairman.

Chairman: Will Mr. Fraser tell us to whom the chair of the audit committee reports?

Mr. Martin Fraser: It is like all audit committees; he reports to me as Accounting Officer.

Chairman: Has the chairman of the audit committee reported to Mr. Fraser on any matter?

Mr. Martin Fraser: Not yet, but I would not expect-----

Chairman: It is the first year. One would normally have four meetings-----

Mr. Martin Fraser: It is the first year of the audit committee. I would expect an annual report from the committee but I have not received anything yet.

Chairman: He has had no - he or she? Is Mr. Fraser in a position to give-----

Mr. Martin Fraser: It is the former Secretary General of the Department of Community, Rural and Gaeltacht Affairs.

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Chairman: Who is that?

Mr. Martin Fraser: Joe Hamill.

Chairman: He is the new chairman and he has had three meetings so far but, as Mr. Fraser said, as far as he is aware, the chairman has had no reason to contact him as Accounting Officer.

Mr. Martin Fraser: No reason.

Chairman: To date, anyway.

Mr. Martin Fraser: I would not know the dates of the meetings but I-----

Chairman: No, we are not asking for them. Mr. Hamill, as chairman of the new audit committee, has not had to contact Mr. Fraser to date anyway.

Mr. Martin Fraser: Not yet, but I will get an annual report from the audit committee.

Chairman: The next speaker is Deputy Cassells.

Deputy Shane Cassells: I welcome Mr. Fraser. I want to touch on expanding on the net programme costs of the Presidency and the true reflection of the course born. The Comptroller and Auditor General's short opening statement refers to the appropriation accounts and gross expenditure of €3.6 million but, as has been pointed out by Mr. McCarthy himself, when one goes to page 7 of the appropriation accounts, the net programme cost is €8.1 million. We therefore have this direct expenditure of €3.5 million and then these net allied services at a cost of over €4.5 million. This reminds me a little of when we were trying to get to the bottom of the accounts for local government. Obviously, the net allied costs are quite significant, even more so when one discounts what is paid in terms of the centenary and the bounty. Then the President's Establishment is only €2.4 million, yet the net allied costs are €4.6 million. In order that I understand this, how does the Office of the President make those demands, whether it be the office of the Minister for Justice and Equality, the office of the Minister of State with responsibility for the OPW or the office of the Minister of State with responsibility for defence? There are half a dozen different departments there. As has been pointed out, the office of the Minister of State with responsibility for the OPW went from €2 million in the 2015 accounts to nearly €2.5 million in 2016. In the overall context of these accounts, that was a significant amount. The OPW's figure is now as much as that relating to the President's Establishment, which comes in at €2.4 million. Expenditure under Vote 36 - Defence went from €408,000 to €431,000. How does this work? Are demands made by the Office of the President for X, Y and Z needs to be met and various Departments then make the requisite appropriations to meet them?

Mr. Seamus McCarthy: I will make a general comment and use the OPW has an example. The Constitution actually requires the President to live in an official residence. The Áras does not place a demand for the accommodation to be provided. Rather, the Constitution makes the demand.

Deputy Shane Cassells: Okay.

Mr. Seamus McCarthy: The obligation to provide that is determined by the Accounting Officer for the OPW. Similarly-----

Deputy Shane Cassells: Mr. Fraser mentioned that the €2.4 million accounted for events as well.

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Mr. Seamus McCarthy: Yes. Obviously, there are events.

Deputy Shane Cassells: That is what I am saying. The devil is in the detail. I am only asking my question in the context of Deputy Connolly's questions. We are discussing an amount in the OPW's Vote that is similar to expenditure relating to the President's Establishment. I am trying to get a true reflection of the cost. Officials from the OPW will appear before us in a couple of weeks.

Mr. Seamus McCarthy: Correct.

Deputy Shane Cassells: Is it fully accountable for how that amount is arrived at?

Mr. Seamus McCarthy: The Accounting Officer for the OPW is the person who should answer questions on that spend.

Deputy Shane Cassells: I will revert to the OPW, but let us park it for a second. The Comptroller and Auditor General raised the issue.

Let us turn to the Office of the Minister for Justice and Equality in terms of An Garda Síochána. How was that expenditure figure arrived at? I presume all of it relates to wages.

Mr. Seamus McCarthy: And motor expenses.

Deputy Shane Cassells: Okay. If there was a security review at the Áras, given how someone was able to drive through the gates last week and go to the President's office to say "Hello", and the Commissioner's analysis called for additional security, would that request be forwarded by the Office of the President to the Minister for Justice and Equality for appraisal and how would it be signed off on? Do the cumulative departmental expenses have to be approved by the Cabinet?

Mr. Seamus McCarthy: I think that is-----

Mr. Martin Fraser: Mr. McCarthy was doing very well. The amount in 2016 was €174,000, which, I believe, was for personal protection officers. As the Deputy mentioned, there might be a few-----

Deputy Shane Cassells: I understand that. I am trying-----

Mr. Martin Fraser: The request does not come near the Cabinet. I do not know, but I would be surprised if it went anywhere near the Minister for Justice and Equality. I am sure it is dealt with between the Garda and the Áras.

Deputy Shane Cassells: I appreciate that. Cumulative expenses of €4.6 million are not falling directly under the Office of the President but are being spent on that office. It is a bit like local government, with money being spent on other areas. Is it the case that the Garda Commissioner would, for example, consider last week's situation of someone going straight through the gates and saying "Hello" to the President and decide that the security arrangements at Áras an Uachtaráin need to be reviewed and allowances need to be made for increasing the security detail? Is it incumbent on Departments to bear such cost increases or must the Office of the President make an official request of them to do so? I am trying to understand the process.

Mr. Martin Fraser: I do not know. I do not have any executive or operational role in how the Áras does its business. In respect of security, I am sure that it talks to the Garda all the time.

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If there was a need for more security, the Garda would have to fund that. It was €174,000, which is not a large amount of money in terms of-----

Deputy Shane Cassells: No, but it was €344,000 the previous year. I am trying to understand how the figure could have changed from one year to the next and whether a demand was made by the Office of the President for a certain amount of expenditure to cater for a particular event, for example.

Mr. Martin Fraser: I am very close to talking about what Áras an Uachtaráin does.

Deputy Shane Cassells: No, I never asked about it. I am only trying to understand the process.

Mr. Martin Fraser: I know the answer. It just brings me close to how the Áras interacts with the Garda or others. I am reluctant to go there.

Deputy Shane Cassells: Okay.

Mr. Martin Fraser: In general terms, the Áras would be in touch with all of those mentioned. I do not think it is correct to say, however, that it makes demands on them. People work together.

Deputy Shane Cassells: When I use the word “demand”, I mean an official request.

Mr. Martin Fraser: Yes, I understand that. I actually do not-----

Deputy Shane Cassells: I am trying to extrapolate something. There is €4.6 million being spent on the President’s Establishment by other Departments and it is not coming from its Vote. In order to examine it, we would have to spend days in having the individual Accounting Officers come and asking them what they are doing in terms of spending on the President’s Establishment. By the way, if they are accountable, that is what we will end up doing. People can answer these questions because the money is coming from different Departments. It does not come under the auspices of the President’s Establishment at all. For example, the Department of Defence went from spending a sum of €408,000 to €431,000. What was the purpose of the additional expenditure? Was the increase initiated by the Department of Defence or the Office of the President? I think I have put that question in a compact fashion.

Mr. Martin Fraser: The answer is I do not know.

Deputy Shane Cassells: Okay, we do not know. That goes to the root of the issue in this interaction. Moneys are being spent on the President’s Establishment that do not come within the remit of the supposed Accounting Officer but cumulatively the cost is very big. As Deputy Bobby Aylward said, they give a proper and true reflection of the cost of the Office of the President. Perhaps I might ask the Comptroller and Auditor General about this in the light of his role in dealing with all of these Accounting Officers. Is it the case that they are coming up with it themselves? Are they saying they anticipate additional expenditure in these areas? If there is to be some big event in a particular year and a Department has to allocate expenditure for it, I am sure the Office of the President has to alert the Department concerned to the need for additional expenditure, expenditure which does not come within the remit of the office but which it thinks the Department needs to put aside to cater for the event. Does Mr. McCarthy understand the question?

Mr. Seamus McCarthy: My understanding is the individual Accounting Officers respon-

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sible for the various services make their own determinations. Obviously, they would not do so without consulting the Áras.

Deputy Shane Cassells: Would the Office of the President alert the Accounting Officer to the need for additional expenditure by the Department in certain areas to cover its costs?

Mr. Seamus McCarthy: I would not have that detail, but I expect that, if there was some requirement, it would be signalled. However, it is my understanding it would be An Garda Síochána that would make decisions as to what was appropriate and necessary in respect of such things as the provision of drivers and security arrangements for the President.

Deputy Shane Cassells: Okay.

Mr. Seamus McCarthy: It should not be necessary for a demand to be made by the Áras.

Deputy Shane Cassells: Let us take, for example, the Department of Foreign Affairs and Trade. In 2016 there were seven State visits approved by the Office of the President, although I think the number came in at nine in the end. How does that work? Is it the Office of the President that sets down the expenditure figure and how it will work or is it the Department of Foreign Affairs and Trade? I am trying to find out which Department is actually running the show.

Mr. Martin Fraser: The Government typically knows in advance the number of State or official visits the President might make, but it can change during the year. Like every other office and Vote, there is an estimate of the cost for the year which is published in the Estimates. As the Chairman pointed out, it is reviewed by the relevant committee of the House. The Estimate is voted through and it is then for the Office of the President to expend the money granted to it. It is very clear from the appropriation account - some things are self-evident - that it does it in conjunction with the OPW for the reasons I have outlined; An Garda Síochána in respect of security; the Department of Foreign Affairs and Trade, mainly in respect of foreign travel; and the Department of Defence because there are five Defence Forces personnel stationed in Áras an Uachtaráin.

Deputy Shane Cassells: I get that. I am trying to get a feel for whether it is the individual Departments that make adjudications on the Office of the President or whether it is the office that makes requests of the individual Departments in terms of how the figure for expenditure anticipated for a coming year is arrived at. Who is making the judgment call on how much it should cost and how much it will cost?

Mr. Martin Fraser: It is pretty stable year on year. It has gone up a bit in the past few years.

Deputy Shane Cassells: There is a significant increase in the allocation to the OPW, which accounts for €2.5 million, a similar amount to the President's Establishment. That cannot be put down to the cost of events.

Mr. Martin Fraser: I am not sure but it is possible that that resulted from larger than normal events in 2016 commemorating the 1916 Rising.

Chairman: I am now moving to Deputy Cullinane. Members will have the opportunity to contribute a second time.

Deputy David Cullinane: I welcome Mr. Fraser and Mr. McCarthy. I wish to put on the record that it is disappointing in some respects that we are meeting and discussing this matter now. I reluctantly voted to have today's hearing but I will stick to process and oversight

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mechanisms, which is what I want to get a sense of. I have got some flavour of it already. Mr. McCarthy audits the accounts. What are the roles or titles of those with whom he interacts in the Áras in the course of auditing those accounts?

Mr. Seamus McCarthy: The audit team in general deals with the finance officer. There is a staff in the Áras.

Deputy David Cullinane: Mr. McCarthy's audit team deals with the finance officer.

Mr. Seamus McCarthy: My audit team deals with the finance team in the Áras.

Deputy David Cullinane: The finance team.

Mr. Seamus McCarthy: Yes.

Deputy David Cullinane: Does Mr. McCarthy have an interaction with the audit committee? I know it is only in place since February but with it now-----

Mr. Seamus McCarthy: In any audit we undertake, we look at what work is being done by an audit committee.

Deputy David Cullinane: Okay.

Mr. Seamus McCarthy: We consider whether there is an audit committee and internal audits and, if so, what findings there are in that regard.

Deputy David Cullinane: In terms of an accountability chart regarding how the money is spent, is it fair to say that how the money is allocated and the controls on that are under our remit but why the money is spent is a matter for the President and outside the scope of the committee?

Mr. Seamus McCarthy: Sorry?

Deputy David Cullinane: How the money is allocated and the financial controls that are in place are within the remit of the committee. Why the money is spent is a matter for the Áras.

Mr. Seamus McCarthy: How the money is allocated is more a matter for the committee dealing with the Estimates-----

Deputy David Cullinane: No, I refer to scrutiny.

Mr. Seamus McCarthy: My office tends not to deal with the amount that is allocated because that is part of policy in that regard.

Deputy David Cullinane: In terms of an accountability chart, Mr. Fraser is the Accounting Officer.

Mr. Seamus McCarthy: That is correct.

Deputy David Cullinane: The money is then allocated to the Áras. There is then the management in the Áras and now an audit committee in place.

Mr. Seamus McCarthy: There is.

Deputy David Cullinane: Questions have been raised about the true costs because there

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are several costs associated with running the Áras which are outside of the €3.9 million gross and the €3.8 million net that are in the President's Establishment account for 2016. On page 6 it is detailed that they relate to: salaries, wages and allowances; travel and subsistence; training and development; and incidental expenses.

Mr. Seamus McCarthy: Yes.

Deputy David Cullinane: No, sorry, that is the wrong page. It is detailed on the following page. Those costs relate to the office of the Minister for Finance; superannuation and retired allowances; the Office of Public Works, which I presume relates to the upkeep of the Áras itself; the Garda Síochána; foreign affairs; and defence. The latter three are obviously expenses incurred in the context of security. It was earlier asked whether the figures that we are given are a proper and true reflection of the overall spend. Is it fair to say that those additional costs are addressed in the report of the Comptroller and Auditor General? Mr. McCarthy reports the additional costs.

Mr. Seamus McCarthy: The account reports it.

Deputy David Cullinane: Yes.

Mr. Seamus McCarthy: The account is compiled by Mr. Fraser as the Accounting Officer. The net programme cost is, or attempts to be, the full cost of the service-----

Deputy David Cullinane: It is not hidden.

Mr. Seamus McCarthy: It is not hidden.

Deputy David Cullinane: The full costs are there. All of the additional costs, whether relating to the Garda Síochána, defence, foreign affairs or other matters, are there for us to see.

Mr. Seamus McCarthy: Yes.

Deputy David Cullinane: Is Mr. Fraser the Accounting Officer for all of that spend or just the €3.8 million?

Mr. Martin Fraser: I might be procedurally wrong on this matter and I defer to the Comptroller and Auditor General in that respect. That is the account I presented. If I am looking at the correct year, it details the full net programme cost of €8.163 million. The direct Vote for which I am responsible is Vote 1, which totals approximately €3.6 million. Other Accounting Officers are responsible for the other Votes.

Deputy David Cullinane: Is Mr. Fraser the Accounting Officer for the allocation to the Office of Public Works, which accounted for €2.4 million in 2016?

Mr. Martin Fraser: Is that the OPW?

Deputy David Cullinane: Yes.

Mr. Martin Fraser: No. It would not be me. I state the costs on the accounts.

Deputy David Cullinane: My point is that there are multiple Accounting Officers responsible for the spend of the Presidency in its entirety. Mr. Fraser is responsible for a portion of it but not all of it.

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Mr. Seamus McCarthy: Yes. Mr. Fraser is the Accounting Officer for the Vote.

Deputy David Cullinane: But that Vote is for a certain element of the overall cost-----

Mr. Seamus McCarthy: Exactly.

Deputy David Cullinane: -----which is less than half.

Mr. Seamus McCarthy: That is exactly the point.

Deputy David Cullinane: There are other Accounting Officers-----

Chairman: There are seven others.

Deputy David Cullinane: There are seven others. That is interesting. I understand the constitutional position, but with regard to scrutiny or accountability of the spend, there is a block, or certainly a practice, that Mr. Fraser does not respond to freedom of information, FOI, requests from people outside the Oireachtas. In the letter that Mr. Fraser sent to this committee he quite rightly pointed out that the President is not accountable to either House of the Oireachtas, which is fine. What is the logic or the reason there is no response to FOI requests or a refusal to engage in that regard? Is that something Mr. Fraser would respond to or is it something the Áras would respond to?

Mr. Martin Fraser: One has to take each case and each request on its merits, but in general the Áras is not covered by FOI. That is the law.

Deputy David Cullinane: I know it is, but is that the law because politicians, in their wisdom, felt it should be done or is-----

Mr. Martin Fraser: I do not know.

Deputy David Cullinane: I did not finish the question. Is there a constitutional impediment to the Áras being subject to FOI?

Mr. Martin Fraser: There is probably a policy dimension in that. I believe that government has felt the President should be separate to the normal run, and that is the policy. There is also a fundamental constitutional issue, which is the article I mentioned in my letter, in that the President cannot be answerable to the Oireachtas or to the courts. The freedom of information legislation ultimately leads to the courts. That is the constitutional-----

Deputy David Cullinane: To be fair to Mr. Fraser, he might not be able to answer this, but was advice received from the Attorney General at the time the Act was brought in and when the policy decision was made that the Office of the President should not be subject to FOI? Obviously there was some wisdom there and Mr. Fraser has given us some insight into why it was the case.

Mr. Martin Fraser: There is a policy reason and a constitutional reason.

Deputy David Cullinane: We do not know whether there is a constitutional reason.

Mr. Martin Fraser: I know there is a constitutional reason.

Deputy David Cullinane: Sorry, okay.

Mr. Martin Fraser: I am not speculating.

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Deputy David Cullinane: So there is. Mr. Fraser is saying that the view of the Government, including the permanent government, is that there is a constitutional block to responding to FOI requests.

Mr. Martin Fraser: No. It is not that they are not responding to FOI requests. If material is not covered by the Freedom of Information Act, then it is not a question of not responding, it is just not covered.

Deputy David Cullinane: Mr. Fraser does not respond because it is not covered.

Mr. Martin Fraser: I presume we would write back and say that the information sought is not covered.

Deputy David Cullinane: Let me put it a different way. The policy decision that was made to omit the President's Establishment from FOI was a matter of policy and, as Mr. Fraser has said, it was also because of constitutional issues.

Mr. Martin Fraser: That is my belief, yes.

Deputy David Cullinane: Okay. I would be interested to get our own opinion on that because whatever about the President being accountable back to both Houses of the Oireachtas, I am not quite sure how there would be a constitutional block to FOI requests being answered and why the President's Establishment could not be subject to FOI. I just do not-----

Chairman: That is a matter for the Oireachtas to decide. That is to do with legislation passed by the Oireachtas and it-----

Deputy David Cullinane: One of the reasons-----

Chairman: The President's Establishment is exempt from the legislation, based on the legislation passed by the Oireachtas. It is not even a matter for the President to deal with. The Oireachtas has decided that on the basis of-----

Deputy David Cullinane: My point is that one of the reasons given is because it is potentially unconstitutional.

Chairman: It is potentially unconstitutional, for reasons that I will try to summarise, if I can.

Deputy David Cullinane: I do not want the Chairman's advice. His advice is fine, but I am asking for legal advice.

Chairman: That is fine, but as the Chairman I am saying that the freedom of information legislation that was passed by the Oireachtas does not cover the Vote for the President's Establishment. If Deputy Cullinane has an issue, then the matter should be raised in the Oireachtas, not with the Accounting Officer. I will cut to chase and put it this way. We decided to exempt Áras an Uachtaráin.

Deputy David Cullinane: That is a little bit disingenuous on the Chairman's part.

Chairman: I am not disingenuous.

Deputy David Cullinane: It is and you should allow me to say why. It was your request that we have this hearing. I did not seek it. You did. One of the reasons you sought it, which

you stated at the last meeting, was that journalists submitted freedom of information, FOI, requests and were not given the information.

Chairman: That is because it is exempt by legislation. This was the only other avenue.

Deputy David Cullinane: Okay but I still think it is valid for us to have an understanding of why it is omitted under the FOI legislation and maybe to get legal advice on it. I do not have a difficulty if it was policy decision or even if it was unconstitutional. That is fine. I just want a legal opinion on why it is the case. I am not agreeing or disagreeing. I am just looking for the logic behind it.

Chairman: We will take that up.

Deputy David Cullinane: I fully appreciate the reason the audit committee was not established. I am not even going to go there. I would like to just ask Mr. McCarthy the genesis of putting an audit committee in place. Up to 2013 there was none there. Obviously at some point, a decision was made that we would put one in place. Where did that decision come from and how did it evolve?

Mr. Seamus McCarthy: For Departments in general, the expectation is that an audit committee is in place. There has been a difficulty over the years, particularly in small offices, with getting people to act on audit committees. In fact, in most cases there is not a payment for anyone who is a member of an audit committee.

Deputy David Cullinane: How many sit on this audit committee?

Mr. Martin Fraser: Three people.

Deputy David Cullinane: Is that including the chair?

Mr. Martin Fraser: Yes.

Deputy David Cullinane: Are they all based in the Áras?

Mr. Martin Fraser: There is one person from the Department of the Taoiseach who has no interaction with the Áras in their normal work. The chair is an independent, retired public servant and there is one person from the Áras. That is, I think, typical - two external and one internal.

Deputy David Cullinane: There are three members, including the chair. Do they meet monthly or quarterly?

Mr. Martin Fraser: They have met three times since February. All the committees, certainly in the Department of the Taoiseach, meet quarterly. They are very small organisational units. There are 27 staff.

Mr. Seamus McCarthy: The code of practice for the governance of State bodies does not necessarily apply to a Department. It is for State bodies. However, the expectation normally is three or four meetings a year. That would be fairly standard.

Deputy David Cullinane: May I make one request? It might be useful for us for future sittings as well. I do not know who could do this, but could we get an accountability chart in terms of who is responsible for what? We have Mr. Fraser, who is the Accounting Officer for one element of the spend. We are told we have maybe seven other accountable officers. May

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we have a breakdown of what they are accountable for? Then we have the Comptroller and Auditor General, who audits the accounts. We have an audit committee in place and then we have management in the Áras. It is difficult to get our heads around who is responsible for what.

Chairman: We will raise that as part of our future work programme.

Deputy David Cullinane: I think it would be straightforward. It would just be a matter of who would do it.

Chairman: It is, but we just agreed at the beginning that whatever information is not provided today, we will come back to it at a later date.

Deputy David Cullinane: That is fine.

Deputy Catherine Murphy: I welcome Mr. Fraser. I want to put on record that I think all public moneys should be subject to scrutiny. I do think, however, that the timing of this is very unfortunate, to put a benign interpretation on it. Once the writ was moved, I think we should have delayed this until after the presidential election. So be it. The committee has decided to have this hearing today.

There is quite a substantial difference between the Committee of Public Accounts and the freedom of information provisions in terms of the information that is forthcoming. There may be an expectation that we are going to see a big box of receipts or something here today which, of course, is never the case. There may be an expectation that we are going to be trawling through travel, accommodation and all that kind of stuff. That expectation was never going to be realised. That would never be the case with any organisation that we look at here. We have a difficulty in portraying what the role of the Committee of Public Accounts is when we fall into that kind of situation.

I would like to explore slightly further the line of questioning Deputy Cullinane opened up regarding the Freedom of Information Act. My memory of what happened with that Act is that most of the real focus related to whether freedom of information requests should be paid for as opposed to an emphasis on the various aspects that were excluded from the process, although some attention was paid to those. Was Mr. Fraser asked for his opinion on whether the Office of the President should be excluded from the freedom of information process? I presume all Departments would have been asked for an input. Does Mr. Fraser recall being specifically asked about that and, if so, what was his response?

Mr. Martin Fraser: That is a policy matter, Chairman, and nothing to do with the accounts.

Chairman: This is about the legislation.

Mr. Martin Fraser: However, in order to be helpful to the Deputy, as stated earlier, with the freedom of information process, one asks for information and either gets it or gets some of it. If one does not get it, one can appeal to the Information Commissioner and, ultimately, to the courts. In that context, putting the Office of the President under the freedom of information legislation would include it in a process that could lead to the courts. That would be, in my opinion, the difficulty. I think it is a policy matter and that it should not arise in respect of the accounts. I do not want to be unhelpful to the Deputy but I think that is a serious point.

Deputy Catherine Murphy: I will take that up at a different forum because I believe there is a legitimate reason these public moneys should be scrutinised. I do not think that it is in re-

spect of the general headings that possible concerns arise.

The Comptroller and Auditor General had most of the responsibility for this in the absence of the audit committee. I recognise that the audit committee was put in place on his insistence that it would happen, albeit that it did not function as it should. In terms of his engagement with the Áras, his office would have had full sight all of all of the documentation. Would he have examined matters such as value for money or was the purpose just to reinforce that the audit was clear? Has there been any issue highlighted over the years - whether during this or a previous Presidency - which has caused the Comptroller and Auditor General a difficulty?

Mr. Seamus McCarthy: As stated earlier, there was not any matter in respect of this audit that I felt it was necessary to report. I do not recall any occasion on which a Comptroller and Auditor General felt it necessary to report a matter of concern.

Deputy Catherine Murphy: It is obvious, from looking at page 7 of the accounts, that 2016 was a significant year. It would not have mattered would was President at the time but the incumbent played a central role. Is the Comptroller and Auditor General aware whether the difference for 2016 relating to the Office of Public Works involved physical changes to the Áras or would that all have been accounted for by virtue of the various additional activities in that year?

Mr. Seamus McCarthy: I do not have the detail. That is something the Deputy would have to get from the Accounting Officer for the Office of Public Works. One thing the Deputy should bear in mind is that the expenditure is on a cash basis so if, for example, there were significant building works or adjustments made within a year, the full cost of that would be charged here. We would not be looking at the depreciation figure or whatever. There can be lumpy patterns in the spending because it is cash. I know that a substantial part of that is the maintenance and upkeep of the buildings and the grounds of the Áras.

Deputy Catherine Murphy: There would have been a programme of events also.

Mr. Seamus McCarthy: Correct.

Deputy Catherine Murphy: I was on the centenary committee, which had some engagement with the various elements of that particular year. I presume Áras an Uachtaráin would have been involved in that.

Mr. Seamus McCarthy: I would not have the detail of it but that is plausible.

Deputy Catherine Murphy: I raise a small issue. There was a change from 2015 to 2016 in respect of expenditure by the National Shared Services Office. Obviously, this is related to salaries. Given that many, although not all, Departments and State organisations are covered by the National Shared Services Office, payroll is obviously the big ticket item. Staff numbers in the President's office did not change so why would that figure have changed?

Mr. Seamus McCarthy: Is the Deputy referring to the salary figure?

Deputy Catherine Murphy: It is the figure on expenditure by the National Shared Services Office, Vote 18, on page 7-----

Mr. Seamus McCarthy: That is €4,000

Deputy Catherine Murphy: Yes.

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Mr. Seamus McCarthy: That is expense incurred by the National Shared Services Office in processing the payroll and also travel and subsistence expenses on behalf of the Vote.

Deputy Catherine Murphy: The staff numbers did not change from one year to the next.

Mr. Seamus McCarthy: Yes, but this is how much it is estimated to have cost to process the expenses. I do not have the detail of that. The Deputy would have to ask the National Shared Services Office the basis for the figure but a couple of hundred euro in the difference from year to year would tip it from rounding to €3,000 as opposed to rounding to €4,000.

Chairman: The next speaker is Deputy Alan Kelly. Is the Deputy okay for time?

Deputy Alan Kelly: I will pass over to Deputy MacSharry and I will come in after that. I have to leave to go out to the plinth.

Deputy Marc MacSharry: I welcome Mr. Fraser and hope he gets over his accident. My question is to the Comptroller and Auditor General. Can we take it that most audit committees can now defer to him rather than it being necessary for them to exist?

Mr. Seamus McCarthy: No.

Deputy Marc MacSharry: How would the Comptroller and Auditor General feel about the fact that because a person was indisposed, a committee did not meet for several years?

Mr. Seamus McCarthy: We would always feel it is better to see an audit committee in place and functioning. Where we notice that that is not the case, we would-----

Deputy Marc MacSharry: Is it possible then to categorically state from the Comptroller and Auditor General's own work that there would be no governance failings or issues in the absence of internal audit during the period?

Mr. Seamus McCarthy: No. I cannot give that categorical assurance.

Deputy Marc MacSharry: Okay. We have a need for internal audit because the level of assessment the Comptroller and Auditor General will apply with his own resources, expertise and staff is such that it requires the support of an internal audit function in terms of the in-depth work programme it would undertake.

Mr. Seamus McCarthy: Yes. The obligation is on an Accounting Officer to ensure they have controls in place. It should not be relying on the external audit to prove that-----

Deputy Marc MacSharry: My next question is to Mr. Fraser. We would not want to send out a message to other Departments or State agencies that we could defer. Theoretically, since 2016, we have had an internal audit function but in reality we have one now. It will not have existed and it will probably only focus on 2017 accounts and onwards. That was because an individual, and I do not want to get into personal issues, was indisposed. If Mr. Fraser is indisposed, who does his job?

Mr. Martin Fraser: I do not know that actually. I might have to find out. It is an interesting question.

Deputy Marc MacSharry: Presumably, there are assistant secretaries, principal officers, assistant principal officers and so on or is it the case that if Mr. Fraser is missing, his job stops dead?

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Mr. Martin Fraser: No. That would be impossible.

Deputy Marc MacSharry: If the Comptroller and Auditor General is missing-----

Mr. Seamus McCarthy: We would have a problem. Seriously, I do not have a deputy. There are certain things that I can delegate and things that can be done.

Deputy Marc MacSharry: We have identified two failings.

Mr. Seamus McCarthy: If something happens between now and Friday, there will not be Appropriation Accounts because nobody else can submit them.

Deputy Marc MacSharry: I appreciate that. Should Mr. McCarthy have a deputy?

Mr. Seamus McCarthy: The Constitution does not provide for one, but that is a different debate for a different day.

Deputy Marc MacSharry: It does not provide for one.

Mr. Seamus McCarthy: It does not allow for one.

Deputy Marc MacSharry: There is a referendum coming up. Perhaps the Government could add a few things on top of that.

Mr. Seamus McCarthy: I am on the Referendum Commission as well. I do not think we need a referendum on that issue particularly at the moment.

Deputy Marc MacSharry: We have identified two failings. The audit committee did not have a vice chair, so it could not meet and the Comptroller and Auditor General said to us earlier that it was a matter for the committee itself to meet. Why would the committee not have met of its own accord, or was just a chairman appointed and no members?

Mr. Martin Fraser: No, there were members appointed as well.

Deputy Marc MacSharry: Would they not have got together and agreed to have a meeting?

Mr. Martin Fraser: I appointed a very esteemed person to be chair and in that person's absence the two people who served on the committee would have met.

Deputy Marc MacSharry: Is that what happened? Is it the practice in the public service that if an individual is held in high esteem, a meeting would not be held in his or her absence?

Mr. Martin Fraser: As I said earlier, this was a very particular circumstance.

Deputy Marc MacSharry: Yes, but the work does not stop. Does Mr. Fraser appreciate that was a failing?

Mr. Martin Fraser: Absolutely.

Deputy Marc MacSharry: Notwithstanding this person's fine reputation, and not wishing to impugn it and the esteem in which he is held, it was decided that the ship would not proceed until he was ready. That would seem to me to be poor practice in terms of a way to run our country. Does Mr. Fraser agree?

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Mr. Martin Fraser: It is a matter of opinion.

Deputy Marc MacSharry: It is a bit more than a matter of opinion. It is a matter of public funds, oversight and having the job done. I would hate to think that if I, Mr. Fraser, the Comptroller and Auditor General or the Chairman were absent, the work of the Oireachtas would come to a halt no matter how high or low the esteem in which I or others may be held. Does Mr. Fraser agree?

Mr. Martin Fraser: As I said, the circumstances in the case were particularly sensitive so I made a judgment call.

Deputy Marc MacSharry: Never mind the circumstances. This is nothing to do with the reason the person was indisposed. The fact is the person was indisposed. Whether that was due to being on holidays, ill or wherever else, that does not matter.

Mr. Martin Fraser: The person was not on holidays.

Deputy Marc MacSharry: It does not matter. I am not interested in whether the person was on holidays. Deputy Connolly made the point very clearly earlier. The fact is, when the chairman was missing the committee did not do anything for nearly three years. Against the backdrop of the letter Mr. Fraser sent to the committee last week, that is a problem. Like Deputy Murphy I take the view that, leaving aside the Constitution, all public money should be subject to scrutiny.

In terms of the expertise of the people on the audit committee, are they accountants?

Mr. Martin Fraser: I do not know but I do not think so.

Deputy Marc MacSharry: Would that not be a basic prerequisite? Expertise in gardening would not tick the box for a member of an audit committee. Perhaps it would be good if he or she were a chartered accountant.

Mr. Martin Fraser: There is more gardening involved in this Vote than in some others.

Deputy Marc MacSharry: Are there any accountants on the audit committee?

Mr. Martin Fraser: I do not know.

Deputy Marc MacSharry: Is the chair an accountant?

Mr. Martin Fraser: I do not think so.

Deputy Marc MacSharry: What is his expertise in auditing?

Mr. Martin Fraser: He is a former Accounting Officer.

Deputy Marc MacSharry: For which Department or body?

Mr. Martin Fraser: I said it earlier. It was the Department of Community, Rural and Gael-tacht Affairs.

Deputy Marc MacSharry: I am sorry. I must have missed that. He is a former Accounting Officer but he is not an accountant.

Mr. Martin Fraser: I do not know whether he is an accountant. He never told me.

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Deputy Marc MacSharry: He could be an accountant.

Mr. Martin Fraser: I do not think he is.

Deputy Marc MacSharry: Mr. Fraser was aware that he had substantial experience of auditing. In what area of auditing did he have substantial experience?

Mr. Martin Fraser: He was an Accounting Officer of a Department.

Deputy Marc MacSharry: He was not the auditor.

Mr. Martin Fraser: Audit committees are not composed of auditors.

Deputy Marc MacSharry: Are they not?

Mr. Martin Fraser: No.

Deputy Marc MacSharry: Who goes on audit committees then?

Mr. Martin Fraser: We try to have an independent chair, somebody from outside the organisation and somebody from inside the organisation.

Deputy Marc MacSharry: Is there an internal audit in the Comptroller and Auditor General's office?

Mr. Seamus McCarthy: Yes.

Deputy Marc MacSharry: Are many of its members accountants?

Mr. Seamus McCarthy: They advise the Accounting Officer rather than me. The chair has an accounting qualification and at least two other members are accountants.

Deputy Marc MacSharry: In Mr. McCarthy's experience, do audit committees tend to have accountants on them?

Mr. Seamus McCarthy: There would be at least some accountants on most audit committees.

Deputy Marc MacSharry: What recruitment criteria did Mr. Fraser apply when putting the audit committee together?

Mr. Martin Fraser: I wanted an experienced chair who understood public financial procedures and was from outside the organisation. I wanted somebody else from outside the organisation and, typically, I wanted somebody from inside the organisation who was not involved directly.

Deputy Marc MacSharry: We do not know whether any of them are accountants. Is there a process in place now for the committee to meet if the chair is indisposed?

Mr. Martin Fraser: There is not, but there might be after this meeting.

Deputy Marc MacSharry: I would say there should be. That is a failing I have identified.

Mr. Seamus McCarthy: I wish to make a point on the skills. Typically, an audit committee would depend on the internal audit function to carry out actual investigations for it and to

report back.

Deputy Marc MacSharry: Are there internal auditors for the President's Establishment?

Deputy Marc MacSharry: Who are they?

Mr. Martin Fraser: As I said, they use the internal audit function of the Department of the Taoiseach.

Deputy Marc MacSharry: It is a committee, as Mr. Fraser mentioned. There is also the NACE and so on.

In 2015 the spend on training and development was €122,000, but it went up to €302,000 in 2016. For there a particular reason for the increase?

Mr. Martin Fraser: It was, apparently, an investment in information and communications technology, ICT, systems. There had been no investment in ICT for ten years. I think there was an investment in hardware and training.

Deputy Marc MacSharry: Is that a permanent game? Do the 26 members of staff continue on, regardless of who is in office, or are the staff determined by the term of the incumbent?

Mr. Martin Fraser: It is a mixture, as in most Departments.

Deputy Marc MacSharry: Is it similar to how a Minister can have advisers and so on?

Mr. Martin Fraser: Yes.

Deputy Marc MacSharry: In the main, is there a core of, say, 18 or 20 staff?

Mr. Martin Fraser: Yes, approximately 20.

Deputy Marc MacSharry: Therefore, expenditure on training is not lost from one administration to the next.

Mr. Martin Fraser: No, the system will remain in place from Presidency to Presidency.

Deputy Marc MacSharry: Is the Comptroller and Auditor General aware of an amount of €325,000 per year in the President's Establishment, the detail of which is not open to him to audit?

Mr. Seamus McCarthy: I think it is something less than that.

Deputy Marc MacSharry: What is it?

Mr. Seamus McCarthy: The official salary of the President is €325,507.

Deputy Marc MacSharry: I am not talking about salaries at all and do not want to talk about the President either.

Mr. Seamus McCarthy: I am aware of the other allowance.

Deputy Marc MacSharry: What is it? How much is it per year?

Mr. Seamus McCarthy: I do not have the figure to hand. It is paid through the finance accounts, that is, the Central Fund of the Exchequer.

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Deputy Marc MacSharry: Does Mr. Fraser know what the amount is per year?

Mr. Martin Fraser: I do not think so.

Chairman: What is the topic? I missed the title of what was mentioned.

Deputy Marc MacSharry: I do not think it has a title, which is why I am trying to get some answers. I asked the Comptroller and Auditor General if he was aware of an amount of money, approximately €325,000 per year, which is not a salary, which is not open to the Comptroller and Auditor General to audit.

Mr. Seamus McCarthy: I think it is a payment for 2017. The figure is €317,000. It is a payment under the Presidential Establishment Act 1938.

Deputy Marc MacSharry: It was a payment under the Presidential Establishment Act 1938 of €317,000 for 2017.

Mr. Seamus McCarthy: It is an allowance for the President.

Deputy Marc MacSharry: In that case, is it remuneration?

Mr. Seamus McCarthy: No, it is an allowance which is not pensionable.

Deputy Marc MacSharry: Okay. It is not a salary.

Mr. Seamus McCarthy: Correct. It is an allowance.

Deputy Marc MacSharry: It is not audited by the Comptroller and Auditor General.

Mr. Seamus McCarthy: Correct. I audit the issuing of the payment from the Central Fund of the Exchequer.

Deputy Marc MacSharry: What is involved in auditing the issuing?

Mr. Seamus McCarthy: Ensuring the amount paid is not in excess of the amount provided for in law.

Deputy Marc MacSharry: If we look up the Act, does it state a figure of €317,000, or how is it determined?

Mr. Seamus McCarthy: A statutory instrument set the figure at €317,000 from 1988 and it has not changed since.

Deputy Marc MacSharry: By any chance, does Mr. McCarthy know the number of the statutory instrument?

Mr. Seamus McCarthy: SI 97 of 1998.

Deputy Marc MacSharry: It is €317,000 per year, which Mr. McCarthy says is an allowance and not remuneration. Over ten years it comes to €3.2 million or thereabouts.

Mr. Seamus McCarthy: Correct.

Deputy Marc MacSharry: Do we know what it is used for? Does the Act prescribe what it is to be used for?

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Mr. Seamus McCarthy: No, it does not prescribe what it is to be used for.

Deputy Marc MacSharry: There is an allowance of €317,000 per year which is not audited. We do not know what it is used for and it is not prescribed in law. Is that correct?

Mr. Seamus McCarthy: The purpose is not prescribed in law.

Deputy Marc MacSharry: By “purpose” does Mr. McCarthy mean its use and what it is used for?

Mr. Seamus McCarthy: The law states it is a payment that can be made to the President.

Deputy Marc MacSharry: I am interested in that. There is a payment that is made to the President. I do not want to get into the President at all, but a figure of €317,000 per year is provided for under an Act. However, we do not know what it is to be used for. It is an allowance, but we do not know what its purpose is. Theoretically, it could be spent on anything. Presumably, it might not even be spent at all. Is it an amount that is surrenderable at the end of the year?

Mr. Seamus McCarthy: No.

Deputy Marc MacSharry: It is not surrenderable.

Mr. Seamus McCarthy: It is not surrenderable.

Deputy Marc MacSharry: Therefore, it is an allowance for unknown items or purposes which is not audited and, presumably, not subject to taxation because it is not a salary.

Mr. Seamus McCarthy: Correct.

Deputy Marc MacSharry: Does Mr. Fraser have a comment to make on this? It seems-----

Mr. Martin Fraser: It is not part of the Vote.

Deputy Marc MacSharry: It is not part of the Vote.

Mr. Martin Fraser: No, it is not. It comes from the Central Fund.

Deputy Marc MacSharry: I am confused.

Mr. Seamus McCarthy: It comes from the Central Fund of the Exchequer.

Deputy Marc MacSharry: Is it included in the figure of €8.1 million?

Mr. Seamus McCarthy: It is.

Deputy Marc MacSharry: From where is it coming?

Mr. Seamus McCarthy: The Central Fund of the Exchequer.

Deputy Marc MacSharry: Presumably, the Accounting Officer is our friend the Secretary General of the Department of Finance.

Mr. Seamus McCarthy: Correct.

Deputy Marc MacSharry: Does the Secretary General of the Department of Finance have

any audit function in respect of the figure of €317,000?

Mr. Seamus McCarthy: No, not that I am aware of.

Deputy Marc MacSharry: Does anyone in the Department of Finance?

Mr. Seamus McCarthy: The Deputy would have to check with the Department.

Deputy Marc MacSharry: I know that sometimes my language is a little flippant, but is this a payment of €317,000 on the blind? Is it the case that no one has any remote oversight, notion or idea of what it is spent on?

Mr. Seamus McCarthy: I do not know.

Deputy Marc MacSharry: Does Mr. Fraser know?

Mr. Martin Fraser: I do not, but I presume there are procedures in place in Áras an Uachtaráin for dealing with it.

Deputy Marc MacSharry: Can I request, on behalf of the Committee of Public Accounts, that those procedures be given to us, first, to confirm whether they are in place? Perhaps it is something the audit committee set up in 2016 can look at once it gets around to it in 2018 or 2019. What procedures govern the expenditure or use of the sum of €317,000? Perhaps we could have an indication, staying within the bounds of the constitutional position, of what it has been used for in the last seven or, for that matter, ten or 20 years. It seems bizarre that €317,000 of public money is given to whomever on an annual basis, with no oversight or responsibility by anybody, while Mr. Fraser, as Accounting Officer, states to me that he presumes there are procedures in place that govern it in Áras an Uachtaráin and the Comptroller and Auditor General confirms that he does not audit it. That is an issue.

Deputy Alan Farrell: I again ask for clarification. I apologise as I am just a bit confused. It is SI 97 of 1998. Is that correct?

Chairman: Correct.

Mr. Seamus McCarthy: Yes, albeit I do not have the statutory instrument with me.

Deputy Alan Farrell: It relates to pensions. I do not understand why we are confused about what it is.

Deputy Marc MacSharry: I did not ask for the-----

Deputy Alan Farrell: I offer that information because I was confused also.

Deputy Marc MacSharry: To clarify, in my own research I became aware of this amount of money. What statutory instrument it is, I do not care about. The bottom line is that we have established that €317,000 per year is paid to somebody and nobody has any interest in and oversight of what it is spent on. That is significant.

Mr. Seamus McCarthy: I have a piece of information which may be relevant. In 2011 an amount of €357,000 was returned to the Central Fund at the end of the previous Presidency.

Deputy Marc MacSharry: Does that indicate that the €317,000 can be paid per annum, accumulate and then, if there are amounts left over, as seems to have been the case in 2011, the

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balance is refunded to the Exchequer? Whoever was responsible at the time, we do not know on what the money was spent per year and still do not. We want to get the procedures, albeit we know that the Secretary General of the Department of the Taoiseach does not know and that the Comptroller and Auditor General is not responsible and does not know. According to the Comptroller and Auditor General, the Secretary General of the Department of Finance also does not know or have a role in auditing that amount of money. That is significant and if it is all we find out today, it is good work.

Chairman: There is one speaker left in the first round, while one or two have indicated for the second round. At this stage, most members have had an opportunity. I want to go through the document with Mr. Fraser and ask some questions directly about it.

Is there a risk register established in Áras and Uachtaráin, as in most Government bodies, as part of the audit committee? In Mr. Fraser's statement on administrative controls and management reporting he refers to a risk management system. Is there a risk register established in Áras an Uachtaráin like in most Government bodies? In his statement, he stated a risk management system operates.

Mr. Martin Fraser: It is for financial control. The amounts are very small. I do not want to comment on what the Áras has-----

Chairman: Does Mr. Fraser have access to a risk register?

Mr. Martin Fraser: I do not personally have a risk register for Áras an Uachtaráin.

Chairman: That is all I am asking.

Mr. Martin Fraser: The risks to the Áras are probably non-financial.

Chairman: We saw one during the week. We will move on.

The internal audit function will be operated by the Taoiseach's office. Will that be by staff in the Taoiseach's office or is it outsourced?

Mr. Martin Fraser: No, we have an internal capacity to deal with it.

Chairman: Is it correct that the Comptroller and Auditor General gave a clean audit report?

Mr. Seamus McCarthy: That is correct.

Chairman: To be clear, the reason the date on Mr. Fraser's statement was 14 September rather than 31 March, which would have been the date it should have been submitted, is that it relates to the text regarding the audit committee. Is that correct?

Mr. Seamus McCarthy: That is correct.

Chairman: That would mean that the accounts submitted to the Comptroller and Auditor General on 31 March did not change during the audit process.

Mr. Seamus McCarthy: They did not change.

Chairman: The change in date refers to just the change in the text about the internal audit committee. It is not regarding the amount of moneys spent.

We have confirmed today that the total cost of running Áras an Uachtaráin in 2016 was

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€8.163 million, of which direct expenditure was €3.5 million. The balance was from other Departments, namely, the Minister for Finance, the Office of Public Works, the National Shared Services Office for processing payroll, the Garda Síochána, presumably for its involvement, the Department of Foreign Affairs and Trade for booking foreign travel, and the Department of Defence. Then there are payments through the Central Fund such as emoluments and allowances. This figure would include the salary of the President and pensions of former Presidents.

Mr. Seamus McCarthy: That is correct.

Chairman: I am only putting this out there for public information.

On the surplus which was mentioned to be surrendered, it happens that most of it had not been paid into the President's Establishment. On Note 2.5, net Exchequer funding due, the accounts state the surplus to be surrendered was €287,000 but, in fact, €291,000 had not been drawn down.

Mr. Seamus McCarthy: Yes. That is correct. That is the instrument for the surrender.

Chairman: That is the way it was done. It was not drawn down. I just want to put these figures on the record.

To ensure everyone is clear about it, the centenarians' bounty is over €1 million in the account, which is a big enough item. The sum for those who reach the great age of 100 is €2,540. Is that correct?

Mr. Martin Fraser: I think so.

Chairman: Thankfully, the number is increasing each year. What is it now?

Mr. Martin Fraser: It was 412 people in 2017.

Chairman: The numbers are increasing.

Mr. Martin Fraser: They are going up quite a lot.

Chairman: That is great. I was unaware that there is the centenarian medal for everybody who reaches their 101st birthday and subsequent birthdays thereafter.

Mr. Martin Fraser: That is a bonus.

Chairman: It is a medal or a token.

We have been dealing specifically with Mr. Fraser's role as Accounting Officer and have not been dealing with the President.

Mr. Fraser, like all Accounting Officers, would have been issued with a circular on appropriation accounts from the Department of Public Expenditure and Reform which deals with net allied services. There is a little confusion. I mentioned the Office of Public Works, OPW, An Garda Síochána and all the people in the Department of Foreign Affairs and Trade who incur costs in their Departments, borne by their Departments, but it is for the benefit of Áras an Uachtaráin. That is it in a nutshell. The Comptroller and Auditor General records that in note 1.1 in his accounts. That is in the Government accounting rules. A memorandum the witnesses would have received relating to net allied services states, "Departments are required to include actual figures where possible rather than the previous practice of estimated expendi-

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ture.” It continues, “However, in addition, both the providers and receivers of allied services are reminded to ensure that for the 2017 account the allied services are still relevant and that the breakdown across Departments is provided using an up to date and reasonable method of calculation/apportionment.” What kind of assurances has Mr. Fraser received from, for example, the OPW, such that he is satisfied what it has listed under this €2.4 million in 2016 was fair and reasonable? What assurances has Mr. Fraser received from those Accounting Officers? What is the system?

Mr. Martin Fraser: The Comptroller and Auditor General has just shown me what the Chairman is reading. If it is an estimate, they are supposed to put an “E” beside it, so I presume they are actual figures-----

Chairman: They are actual figures.

Mr. Martin Fraser: -----and not an estimate. That is a very precise figure.

Chairman: This circular puts an onus both on the OPW, which is providing the service, to be accurate in the figure, but it also puts an onus on Mr. Fraser to be sure the figure is accurate too. Does Mr. Fraser do any check or does he take it in good faith from the OPW?

Mr. Martin Fraser: I do not prepare the account personally so I assume the people who are doing those accounts, both in OPW and Áras an Uachtaráin, are using accurate figures. I have no reason to doubt the figures.

Chairman: Right, but Mr. Fraser as Accounting Officer is not involved. He presumes that the people involved in the finance function for the Áras-----

Mr. Martin Fraser: As with any account, one has to trust the people doing the numbers.

Mr. Seamus McCarthy: We also check the charges across from the other-----

Chairman: I checked that myself and they tally. I looked at the Áras an Uachtaráin website last night. It provides useful information about the items we are discussing. There was a discussion about the shared services provided by the Office of Public Works. It lists on its website the costs for last year of €2.5 million. It is on the website and I am sure that Mr. McCarthy will publish the figures on Friday with his appropriation account. The OPW staff costs are listed as €800,000. The building work going on in Áras an Uachtaráin cost €261,000. Electricity and gas cost €182,000. Property maintenance cost €1.283 million. Áras an Uachtaráin puts that information up itself. It is a big figure and we do not have a breakdown here. I want to be helpful to people who are watching by giving that breakdown which was received. One other item is mentioned on the website. It says the Central Fund of €894,000 includes:

- Costs not covered elsewhere in the Vote for the Presidential Establishment (eg. hospitality for 20,000 visitors, State Dinners, community events, etc.)
- Pensions for former Presidents
- President's salary

Mr. Fraser cannot answer this because he is not the Accounting Officer for the Central Fund. Has Mr. McCarthy any information about how much of the €894,000 related to pensions or hospitality? Has he looked at that as part of the audit of the Central Fund?

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Mr. Seamus McCarthy: Bear with me.

Chairman: I am just reading from the Áras an Uachtaráin website.

Mr. Seamus McCarthy: I have not seen that.

Chairman: The question I had in mind is-----

Mr. Seamus McCarthy: The Chairman wants to know how much pension payments make up.

Chairman: I do not really want to because that is getting personal to current or former Presidents.

Mr. Seamus McCarthy: It is a published figure.

Chairman: It is in the Central Fund. It is published.

Mr. Seamus McCarthy: It is in a schedule which is published by the Department of Finance. The pensions to the two former Presidents came to €250,000 a year in 2016.

Chairman: I would have thought before I arrived today that maybe the OPW costs included the costs of much of the entertaining, functions and people being invited to very important functions in Áras an Uachtaráin. This note seems to suggest that the hospitality for the 20,000 visitors in 2017 was met from the Central Fund. Which is it? Does Mr. McCarthy know?

Mr. Seamus McCarthy: I would have thought it was an OPW expense.

Chairman: So would I.

Mr. Seamus McCarthy: It would not be a charge that would be proper to the Central Fund unless-----

Chairman: Perhaps it is included in this allowance.

Mr. Seamus McCarthy: Unless it is included in the allowance to which Deputy MacSharry referred.

Chairman: It is not a matter to which we will come back in the next couple of weeks. On the allowance which was mentioned earlier and which is referred to under emoluments and allowances as part of the Central Fund payment, the Áras an Uachtaráin website states that there is - from the Central Fund - a payment in respect of hospitality for 20,000 visitors. Perhaps there is a relationship, although I do not know. Does Mr. Fraser know? It might be helpful if someone knew.

Mr. Martin Fraser: I do not know precisely but I think it is a bit of both. That Central Fund figure of €894,000 in the accounts includes the allowance and various other things, such as pensions and the President's salary. I think some of that is used for entertainment for, as the Áras an Uachtaráin website says, 20,000 visitors a year, State dinners and so on. However, the OPW also employs household staff. This is because there are permanent staff in the Áras who deal with catering and so on. The OPW also probably meets expenses like equipment costs, etc.

Chairman: As I said, the Áras an Uachtaráin website states that €800,000 of that figure is for its staff in Áras an Uachtaráin. Some of this might relate to that entertainment.

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Mr. Martin Fraser: I am pretty sure the allowance is used for some of that.

Chairman: Yes. The website gives the impression that there are payments in respect of hospitality for the 20,000 visitors to Áras an Uachtaráin and that these are paid for from the Central Fund. It is linking it to that. Even though it is not audited, it appears to link it.

Mr. Seamus McCarthy: Because it is an allowance and there is a system of accounting for it in place.

Chairman: The Áras puts it on its website. We will take it as accurate if it puts it up on its website.

I call Deputy Kelly, who has not yet had an opportunity to contribute. Members who want to speak in the second round should indicate in the following sequence: Deputy Connolly; Deputy Aylward; and Deputy MacSharry.

Deputy Alan Kelly: I will not take long, which is very unusual for me. I apologise for the fact that I have been in and out of the meeting due to media commitments. I thank the witnesses for attending. From what I hear, most of the issues have been thrashed out in regard to the item of interest. I have two questions. He does not have to elaborate on this because it is more a question of process but, before coming in today, did Mr. Fraser seek legal advice from the Attorney General?

Mr. Martin Fraser: No.

Deputy Alan Kelly: Mr. Fraser did not feel it was necessary to do so.

Mr. Martin Fraser: I felt, in the circumstances - and I discussed this with the Chairman and the secretariat - that the best thing was to come along because if I got into some big legal advice situation, I would have delayed the hearing and that probably would not have been the right thing to do.

Deputy Alan Kelly: Interesting. While I do not want to know anything that the Attorney General would have advised, did he try to offer any advice?

Mr. Martin Fraser: The Attorney General does not offer advice unless one asks for it.

Deputy Alan Kelly: I know. I was there. I was just wondering.

Mr. Martin Fraser: I think the Attorney General and I might be of the same mind but I did not ask his advice because, if I had written to him last Thursday or Friday, there would have been a big-----

Deputy Alan Kelly: I know. It would have gone on for weeks. How does Mr. Fraser know he is of the same mind?

Mr. Martin Fraser: I just guessed that. As a former member of the Government, I know osmosis is a very powerful thing.

Deputy Alan Kelly: I thank Mr. Fraser for clarifying that, particularly as I believe it to be useful information. Obviously, transparency is critical and there may be some information that has come out today that helps in regard to that. I understand that this is the first time we have ever done this. As regards future transparency, are there issues in respect of which Mr. Fraser feels improvements could be made? We have many priorities on this committee across a range

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of issues and, obviously, if we want to discuss this Vote, we will make the decision to do so. I am not saying that we will not do so. From a transparency point of view, are there more changes or inclusions that can happen in regard to how this Vote is brought out to the public that would ensure we have more information so that, when it comes to looking at our priorities as a committee, we will be able to leverage that and use it to identify whether this is a priority? It is up to every committee to decide. Are there changes that could be made or better platforms for providing information that would help?

Mr. Martin Fraser: I do not really know. I would certainly reflect on it and I am sure the committee will too. One of the-----

Deputy Alan Kelly: We know how the information to date has come out. I am asking whether there are other avenues or channels whereby extra information can come out.

Mr. Martin Fraser: I understand. The first thing to say is that everything that has been discussed today is based on published material, so the material is there. The honest answer is that I think it is a matter for the President, whoever may be the President at the time. That is my genuine opinion on the matter.

Deputy Alan Kelly: That is it, Chairman. I have nothing else.

Chairman: I call Deputies Connolly, Aylward and MacSharry for a quick second round.

Deputy Catherine Connolly: I want to make a comment and ask a question. It was certainly very appropriate to hold this meeting and I do not agree with any comments about it stinking or being inappropriate timing. If this Committee of Public Accounts cannot look at the appropriation account for the President's Establishment, we are in serious trouble as a committee. I fully support the Chairman in holding this meeting. It is very important that we look at processes. I have not mentioned a single President. I have looked at processes, and Mr. Fraser has admitted that the processes leave something to be desired. Is that not correct?

Mr. Martin Fraser: I did not make any of the comments about which the Deputy was complaining.

Deputy Catherine Connolly: What is Mr. Fraser's comment on the lack of an audit committee and the lack of audit control?

Mr. Martin Fraser: As I said to the Deputy, it would be better if it had-----

Deputy Catherine Connolly: It is bad governance. It is a big gap in governance.

Mr. Martin Fraser: No, I do not think it is a big gap in governance to-----

Deputy Catherine Connolly: It is not a big gap in governance not to have an audit committee and not to have an internal audit control.

Mr. Martin Fraser: It would be better if it had met. There were particular circumstances, but I got full assurance from the Comptroller and Auditor General audit every year that everything was in order.

Deputy Catherine Connolly: We have been through that. I am making a comment that it is bad governance not to have an audit committee functioning and an internal audit control functioning. Every single week we have this and we put questions to various organisations. It

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would be neither just nor fair not to put the President's Establishment through the same processes-----

Mr. Martin Fraser: I agree with the Deputy.

Deputy Catherine Connolly: -----particularly given the symbolic nature of it.

Mr. Martin Fraser: I agree with the Deputy.

Deputy Catherine Connolly: Mr. Fraser agrees with that. That is great. Today we have looked at the matter and we have seen that no audit committee sat. I do not want to hammer Mr. Fraser as we have been through the matter, but it concerns me that when I look back at the previous years, I do not see where it was highlighted that there was no audit committee. I would have thought the lack of an audit committee would be a basic thing to highlight. If I go back, to 2013 or 2014, Mr. Fraser continually talks about the office having an internal audit function with appropriately trained personnel which operates in accordance with a charter and so on, but actually it was never operating. Is that correct, or am I wrong?

Mr. Martin Fraser: As I said, for very particular circumstances-----

Deputy Catherine Connolly: No, this is going way back now. This is 2013. The appropriation accounts refer to an internal audit function with appropriately trained personnel which operates in accordance with the written charter, but the internal audit was not functioning, was it?

Mr. Martin Fraser: It was not functioning properly, no.

Deputy Catherine Connolly: At no stage, going through 2013, 2014 or 2015, was it highlighted that it was not working properly. I am thinking in the context of the Garda, the education and training boards and the other organisations we have had before us. We were very hard on them in respect of processes and procedures. The first time I see anything about an audit committee is in Mr. Fraser's 2016 appropriation account. Does he see where I am coming from? There is not an open and accountable system. One thing is being said on paper but the operation of that is not happening on the ground. Is that not right? If this is happening with the President's Establishment, regardless of who the President is, we are not giving out a proper message here on accountability, are we?

Mr. Martin Fraser: As I said, there were very particular circumstances that obtained.

Deputy Catherine Connolly: No, sorry, this was before then.

Mr. Martin Fraser: No, it was not.

Deputy Catherine Connolly: Did the internal audit function work before the audit committee?

Mr. Martin Fraser: It was only set up at the same time.

Deputy Catherine Connolly: That is what is-----

Mr. Martin Fraser: The audit committee directs the internal audit function.

Deputy Catherine Connolly: I understand that. I have finally learned that over the past two years from the various organisations. I am going back to 2014, before Mr. Fraser appointed

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a chair. He appointed a chair of an audit committee in May 2014, I understand. Is that so?

Mr. Martin Fraser: I cannot-----

Deputy Catherine Connolly: Roughly.

Mr. Martin Fraser: Sometime in 2014, I think, from memory. Yes.

Deputy Catherine Connolly: Yes, but in Mr. Fraser's account for March 2014 he talks about an internal audit function, a rolling basis and periodic reviews, but that never happened.

Mr. Martin Fraser: As I said-----

Deputy Catherine Connolly: Just wait a second. That did not happen.

Mr. Martin Fraser: For particular reasons.

Deputy Catherine Connolly: It did not happen, and that is why we are-----

Mr. Martin Fraser: I am not happy with it either but there were-----

Deputy Catherine Connolly: Good. That is great because I am certainly not happy with it.

Mr. Martin Fraser: I understand that but, as I said, there were particular extenuating circumstances.

Deputy Catherine Connolly: I do not expect Mr. Fraser to comment on it, but the commentary outside the committee that this is political is rubbish. We are examining procedures and processes so that we can reassure people that there is accountability. Is that not what all of this language is about? What we are finding out now, though, is that it is simply language and the operation is missing.

Mr. Martin Fraser: The Deputy just said that she did not want me to comment.

Deputy Catherine Connolly: No, Mr. Fraser can comment on that part, namely, the language he has used and the operation being missing.

Mr. Martin Fraser: I set up an audit committee at the time and it did not function for particular reasons.

Deputy Catherine Connolly: Mr. Fraser told Deputy MacSharry that there would be changes for if a chairperson got sick again or whatever the reason was. What are those procedures?

Mr. Martin Fraser: I will need to consider a deputy chair or some alternative. A recurrence of the situation is very unlikely.

Deputy Catherine Connolly: I do not want reassurances. When the committee examines this matter next year, I would like to see an audit committee and chairperson in place, a report of the meetings that were held, what were identified as risks, as the Chairman mentioned, by the internal audit process and what steps were taken. That would reassure me and the people watching. That is what I would like to see if we are here this time next year.

Deputy Bobby Aylward: I agree with Deputy Connolly. What we did today was good for democracy. It cleared the air. Maybe we should have done it long ago in view of the timing.

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The people who are trying to cast aspersions on what we have done and make it political are wrong.

There are question marks over this matter. The Comptroller and Auditor General seems to be the main person responsible even though his role is only as auditor. Mr. Fraser has tried to pass the buck to him a few times. There is also the audit committee in the Áras. The question of who is responsible needs to be established. With other audits, the Comptroller and Auditor General makes a report and we ask questions based on what he lays before us, but there seems to be some crisscrossing today. That is something that we should take from our meeting.

I looked up the reason the Committee of Public Accounts exists, that being, the three Es and two Ps. We investigate whether something has been done economically, efficiently and effectively in line with procedures and privileges. No one seems to have answered Deputy MacSharry's question on the €317,000 that seems to have appeared from out of the blue. I knew nothing about it until he mentioned it, but no one present is responsible for it or even able to throw any light on why it was paid. The Comptroller and Auditor General stated that it was not paid out of the Vote, but under a 1997 Act. That and what the money is for need to be clarified. It is €317,000 of taxpayers' money. The question on why and how it was spent must be answered within a short time. Let us know why it was spent so that the public in general and the presidential candidates - the nomination process closes tomorrow - can know what the €317,000 entailed and on what grounds it was spent. This question needs to be answered sooner rather than later.

Deputy Marc MacSharry: I will ask two quick questions and then say something. Does the President's Establishment have a Secretary General?

Mr. Martin Fraser: Yes.

Deputy Marc MacSharry: Is it a man or a woman?

Mr. Martin Fraser: A man.

Deputy Marc MacSharry: What does he do?

Mr. Martin Fraser: He runs the office.

Deputy Marc MacSharry: Should he not be the Accounting Officer?

Mr. Martin Fraser: I would be delighted if he was. The reason he is not is because the Constitution prohibits the President being answerable to the Oireachtas. Therefore, the President's direct staff cannot be answerable to the Oireachtas. I have the pleasure of bridging the gap.

Deputy Marc MacSharry: Is that just a practice or is it really a constitutional issue?

Mr. Martin Fraser: No, it is a constitutional issue. The law-----

Deputy Marc MacSharry: Could he not be here to answer the questions Mr. Fraser is answering?

Mr. Martin Fraser: Then the committee would definitely be over the constitutional line. Even the law on compellability precludes staff from the Áras appearing in the Oireachtas. That is the answer to the Deputy's question - there is a Secretary General in the Office of the Presi-

dent.

Chairman: Who is appointed Accounting Officer is a decision of the Government. Years ago, it used to be the Secretary General of the Department of Finance.

Mr. Martin Fraser: It was, yes.

Chairman: A few years ago the Government, as it is entitled to do, changed it from the Secretary General of the Department of Finance to the Secretary General of-----

Deputy Marc MacSharry: It could make it the Secretary General of-----

Mr. Martin Fraser: Is the Deputy referring to Áras an Uachtaráin? That would be totally unconstitutional.

Deputy Marc MacSharry: Mr. Fraser thinks it would be unconstitutional. It would be a good thing to examine, however, in terms of the future.

Mr. Martin Fraser: I am all in favour of it but-----

Deputy Marc MacSharry: On internal audit, I understand there is an accountancy code which suggests that at least one member of all internal audit committees should be an accountant. Mr. Fraser said earlier on that there are no accountants on the audit committee.

Mr. Martin Fraser: That might be the code of practice for State bodies.

Deputy Marc MacSharry: Yes.

Mr. Martin Fraser: The Comptroller and Auditor General has said it does not really apply.

Deputy Marc MacSharry: I just wanted to give Mr. Fraser the opportunity to correct the record because he has said that there are no accountants on internal audit committees.

Mr. Martin Fraser: I do not think I need to correct the record. It is not a requirement on an office. The audit committee is certainly competent-----

Deputy Marc MacSharry: It is certainly good practice. I think there is a code-----

Mr. Seamus McCarthy: The code of practice for State bodies does not apply to Government Departments. It applies to State bodies, not Government Departments.

Deputy Marc MacSharry: So it is a case of “Do as I say, not as I do.” It is something we might take on board for the future.

Chairman: We might take it up with the Department of Public Expenditure and Reform.

Deputy Alan Kelly: That is a good point. It should be noted.

Deputy Marc MacSharry: On the €317,000, about which I am very concerned, I have no doubt that it is probably spent in a very good way, if it is in fact spent. It is not about what it is spent on or about the amount of money. Indeed, this allowance or whatever it is - about which none of us know anything and which is not taxable - could be €1 million. That is not the point. The point is that we, as the public, are entitled to know that Mr. McCarthy, as Comptroller and Auditor General, is auditing and having a look at this and that it is being done in the right way. Even the perception of it being some kind of a slush fund is damaging. I wonder could Mr.

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McCarthy give us any information other than suggesting that he presumes that there are procedures to govern that fund in the Áras. We look forward to getting that information as early as possible.

Again, I concur 100% with Deputy Connolly. It was remiss of previous Committees of Public Accounts not to do this, rather than mischievous of this committee to do so. I hope it is done every year in the future. This meeting is timely and has been informative. I can certainly think of 317,000 reasons it was a good exchange today.

Chairman: Before I call Mr. McCarthy, Deputy O'Connell has a brief point. We are wrapping up now.

Deputy Kate O'Connell: I do not think we have seen any evidence yet today that there is anything untoward about that €317,000. The previous speaker's reference to a "slush fund" is regrettable and, perhaps, slightly inflammatory.

Deputy Marc MacSharry: The Deputy should check the record. What did I say? I referred to the perception of a slush fund.

Deputy Kate O'Connell: The use of that language in the same sentence is deliberately inflammatory. That cannot be denied. It was deliberate.

Deputy Marc MacSharry: No, it is not. The Chairman will have to protect me.

Chairman: Mr. McCarthy has indicated. This will be the final comment.

Mr. Seamus McCarthy: I have just one comment with regard to the audit of that allowance. In the same way that I do not audit allowances that are available to Deputies or Senators-----

Deputy Marc MacSharry: Mazars does that.

Mr. Seamus McCarthy: -----I do not have-----

Chairman: The Oireachtas does.

Mr. Seamus McCarthy: I do not do it, however.

Chairman: For the record, as Chairman of the Committee of Public Accounts I have been selected-----

Deputy Marc MacSharry: I have been audited.

Chairman: -----for an audit for the second time in two consecutive years. There is some random process in here.

Deputy Marc MacSharry: One can look at it online, funnily enough.

Mr. Seamus McCarthy: It is not that I decided not to look at this; it is that I do not have a power to do it.

Deputy Marc MacSharry: We are not blaming Mr. McCarthy.

Chairman: We have gleaned some information. This meeting was a useful exercise. Perhaps it should have been done several times by previous Committees of Public Accounts. We have learned one lesson. The Vote is an issue we will not neglect in future years. It is an issue

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to which we will return. We are not asking Mr. Fraser to send any information to us at this point. Any question that was not dealt with today is closed for the moment and until such time as the Committee of Public Accounts, as part of a future work programme, decides to come back to this matter. This topic is now closed. I thank Mr. Fraser for his attendance in difficult circumstances, considering he has a broken arm. I genuinely appreciate it because he would have been entitled to send me a doctor's letter. I would have had to get a second opinion had that arrived. I also thank the Comptroller and Auditor General and his staff.

The witnesses withdrew.

The committee adjourned at 12.10 p.m. until 9 a.m. on Thursday, 27 September 2018.