

DÁIL ÉIREANN

AN COISTE UM CHUNTAIS PHOIBLÍ

COMMITTEE OF PUBLIC ACCOUNTS

Déardaoin, 11 Iúil 2019

Thursday, 11 July 2019

The Committee met at 9 a.m.

MEMBERS PRESENT:

Deputy Shane Cassells,	Deputy Alan Farrell,
Deputy Catherine Connolly,	Deputy Alan Kelly,
Deputy David Cullinane,	Deputy Catherine Murphy,

DEPUTY SEAN FLEMING IN THE CHAIR.

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

Business of Committee

Chairman: We are joined by the Comptroller and Auditor General, Mr. Seamus McCarthy, who is a permanent witness to the committee. Apologies have been received from Deputies Deering and Aylward. Are the minutes of the meetings on the meeting of 20 June, 27 June and 4 July agreed? Agreed. I do not think there is any matter arising from the minutes that we will not deal with during the course of the meeting.

In regard to correspondence category A, the committee received Nos. 2310 A and 2313 A from Mr. Peter Finnegan, Secretary General of the Houses of the Oireachtas Service. They are his opening statement and the briefing documents for today's meeting, which we note and publish.

Category B is correspondence from Accounting Officers and-or Ministers and follow up to meetings of the committee and other items for publishing. No. 2301 B is from Mr. Seán Ó Foghlú, Secretary General, Department of Education and Skills, dated 5 July 2019 providing clarification in regard to information previously provided to the committee regarding the Protected Disclosures Act 2014.

Deputy Alan Kelly: I find this correspondence very confusing. Mr. Ó Foghlú is qualifying what he said previously. This goes back to the last Committee of Public Accounts. I would like to hold this correspondence until September and deal with it then. There are a number of issues around analysing what he said at the committee versus what is said in this letter.

Chairman: We will note and publish it but we will hold it over.

Deputy Alan Kelly: We can deal with it in our first session.

Chairman: We will hold it over for discussion at the next meeting.

No. 2309 B is from Mr. Jim Gibson, acting CEO, Tusla, dated 9 July 2019 providing information requested by the committee at a recent meeting. We asked about the difference in remuneration for social workers recruited by Tusla as opposed to those employed via agencies. He supplied a table, which includes a social worker on the first point at €778 per week giving net weekly pay of €556. He said the difference between directly employed staff and agency staff is €91.24. Nowhere do I see a detailed breakdown of agency staff at an hourly and equivalent rate. I do not follow the correspondence. We need clarification.

The second matter relates to the Five Rivers agency, a private fostering agency operated in Ireland. It has approximately 42 staff and operate nationally with a head office in Dublin. He confirms payment to that organisation in 2018 was €8.457 million. I would like clarification as to whether that figure includes payment to staff and fostering families, and a breakdown of what it costs to run the Five Rivers agency *vis-à-vis* what is paid to the fostering families. Presumably the €8.457 million also includes the cost to the fostering families but I do not know and it is not clear from the letter.

Deputy Catherine Connolly: It is outside of procurement.

Chairman: Yes. I do not understand that.

Deputy Catherine Connolly: It is undertaking a procurement now for private foster agencies.

Chairman: It says all private fostering agencies funded by Tusla are currently outside procurement and it is now undertaking procurement-----

Deputy Catherine Connolly: Is there a reason it is doing it now? Maybe someone could clarify if it was necessary.

Chairman: Obviously, if there are different rates by different agencies-----

Mr. Seamus McCarthy: I cannot recall whether foster agencies were included in the procurement figure. I know there is an issue in Tusla around procurement and non-competitive procurement for services that could or should be competed for. That figure certainly sounds very high.

Chairman: We need clarification on that.

We also asked Tusla for a breakdown of the €18 million budget for the 121 family resource centres around the country. That has been provided. We asked for a breakdown of the family resource centres by county, which has been provided in the appendix. We sought a note on the operation of children and young person services committees, CYPSCs, which is provided. We were given a note on that. We will note and publish this documentation but we need to write back.

Deputy Catherine Connolly: It is helpful. We all receive representations and I have heard from foster mothers who are at the end of their tether due to lack of back up. Then we have these private companies where there is no procurement and lots of money. My question is on the procurement. Tusla is following up on the Five Rivers agency because that is what we asked about but are there other agencies in addition to that one? We asked for a note on the Five Rivers agency contract to include details of remuneration paid to it and so on. To be fair, that is what we asked for but it begs the question as to whether there are others and what is the value of that. More importantly, what is the value of that to mothers on the ground who are struggling? I could not let that go because I will be meeting the foster mothers again on Monday and I have met them every week as most of us have. They are at the end of their tethers looking for the most basic help from the health executive.

Chairman: We will ask for the details of all the fostering agencies and the amounts involved.

Deputy Alan Kelly: I have had a similar experience.

Chairman: We specifically only asked about one, and perhaps it is the main agency. I do not know, but we will ask for further elaboration. We will note and publish the correspondence and seek further clarification on those items.

This may be a good time to note that we want to put a procedure in place in relation to correspondence received during the summer. We cannot have a situation where correspondence is sitting here for a couple of months and would like some method by which to circulate it. I will make one suggestion. I note that the last day for submission of parliamentary questions is 23 July and further parliamentary questions can be answered by 6 September. What are members' views on that? I am not suggesting that we do it too often during the summer but we could cir-

culate correspondence to members at the end of July and perhaps the end of August or the first week of September. It is not that we will not have to deal with it when we return in September but some of it refers to current issues which we have asked about. If information arrives in next week, it would be dreadful if we, as members of the committee, would not see it.

Deputy Alan Kelly: I suggest that we receive it at the end of July and of August. That would suffice.

Chairman: We will give the secretariat a holiday. We give it a few days at the end of the month.

Deputy Catherine Murphy: If the correspondence is circulated, it will end up in the media and there will not be discussion here about it.

Deputy Alan Kelly: We cannot hide from it though, we need to do it.

Deputy Catherine Murphy: I know that.

Chairman: It is being circulated on the basis of it not having been published and I would ask people to respect that.

Deputy Alan Kelly: And to read it.

Chairman: The dates are around the end of July or the beginning of August, which is in three weeks' time-----

Deputy Alan Kelly: Agreed.

Chairman: -----and then as early in September as possible. We will probably not receive much in August.

Deputy Alan Kelly: Agreed.

Chairman: We are talking about category A, although there will probably be no correspondence as there will be no opening statements, and category B which is from Accounting Officers. We are not talking about category C correspondence from individuals, which we never publish. We are talking about items that would be in the public arena arising from our public meetings, namely, category B. We will do it around the end of July and the end August and we will give the secretariat some flexibility in getting it to us. It would be dreadful if we asked questions today and the answers came in next week but we would have to wait two months for them. I thank the secretariat and we will ask it to do its best on that. There is a system in place for parliamentary questions during recess, so we are not setting and new ground.

No. 2312 B is from the Minister, Deputy Donohoe, dated 5 July 2019 providing his response to our report on the examination of matters in relation to receipts from corporation tax, which we will note and publish. The Minister sent a note during the week. The committee issued this report in June 2018 but I think the ministerial response probably got lost in the mix in the Department. We have received responses from our other periodic reports, Nos. 1 to 5, inclusive, and the Department probably spotted that this was not there.

We can make a quick note of it but much of it relates to items in the public domain. We will continually come back to issues such as corporation tax.

Our first recommendation was on the concentrated nature of corporation tax receipts. We

had asked for a special report but the Minister stated that one had been conducted by Revenue over the course of finance discussions some time ago. He said the matter was under review and we will all be keeping it under review. We will note that.

We asked for details of PAYE paid by participators in close companies. The Minister said:

To a large extent the close company provisions are designed to modify behaviour by preventing certain activities. Revenue statistics provided to the Committee indicate that approximately 4% of close companies paid the surcharge in 2015 and approximately 4.3% of close companies paid the surcharge in 2014. These figures indicate the effectiveness of that provision and Revenue is satisfied that the application of close company rules is achieving its intended purpose.

The Minister has given a two-page response but I am only reading out his concluding paragraph. We will note and publish this.

Deputy Catherine Murphy: On what page is the Chairman?

Chairman: I am on the bottom of page 5. If any member wants to take up this issue, that would be useful as we approach the next budget because this information can be used in discussions of tax matters. It is not exclusive to the Committee of Public Accounts.

We recommended separating the carry-forward losses for corporation tax between losses forward and capital allowances. We asked Revenue to distinguish between those and have a separate line on tax returns to capture that information. The Minister does not think this would provide much additional information. However, Revenue has since written back to us to say it is a legislative matter. It has separately told us that it cannot seek information to which there is no legislative basis, so if members want to achieve that, it would require an amendment to the Finance Bill. The committee has taken this issue as far as it can. It is now up to individual Deputies to decide if they want to bring it to the Oireachtas as part of the Finance Bill.

We made another recommendation on the sustainability of corporation tax. The Minister had previously prepared a paper on this for the Joint Committee on Finance, Public Expenditure and Reform, and Taoiseach, which he has attached. It is a live issue, and we note that.

On double taxation agreements, we concluded: “The Department of Finance should ensure mechanisms are in place to verify any claims for double taxation relief made in Ireland by companies that are non-resident in Ireland.” The final paragraph of the Minister’s response states:

While Revenue do have information from corporation tax returns on the number of non-resident companies who file returns in Ireland and the amount of corporation tax paid, they do not have available information in relation to any claims for double taxation relief made by these companies in their country of tax residence. In practical terms it would be difficult to obtain such information and, as it is the country of tax residence that would be granting relief for Irish tax already paid on the same income, it would primarily be a matter for that country to verify the claim before granting the relief.

These companies are non-resident in Ireland for tax purposes and the Minister says the onus is on revenue authorities in the countries in which they are tax resident. We made a fair point and that is probably a legitimate answer.

We asked about the effective rate of corporation tax and recommended: “The Department

of Finance should examine this matter such that there is general agreement on a single most appropriate method for calculating the effective rate of Corporation Tax on company profits.” In his response, the Minister refers to about five different methods of calculation. Two or three of them are from the OECD but every international body has a different definition of the effective rate of corporation tax. The Minister says each report can add value because they all have different nuances. He does not agree that there should be one effective rate because there is no international agreement on the matter.

We referred to real estate investment trusts and stated: “The Department of Finance should carry out a review of the Real Estate Investment Trust (REIT) regime to ensure that domestic and EU ownership is being encouraged appropriately.” Our concern was many of these REITs are from outside the EU. The Minister’s conclusion states:

REITs provide a number of benefits for investors when compared to direct property investment, including diversification of risk, increased liquidity, lower entry costs, and regular income streams. They were designed to provide investors with access to investment in real estate without buying property directly. This reduces the risk to both landlords and tenants that results from the more common model, in the Irish residential property market in particular, of an individual landlord owning one or two heavily-leveraged rental properties.

The role of REITs which come into Ireland to buy up entire blocks is a big political debate. Local people cannot buy anything because everything is being bought by REITs. We will note the Minister’s response and put it on the record. These are all policy issues, which we will be discussing.

Deputy Catherine Murphy: REITs were recently described as the gift that keeps on giving. While I accept this is a policy area, we will return to this issue in time and ask if the REITs were value for money. Rather than seeing it in hindsight, we can see forward with 20:20 vision. If one could make that prediction now, we would say the REITs are clearly not value for money. It is extremely frustrating that we can see that and that it is happening in real time.

Chairman: The legislation for REITs, through the taxation method of incentivising investment, is a form of social engineering which attempts to move Ireland towards rental accommodation and away from home ownership. Some might agree that is a good policy and some might not, but it means there is an incentive for a large number of properties coming on stream to go into the long-term rental market as opposed to being owned by people.

Deputy Catherine Connolly: The REITs are charging astronomical rents that are simply not sustainable.

Chairman: It is a big social issue.

Deputy Catherine Connolly: It is a big value for money issue, as my colleague, Deputy Catherine Murphy, said.

Chairman: We will note the Minister’s response and members can use that information in debates both now and in the future.

The next item of correspondence is from Mr. Derek Moran, Secretary General at the Department of Finance, providing a response to matters raised at the meeting in May. It is a detailed response and I thank him for it. It is a good example of being on top of one’s brief, as were the representatives of the National Treasury Management Agency, NTMA, who were here last

week. They were very professional in answering questions and the meeting went off without a hitch. I ask all Departments to follow suit in order to make life much easier both for themselves and the committee.

Parts of this response from the Department of Finance relate to the Irish Bank Resolution Corporation, IBRC, which we will be discussing in private session this afternoon. Mr. Moran provides a note on the Irish Fiscal Advisory Council. He also gives details of the two sets of litigants in the cases taken regarding the liquidation of IBRC, including a note on the cost of defending these cases. He provides a history of the case taken by Mr. David Hall and also mentions that Mr. Paddy McKillen has issued a second plenary summons in relation to a different matter. That is on the public record.

Mr. Moran provides details on the advice of KPMG in relation to the IBRC liquidation, including terms of reference and dates of contact. He confirms the following: “As part of the preparatory work leading up to the Special Liquidation of IBRC, Kieran Wallace was consulted on a confidential basis as set out in the engagement letter dated 7 February 2013 between the Department of Finance and KPMG.” That was around the time the special legislation went through. Mr. Moran further states: “A copy of this letter was provided to the Committee on 19 January 2018 and sets out the services provided to the Department in relation to general restructuring advice and acting as Special Liquidator.”

The next issue we asked for information on was the Minister’s decision not to follow the recommendation of the Committee of Public Accounts to establish a committee of inspection on IBRC. Mr. Moran gives a detailed response stating, essentially, that the purpose of a committee of inspection is to protect the unsecured creditors. He confirms that, ultimately, the only unsecured creditor in this case will be the State and that the Minister for Finance, as the shareholder, will deal with that. The Department of Finance is *de facto* the only unsecured creditor and Mr. Moran believes nobody else could be on an inspection committee, as there is no other unsecured creditor. Only the State and the taxpayer will be at a loss. Special legislation was enacted to set aside the normal provisions in the Companies Act because, ultimately, only one unsecured creditor was to be expected at the end of the day. It is a policy matter, as the issue arises from the legislation and that is the essence of what we will be discussing this afternoon. Our concern is the lack of oversight by the Department, which is not doing as thorough a job as a committee of inspection would normally do, as we have highlighted. It is not providing adequate resources and is only monitoring what comes in.

I will read on. A note on the Exchequer borrowing-----

Deputy Catherine Connolly: Excuse me, Chairman.

Chairman: Yes. I ask members to pull me up on anything.

Deputy Catherine Connolly: The Chairman is very good. Will he explain to me the committee of inspection again? I am looking at the note on it here.

Chairman: I will do my best. I have had a glance of this only in the last 20 minutes. Essentially, in a liquidation the unsecured creditors, which can include trade creditors, come together and employ the liquidator - Revenue is regularly involved - to look after their interests and recover as much money as possible for them. The Minister is saying that when the Department came to the IBRC it had been nationalised. The Government decided to liquidate it, and it was clear at that stage that the only unsecured creditor likely to be standing at the end of the

liquidation process was the State, which is now the case. The Minister is saying there is only one unsecured creditor, namely, the Minister for Finance acting on behalf of all the citizens of Ireland. The Government is therefore saying it disapplied the Companies Act committee of inspection provisions that would apply in a normal liquidation because this liquidation was different in that there was only one unsecured creditor, namely, the Minister for Finance as the shareholder. He is therefore saying he is the committee of inspection and the only one looking for money at the end of this process to come back to him on behalf of us. He is saying the Department took over the job of the committee of inspection. That job would normally be done by a committee of several creditors. I am explaining this as best I can. I am not defending the Minister's position but outlining it to Deputy Connolly as I read it. The Oireachtas agreed to this, which is the other point.

Deputy Catherine Murphy: Some of us did not vote. It was 5 a.m.-----

Chairman: Correct.

Deputy Catherine Murphy: -----and we got it at 10 p.m. The criticism was that there was inadequate time for scrutiny before the Bill passed all Stages. In fact, the very point that was made was that we were missing things in the Bill by virtue of the fact that we did not have the time to scrutinise it properly and we were advised that it had to be adopted before the markets opened in the morning. It is very easy to miss things in such a scenario, which is important to say if we are saying the Oireachtas passed the legislation. In the normal course of events it is a court that supervises a liquidation. This is the biggest liquidation in the history of the State. The point the Chairman made is the point we have been trying to make, that is, that it is a matter of scrutiny and oversight. Let us consider the National Asset Management Agency, NAMA. The Comptroller and Auditor General audits NAMA and has a number of people within the agency with oversight of what is happening. This was Anglo Irish Bank and Irish Nationwide Building Society. While we are probably getting the best return available from anything that was disposed of, we do not have sight of that to the same extent as we have sight of-----

Chairman: NAMA.

Deputy Catherine Murphy: -----assets that are disposed of by NAMA. It was an enormous amount of money. The Minister is certainly not going to accede to a committee of inspection - I see the point - but there remains a deficiency in the oversight.

Chairman: The Deputy is absolutely right. When one stands back and looks at this it is clear that, as a result of the banking crisis, we put most of the debt into NAMA for it to manage and to get the best return for the taxpayer. NAMA is a public body audited by the Comptroller and Auditor General. It has come before this committee and the finance and public expenditure committee. There is total public scrutiny of NAMA's activity. This was part of the same exercise. There were bank debts but a special liquidation process was set up without public scrutiny, auditing by the Comptroller and Auditor General or oversight from the finance committee of the Houses or the Committee of Public Accounts. In hindsight, perhaps there should have been a subsidiary of NAMA set up to oversee the liquidation. It is too late to have that conversation now but, in retrospect, I think all the oversight we have over NAMA could have been achieved in the case of this body had we taken a different route from that of the special liquidator. However, that is a policy matter. At this stage, one of the biggest criticisms is probably that we took the liquidation of IBRC away from public scrutiny and transparency. We did not do so with the other bank debts. We put them into NAMA. That was a big call, and that is probably the essence of the reason we continue to debate this issue. There is a lack of transpar-

ency and oversight.

Deputy Catherine Connolly: I was just trying to clarify the matter. What the Minister is saying in response is that the committee disallowed that part of the Companies Act such that there is no such provision now. They went out of their way. That is my interpretation.

Chairman: He uses the word “disapplied”. In other words, they are saying the normal provisions that would apply because this was-----

Deputy Catherine Connolly: That provision was in the Companies Act, and the legislation that was rushed through the Dáil-----

Chairman: It took it out.

Deputy Catherine Connolly: It disallowed it.

Chairman: It excluded it.

Deputy Catherine Connolly: Now we have Mr. Hall taking proceedings to bring clarity, supervision and oversight that should have been there from day one. I used the term “fáinne fí”, a vicious circle, yesterday in the Dáil. This is certainly a fáinne fí. We set the body up, we take it out of scrutiny and then we place the burden of securing scrutiny on a member of the public. We are going around in circles. It really is mind-boggling. This is not to mention getting one’s head around the language alone. I am thinking of people watching these proceedings. We cannot sit here and say there is proper scrutiny of this process.

Chairman: No.

Deputy Catherine Murphy: Obviously, this will come up in the context of the Department of Finance, which is audited by the Comptroller and Auditor General, but what would have been the difference between the Comptroller and Auditor General auditing this and auditing NAMA or being embedded in the same way? Would there have been a difference? Was the Office of the Attorney General even consulted?

Mr. Seamus McCarthy: No, we certainly were not consulted on the matter. It is hard to say. In a way, the audit of NAMA in itself is somewhat exceptional.

Deputy Catherine Murphy: As is NAMA.

Mr. Seamus McCarthy: Yes, so a special arrangement was made. I would not be involved in an audit carried out in the normal way, whereby there is a commercial trading and a commercial activity. That is the standard. There is an expectation that market disciplines would drive commercial decision-making. Therefore, it is not necessary for the audit to be carried out by me and for there to be oversight by the Committee of Public Accounts. I think that is the logic of the distinction that is made between my auditing State-supported activities on the one hand and, on the other, commercial or quasi-commercial activities such as the ESB, Bord Gáis, Coillte and so on.

Deputy Catherine Murphy: However, there would be assets in IBRC that would be sold for less than their original valuation.

Mr. Seamus McCarthy: That does not necessarily mean that they are being sold for less than market value. That is really where the driver is expected to be - the trading or the disposal

of assets on a market basis. That is the obligation in the law. That is what applies in the case of NAMA as well, of course, and there can be disputes in certain situations as to what is the best commercial return, as we know.

Deputy Catherine Murphy: My understanding is that IBRC, as liquidated, is required to sell to the highest bidder. That had not been the case, as demonstrated in the pre-liquidated entity. That is why we are having a commission of investigation.

Chairman: If we think back to the NAMA legislation, it went through quite a lot of Dáil debate and discussion. The Minister had some documents out there well in advance. It was highly teased out. I am sure there are still flaws in it. We spotted the flaws in section 172 here as a result of our work ten years on, or perhaps it was known much earlier in the Department, but the Dáil did not seem to pick it up. This was emergency legislation that was rushed through. We can see the consequences now, but my recollection is that the Department was willing to come in and talk about that. Kieran Wallace, I think, was due to come before the committee as well. However, the initiation of court proceedings stopped the meeting from going ahead. One could argue that the reason we do not have the level of scrutiny at the Committee of Public Accounts is the court case. The Department said it was most anxious to come in, and the liquidator was most anxious to come in and speak as much as he could. However, once the court case was initiated, it stopped them coming in. It is a pity there is not public scrutiny here. We will have a private meeting this afternoon with David Hall and others specifically on this topic. Our concerns have been well ventilated here. The next notes in this correspondence are 5 and 6, which relate to the Irish Bank Resolution Corporation, which will be noted and published but we will discuss it in private session.

Note 7 is the Exchequer borrowing requirement to refinance the commercial Irish Water loans.

Note 8 is the year-on-year decrease in loans to the Housing Finance Agency, HFA, between 2013 and 2017, to include details of any impact on the ability of the HFA to deliver new housing stock. We will note this. People can comment on that and use this information.

Note 9 is on the possible fines that can be levied against Ireland by the European Commission in respect of missed climate targets, to include details of the availability of carbon credits and their potential to offset fines. We will note this and specifically cover it in our periodic report during the week.

Note 10 is on the €14.5 million recovered from Aughinish Alumina, to include details of the deposit account in which it is being held and any fees or interest applicable. There also is a detailed note on that. A hearing took place on this on 2 April 2019 and a judgment is awaited. The money - approximately €15 million - has been left in a general zero interest account, or thereabouts, and is lodged with Danske Bank after a recommendation by the Comptroller and Auditor General some time ago. Note 10 is on the internal scoping exercise being carried out by the Department, to include details of the start and completion dates. This relates to the Comptroller and Auditor General's special report on Ireland's transactions with the EU. That is all noted.

The following notes, 11 and 12, are schedules and breakdowns on categories and grades of staff set out.

Note 13 is on the public interest directors as appointed to various banking bodies by the

Minister, to include clarification of the role, structures, recent appointments and when any outstanding appointments are due to be completed. Members can read that information. We covered that subject generally at the meeting.

Note 14 is on the surge in corporation tax receipts in recent years and the development of GNI* to include the effect of multinational activity on Ireland's EU contributions. There is a detailed note on this and the figures are given for 2016, 2017 and 2018. The correspondence refers to the budget contributions and a paper that has been commissioned in this regard. Mr. Moran stated in his correspondence:

Finally, it should be noted that the Minister for Finance has commissioned a paper to highlight some of these in-built vulnerabilities and to quantify where possible, the impact of such a shock. [This is a reference to the corporation tax issue] Potential solutions to this are presented in order to prompt a policy discussion around how best to mitigate against this emerging over-reliance [on corporation tax]. It is the Minister's intention to give consideration to these - and possibly other suggestions - with a view to making recommendations to Government in the autumn. [That obviously means before the budget]

This review of the potential over-reliance on corporation tax is being reviewed and we would expect to see information on that published before the autumn. Members should note that for the end of September. We need sight of that before the budget.

Note 15 is on the projected changes to Ireland's EU contributions and money received in the event of Brexit. Mr. Moran does not give the figure because he said it is sensitive information currently, but I believe a figure was mentioned by the Tánaiste and Minister for Foreign Affairs and Trade yesterday.

The final item in Mr. Moran's correspondence is note 16 on An Post National Lottery Company entering voluntary liquidation after the sale of the franchise to include details of the winding-up process, the transfer of unclaimed prizes and any difficulties encountered. The board has liquidated all of its assets and cash in hand, but the transfer of expired unclaimed prizes did not impact on the matter because they were now defunct. That fund of unclaimed prizes is managed and controlled by the Regulator of the National Lottery. While Premier Lotteries Ireland - the private operator - sought these expired unclaimed prizes to supplement lottery prizes to supplement its lottery prize money the Department considers that the proper and legal course is that these moneys should be returned to the Exchequer, in support of the subvention of good causes, and Mr. Moran's Department has written to the national lottery regulator accordingly. The regulator has sought some additional information from the Department, which has recently been provided, and the Department currently awaits the regulator's decision. That issue of unclaimed prizes is being dealt with by the Regulator of the National Lottery and the Department is looking for the money to be returned to the Exchequer for good causes. They await a final outcome from the regulator on that. I apologise for all of those long documents but it is good to clear them.

We will move on to category C, which is correspondence from private individuals and other correspondence.

No. 2253C is from an individual, dated 16 May 2019, requesting the committee to make an inquiry regarding the University of Limerick student records system. A significant level of detail is provided in this correspondence and at our committee meeting on 20 June 2019 we decided to hold it over for further consideration. We had previously requested the University

of Limerick for a response and the reply from the university stated there was no record of a submission from the individual concerned. It goes back a number of years to 2011 and 2012. As the matter is highlighted the individual has come forward stating that the grades she received in 2011 and 2012 were not adequately recorded. The individual has written again to the committee and it appears that she brought the matter to the attention of certain individuals at the college but not through the normal proper structures to have a regrading looked at. The individual is now saying that the college is not going back to 2011 and 2012. This matter is not within the remit of the committee and I do not see how the committee can help any further. We have exhausted this with the university directly. I propose to advise the individual that if she believes she was not treated fairly, she should contact the Office of the Ombudsman, if she has not already done that. We have taken it as far as we can. We are disappointed we did not get satisfaction but we cannot take it any further. Is that agreed? Agreed.

No. 2299C is anonymous correspondence in respect of Maynooth university. At our meeting on 27 June, the committee considered the 2018 accounts and statements of the National University of Ireland Maynooth and noted a provision of €750,000 relating to impairment of a loan to a loss-making subsidiary company that was set up to commercialise intellectual property and to provide consultancy and training services. Will the Comptroller and Auditor General indicate whether it was a provision or a write-off?

Mr. Seamus McCarthy: It was a provision. The university had extended a loan to the subsidiary and the university was recognising that €750,000 of the amount loaned was unlikely to come back.

Chairman: Right. We are not getting into the essence of the details of the correspondence No. 2299C. Yesterday I received two other anonymous letters in the same vein, which I have given to the secretariat. All three of them were essentially on the same issue with regard to National University of Ireland Maynooth solely as result of us raising the matter here last week.

Related correspondence No. 2315C is another anonymous document on this and No. 2299 also poses some questions on the matter. Essentially the individuals say that the matter was well known for a number of years and ask why it was not highlighted before now. The correspondents ask why the governing body of the university did not know about it, why the Comptroller and Auditor General did not know about it and why was it not made known long before now. No. 2315C also alleges an issue of some 800 part-time staff being employed on zero-hour contracts and with no proper employment rights. These are three letters following on from the €750,000 provision query. I propose that we ask the secretariat to write to the college summarising the points of the three letters and to ask for the college to deal with these before it replies - we had written to the college asking for an explanation around the €750,000. The committee has now received additional information in the recent days. We must write a second letter summarising the points made and asking the college to deal with the issues raised in this correspondence as a result of us highlighting the matter last week. Is it agreed to allow the secretariat to proceed? Agreed. We will circulate a copy of the letter that issues to the university to the members if they wish. They will be up to speed on the matter if it arises.

Deputy Catherine Murphy: Would this normally have been obvious in the accounts?

Mr. Seamus McCarthy: The governing authority decided in the context of the 2017-18 financial statements that having examined the business of the subsidiary, it was unlikely they would have the loans returned in full. They then made the provision. I understand that the subsidiary was established only in February 2016. It has not been up and running for long. It was

anticipated that it would take some time before it came into a situation where it made a surplus or a profit. It is fully consolidated into the university financial statements anyway, so the outgoing has already been taken and presented on the consolidated side. It is only a question of the position as between the university and subsidiary. I understand, as the Chair has said, that the committee has written to the university and it is really for the university to provide more detail on the matter. I have not presented a report on it. I drew attention to it. I am constrained in being able to say anything more about it at this stage.

Chairman: The onus is on the college to deal with this issue. We have written to it and will send further correspondence supplementing the earlier correspondence. We will ask it to respond to all the issues raised when it comes to reply. We will circulate the letter that we intend to issue to the members of the committee.

Deputy Catherine Murphy: The other issue that was raised was that 800 employees are on zero-hour contracts. Many of them are tutors. It is quite shocking that there is such precarious employment. Would that become obvious in a set of accounts?

Mr. Seamus McCarthy: No. One would not normally expect to have information about employment practices at that level of detail. My understanding from the documents that have been provided is that it refers to part-time casual employment. These are people who may be hired to tutor for a couple of hours a week or it may be on an episodic basis. There may be other colleges where a similar practice arises. A number of years ago, there was concern about contracts of indefinite duration on which people were being hired, usually on contracts for specific research projects. That position was regularised as a result of legislation in 2013 or 2003. I cannot recall offhand. Legislation has resulted in a number of employees of third level colleges being given permanent contracts with the entitlements that come with that.

Chairman: As that issue of part-time staff is referred to in the correspondence we received, it will be in the letter that we write to the college.

The next item of correspondence is No. 2300C, from an individual, referring to the “broadband farce”. That is the individual’s view. I propose that we send the individual the copy of the sixth periodic report in which we made our recommendations on broadband. Is that agreed? Agreed.

I propose that we deal with No. 2302C in private session.

No. 2303C is from Deputy Catherine Murphy and relates to properties such as embassies owned by the State outside the country. The Deputy submitted parliamentary questions on this issue. There are 159 of them.

Deputy Catherine Murphy: There are some very curious things if one compares one year with another. There may be good explanations. For example, there is a large amount of money for London but it does not look like that was purchased. We could usefully put this on our work programme for the Department of Foreign Affairs and Trade to maybe get some proper explanations-----

Deputy Alan Kelly: Agreed.

Deputy Catherine Murphy: -----as to why there are such variations.

Chairman: We will put it on the work programme. The Comptroller and Auditor General

will issue his report at the end of September so we will have that on our work programme next year when addressing the Department of Foreign Affairs and Trade. We will note and publish that. Is the Deputy happy for us to deal with it when the Department comes in?

Deputy Catherine Murphy: Yes.

Chairman: No. 2304C is from the chairman of a group called the Renewable Gas Forum dated 5 July 2019, which wants to highlight a provision in the climate action plan regarding the provision for agriculture-sourced biomethane in heat. The matter raised is a policy matter, which is a matter for the Department. We have issued a report on climate change as it relates to us. This has come to us because of the discussion happening here. We will send this to the Department for a response. We might not analyse or comment on the response but we will ask for information on that. It might ultimately be a policy matter. Let us get the information and if it is a policy matter, we can decide who will deal with it at that stage.

No. 2305C is from Deputy Kelly following from the HSE meeting here about the capital plan.

Deputy Alan Kelly: It was not the HSE but the Department. I asked a range of questions and the Secretary General made commitments that he would come back to us quickly with answers. It has not happened. A week or two weeks is fine but I want answers before we go into recess. Can the Chairman write to him or ring him? These are basic questions.

Chairman: How many weeks ago was that?

Deputy Alan Kelly: Three weeks ago. I could be wrong and it could be two weeks. They are pretty basic questions that he said he would come back to us about straight away but he has not done so. For me, as somebody who is trying to create a jigsaw with many little pieces on a number of issues, the fact that he has not replied is worrying. I would like direct answers to my questions, please.

Chairman: We will phone the Department in the course of the day. If we asked 20 questions, perhaps it could send back some answers, rather than waiting for every question-----

Deputy Alan Kelly: I would say it was a quarter of that.

Chairman: We will ask today to be provided with that response immediately.

No. 2308C is from an individual with some comments regarding the recent media coverage of the greyhound industry. I know the Joint Committee on Agriculture, Food and the Marine discussed that at length. We will definitely have Bord na gCon on our work programme in the autumn. We will get the annual accounts from the Comptroller and Auditor General and the agriculture Vote will be at the end-----

Deputy Alan Kelly: I know that it is very topical. Deputy Catherine Murphy has raised it before and asked for Bord na gCon to be brought in. I support bringing it in about the issues within our remit, which relate to how it spends its money and its corporate governance, not about animal welfare, which is more an issue for the Joint Committee on Agriculture, Food and the Marine.

Chairman: We will put it on the work programme. I received another item yesterday which I will pass on to the secretariat shortly. It has arrived for me as Chairperson and I do not want to sit on it for the summer. It is a letter from the Irish Petrol Retailers Association regarding the

Valuation Office and Valuation Tribunal. We had a discussion about the Valuation Office here on 27 June. The association states that more than 1,000 appeals are waiting to be heard and that service station members have no faith in receiving a fair decision on appeal. It states that the Valuation Office is refusing to release any data on the external audits carried out in 2017 and 2019 following freedom of information requests. I propose, with the committee's agreement, that this is circulated with normal correspondence. We will ask the Valuation Office and Valuation Tribunal for a response to the letter, which I received last night and do not want to sit on for the summer. We can deal with it straight away.

Deputy Alan Kelly: I wish to raise one other issue. A number of weeks ago, we received a reply about companies in Cork Institute of Technology, CIT. I was never happy with it. I spent a few weeks trying to dig down into it. I have done much analysis. With the permission of the Chair, I will ask some questions of the Higher Education Authority, HEA, and CIT. I will put them in writing to committee members so that I do not take time here and I would appreciate if the Chairman forwarded them on. I think that the submission sent to us does not deal with the questions that we asked. I have drilled down into the companies. I cannot find information on some of them or details on some of the questions I asked. It is a bit of a whitewash and I want to go back and ask a number of questions. I will keep it to as low a number as I can.

Chairman: If Deputy Kelly submits them, we will deal with it.

Deputy Alan Kelly: I appreciate it. I wanted to put it on the record here.

Chairman: We will deal with it as promptly, fairly and quickly as we can.

Deputy Alan Kelly: Yes.

Chairman: The next item is the statements and accounts received since the last meeting. They are coming up on the screen now. The Houses of the Oireachtas Commission, representatives of which will be before us in a few minutes, had expenditure of €134 million. Microfinance Ireland, which had a turnover of €539,000, received a clear audit opinion. I am proposing that we put the Charities Regulatory Authority, which received a clear audit opinion in respect of its accounts, on our work programme for early in the autumn. We will include the charity funds in that meeting, if appropriate. The National Standards Authority received a clear audit opinion. All of the NAMA accounts-----

Mr. Seamus McCarthy: It is the NTMA.

Chairman: The NTMA accounts received a clear audit opinion. The Comptroller and Auditor General has highlighted non-compliant procurement in respect of the NTMA administration accounts and, in the case of the Ireland Strategic Investment Fund, has drawn attention to weaknesses in internal controls relating to foreign currency hedging which resulted in a loss of €721,000. We will write to the Ireland Strategic Investment Fund on that. The various NTMA accounts we are formally noting are the administration account; the national debt of Ireland account; the post office savings bank fund; the State Claims Agency, to which we will come back in the autumn; the Dormant Accounts Fund; the Ireland Strategic Investment Fund, which we have just mentioned; the National Asset Management Agency investment DAC-----

Mr. Seamus McCarthy: These are the NAMA subsidiaries.

Chairman: These are all subsidiaries. The other subsidiaries on the list are the National Asset Management DAC; the National Asset Management Group Services DAC; the National

Asset Loan Management DAC; the National Asset Property Management DAC; the National Asset Management Services DAC; the National Asset JVA DAC, which is a special purpose vehicle set up by NAMA; the National Asset North Quays DAC; the National Asset Residential Property Services DAC; and the National Asset Sarasota LLC. All of those subsidiaries have received a clear audit opinion. It is a big list. We will note all of them. Representatives of NAMA will come before the committee at an early stage. The Comptroller and Auditor General is doing a special report on Project Nantes. We will wait until we have that in our possession in the autumn so we can deal with both issues on the same day.

Deputy Catherine Connolly: I got an update when I mentioned Caranua, but I forget what the update was.

Chairman: We will circulate it.

Deputy Catherine Connolly: It is coming to a-----

Mr. Seamus McCarthy: The 2018 audit has not commenced yet. We expect this to happen in August. It will be the autumn before we finalise the 2018 position.

Deputy Catherine Connolly: That is fine. I remembered that I had asked.

Chairman: The next item is the work programme. I want to make some suggestions. I will explain how this works practically. The Comptroller and Auditor General's report will be out at the end of September. We will have to give people at least a week to come in. We might speak to the Comptroller and Auditor General closer to that time about who we might invite in. Maybe that will happen in early October. We will probably have three meetings around the end of September and the beginning of October before we have a chance to deal with the Comptroller and Auditor General's report. I suggest that in the meantime, pending the Comptroller and Auditor General's documents, we should hear from certain organisations that have not been here before or have not been here for a long time. I think it could be very useful. Maybe we will ask the secretariat to arrange such meetings for dates around the end of September.

I suggest that an invitation be sent to the Data Protection Commissioner because data protection is a big issue in Ireland now. We have big European responsibilities here. We want to check the Data Protection Commissioner's governance and arrangements. I do not think An Bord Pleanála has been here for quite some time. People might want to see how An Bord Pleanála is being operated. The Charities Regulatory Authority has not been here for quite some time. Having gone through a list, I have decided to suggest those three organisations for early invitation. We are not waiting for the Comptroller and Auditor General's report in those cases. We will ask all three bodies to have up-to-date financial information. It will not look good if they do not have their 2018 accounts audited and available to us. If such accounts are not available, we will go ahead with the meetings anyway. The bodies in question will be required to provide draft information or something on which we can have a meaningful discussion. We need up-to-date information, even if it is awaiting publication or final sign-off.

It has been mentioned that Bord na gCon will be in at an early stage. When we get the Comptroller and Auditor General's report, we will see if there is anything on Bord na gCon in it. There are some other items that have been on our work programme for some time, but are not specifically listed for a meeting. We have said we will come back to the issues of capital projects, procurement and public private partnerships. The issue of protected disclosures is hanging around across many Departments the whole time. I think we will try to start with the

Data Protection Commissioner, An Bord Pleanála and the Charities Regulatory Authority. We will consider those types of subjects. As soon as NAMA is ready with Project Nantes, officials from NAMA will be asked to come in as well. When we get the Comptroller and Auditor General's report, we will be able to move into other areas in early October. We want to let the secretariat make some arrangements over the summer so that meetings will have been arranged for us when we come back. I went through a good list before settling on the organisations I am suggesting. I think it would be useful to invite them in.

Deputy Catherine Murphy: We all have a view on An Bord Pleanála, for different reasons.

Chairman: Yes.

Deputy Catherine Murphy: Sometimes we are delighted with its decisions and sometimes we cannot understand how its decisions are made. Things have changed somewhat with regard to An Bord Pleanála's finances since it was given a slightly different role in strategic planning applications. There is probably a larger amount of money involved now. It would not strike me as an organisation that is screaming out to be interrogated from a public accounts point of view. Maybe something is showing up in its accounts.

Chairman: We will not be getting into planning decisions. An Bord Pleanála receives €17 million of taxpayers' money directly from the State. I think that is a big threshold. It is a bigger threshold than the Charities Regulatory Authority, which receives approximately €4 million. The Data Protection Commissioner receives State funding of-----

Deputy Catherine Murphy: I understand that. I am probably making my point very badly. The Comptroller and Auditor General's reports throw up anomalies and things that really need to be interrogated. That is where the first call is. Sometimes, there are very big amounts of money that probably do not get the same level of scrutiny as relatively big amounts of money that are small by comparison. I am more inclined to think we should go back and look at the report to make sure we have covered the things that stand out as-----

Chairman: Okay. I just want to say-----

Deputy Alan Kelly: I support the Chair in this regard. Obviously, there is a threshold in relation to the volume of spend here. While we cannot go outside our remit, there is an issue here in relation to how that spend is dealt with. Very few people here in the committee know that there was a review done of An Bord Pleanála which has been published, but as far as I remember has never really been looked at or received any airtime. It was a review of the way in which An Bord Pleanála operates. It was nothing to do with decisions. I accept that we can never go there. I agree with that principle. We must ensure there is transparency in relation to how it operates, not in relation to how it comes to its decisions or anything to do with that. People do not know how it operates. I think we would do the public a service by fleshing through how An Bord Pleanála works, why it has to exist and why it has to operate in the manner in which it operates. There is a significant threshold of money here. People need to see how transparently it is being spent.

Chairman: This has been a very hard-working committee for the last year or two. We have gone through every chapter in the Comptroller and Auditor General's report for last year. The only chapter that has been held over relates to the Courts Service. We had to postpone it because we brought forward the HSE the other day. Only one chapter is left. We are up to date

with every special report the Comptroller and Auditor General has issued, with the exception of a small report on education capital projects. We will deal with capital projects. We have gone through Votes systematically. Last year, we picked out groups that had not been brought in before. We brought in the Office of the Attorney General and the Office of the Comptroller and Auditor General. The Houses of the Oireachtas Commission is in today. It was never in before. The Office of the Comptroller and Auditor General had never been in before. We brought in the Office of the President and the Office of the Chief State Solicitor. We have done a very comprehensive trawl of all the big Departments. The only non-departmental agencies with big spending issues are bodies like IDA Ireland, Enterprise Ireland and Transport Infrastructure Ireland. They were here less than a year ago. We can put them on the list. They would be the biggies among the bodies that are spending large amounts of money. It is important to let An Bord Pleanála and every other public body know that it is liable to be brought in here at some stage if there is a case for doing so.

Deputy Alan Kelly: Agreed.

Chairman: We brought in the education and training boards. I do not think the smaller public bodies should feel they will never be brought before us. I would like them all to realise they must always be alert. I have outlined an extensive list that includes the Heritage Council.

Deputy Catherine Connolly: What about IDA Ireland and Enterprise Ireland?

Chairman: We had IDA Ireland in. We can add Enterprise Ireland to the list if members want.

Deputy Catherine Connolly: Certainly.

Chairman: We will add it to the list. I want give a bit of flexibility as some of these people may not be available in the last two weeks of September. We need to have meetings scheduled when we return after the recess. People need a month's notice for their diaries and to prepare, which is why I want to give flexibility to the secretariat.

Deputy Catherine Connolly: On the Departments and their appropriation accounts, when were officials from the Department of Rural and Community Development before the committee?

Mr. Seamus McCarthy: When the committee discussed the dormant accounts.

Deputy Catherine Connolly: Was that a long time ago?

Mr. Seamus McCarthy: The Secretary General was here within the last 12 months, I think.

Deputy Catherine Connolly: In terms of dormant accounts, there are issues with Pobal.

Chairman: Does the Office of the Comptroller and Auditor General audit Pobal?

Mr. Seamus McCarthy: Yes.

Chairman: Pobal is an organisation that pops up everywhere.

Deputy Catherine Connolly: Yes.

Chairman: We will add Pobal to the list.

Deputy Catherine Connolly: Yes.

Chairman: We dealt with the Dormant Accounts Fund and made special recommendations on it.

Deputy Catherine Connolly: Yes.

Chairman: Pobal is a name that is popping up all over the place and it is a public body.

Deputy Catherine Connolly: Yes.

Chairman: We will add Pobal to the list.

Mr. Seamus McCarthy: Pobal receives significant funding from the Departments of Children and Youth Affairs, Employment Affairs and Social Protection and Rural and Community Development. It is a very-----

Deputy Catherine Connolly: The funding is significant.

Chairman: We have mentioned five or six organisations and we will work with the secretariat to line up whatever meetings we can. Some will not be possible but we need to have a few on our agenda when we come back. We will analyse the Comptroller and Auditor's Report and identify the Departments we want to meet at that stage. I suggest that we go into private session to quickly discuss one or two items of correspondence.

Sitting suspended at 10.12 a.m. and resumed at 10.39 a.m.

Houses of the Oireachtas Commission Appropriation Account 2018

Mr. Peter Finnegan (*Secretary General, Houses of the Oireachtas Commission*) called and examined.

Chairman: We are examining the 2018 appropriation account for the Houses of the Oireachtas Commission. We are joined by Mr. Peter Finnegan, Secretary General; Mr. Michael Errity, assistant secretary, corporate and members services division; Ms Elaine Gunn, assistant secretary, parliamentary services division and Clerk Assistant of Dáil Éireann; Ms Mellissa English, assistant secretary, chief parliamentary legal adviser, Office of the Parliamentary Legal Advisers; Ms Máirín Devlin, principal officer, finance division and Office of the Commission and Secretary General. Seated behind them are Ms Margaret Crawley, principal officer, HR services, Ms Denise O'Connell, principal officer, the Parliamentary Budget Office, PBO, Mr. Conor Morrison, finance officer, Ms Angela Branigan, management accountant, and Dr. Finn de Brí, IT digital transformation office. I remind committee members, witnesses and those in the Public Gallery that all mobile phones must be switched off or put on airplane mode, as merely putting them on silent can still interfere with the recording system.

Mr. Finnegan probably wrote this next bit, so I will read it back to him now. I advise the witnesses that, by virtue of section 17(2)(I) of the Defamation Act 2009, they are protected by absolute privilege in respect of their evidence to the committee. If they are directed by it to cease giving evidence in respect of a particular matter and they continue to do so, they are entitled thereafter only to a 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 are

asked to respect the parliamentary practice to the effect that, where possible, they should not criticise nor make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable.

Members are reminded that, under the provisions of Standing Order 186, the committee shall also refrain from inquiring into the merits of a policy or policies of the Government or a Minister of the Government or the merits of the objectives of such policies.

While we expect witnesses to answer questions asked by the committee clearly and with candour, they can, and should, expect to be treated fairly and with respect and consideration at all times in accordance with the witness protocol.

I invite the Comptroller and Auditor General to make his opening statement.

Mr. Seamus McCarthy: As members will be aware, the primary function of the Houses of Oireachtas Commission is to provide the services necessary to support the functioning of the Houses of the Oireachtas. The commission operates under the framework established by the Houses of the Oireachtas Commission Act 2003. The commission's accounts are a cash-based record of receipts and payments compared to the Estimates. Funding for the commission is provided for statutorily every three years, with Estimates proposed annually to draw a tranche of the three-year budget. The overall funding approved for 2016 to 2018 amounted to €369 million. By the end of 2018, a total of €363 million had been used. The balance of €6 million is no longer available to the commission.

The commission's 2018 account recorded gross expenditure of €134.4 million, distributed among service areas as indicated in the diagram on screen. Pay-related expenses are distributed across a number of the categories and amounted to approximately 65% of total spending in 2018. Further expenditure related to the operation of the Houses of the Oireachtas in 2018 was borne by some Votes and the Central Fund of the Exchequer. This includes spending by the Office of Public Works, OPW, on the premises used to accommodate the services, totalling an estimated €11.6 million; parliamentary activities allowances paid to political parties and Independent Members, totalling €8.6 million; funding for political parties related to their share of the vote in Dáil elections, totalling just under €6 million; and pensions and retirement gratuities of retired staff members, totalling €4 million. Payments in respect of the pensions of Members of the Houses are accounted for in the appropriation account in the form of an annual grant to Ciste Pinsean Thithe an Oireachtais. This amounted to €11.8 million in 2018. A separate account is prepared in respect of the ciste.

Receipts of the commission in 2018 were just under €2.8 million. This included just under €200,000 remitted to the commission under an agreement governing the operation of the Houses catering and bar services. Those services are accounted for separately from the appropriation account and a summary of the transactions is included as note 7.3 to the account.

Members will be glad to note that I issued a clear audit report in respect of the 2018 account.

Chairman: I thank Mr. McCarthy. I invite Mr. Finnegan to make his opening statement. He is attending for the first time as Accounting Officer of the Houses of the Oireachtas.

Mr. Peter Finnegan: I thank the Chairman. A Chathaoirligh agus a chomhaltaí, fáiltím roimh an deis seo teacht os comhair Choiste na gCuntas Poiblí agus cabhrú le scrúdú a dhéanamh ar chuntais Choimisiún Thithe an Oireachtais don bhliain 2018. Is é seo an chéad uair dom a bheith i láthair mar Oifigeach Cuntasaíochta Sheirbhís Thithe an Oireachtais.

I welcome the opportunity to attend before the committee to assist in the examination of the accounts of the Houses of the Oireachtas Commission for 2018. This is my first appearance as Accounting Officer of the Houses of the Oireachtas. I am joined by members of my management team, who are sitting alongside me, and some senior colleagues who are sitting behind. In this statement, I propose to give the committee a brief overview on the funding allocation and 2018 appropriation account, some key activities during 2018 and beyond, our corporate governance system, and our strategic goals for 2019 to 2021.

The commission is funded on a three-year statutory cycle basis, as approved by the Minister for Public Expenditure and Reform and paid out of the Central Fund. The 2016-2018 allocation was €369 million. The total outturn for the period was €363 million, or 98.5% of the allocated budget. The unspent allocation of €6 million was not carried over to the 2019-2021 funding period.

The accounts under consideration relate to 2018, which is the third year of the current Dáil and the final year of our three-year allocation. The audited accounts of the commission show that the gross expenditure for the Houses in 2018 was €134.4 million against an Estimate provision of €135.9 million, representing a 1% underspend. Salaries, pensions and allowances accounted for €97.4 million, or 73% of total spend, which can be classified as non-discretionary spend. Interparliamentary activities, broadcasting services, committee expenses, parliamentary printing, legal costs and essential consultancy and administration costs, including office premises, facilities, basic ICT equipment and services, and postal and telecommunication services, amounted to €26 million, or 19% of total spend. This was also non-discretionary. The remaining budget of €11 million, or 8%, provided for ICT, Library and Research Service project spending, and training and development costs. This was the discretionary element.

The committee should note that the Houses of the Oireachtas Service is now a large organisation. We have a total payroll in respect of 2,027 people, catering for the salaries, allowances and pensions of Members and former Members, political staff, MEPs, former MEPs and Civil Service staff, including some former State industrial, officeholder and catering staff. On 31 December 2018, the commission employed 564 full-time equivalent, FTE, staff, comprising 511 Civil Service staff, 17 State industrial and officeholder staff and 36 catering staff, at a cost of €31 million or 23% of the budget.

I will draw the committee's attention to some of the key activities in 2018 and beyond. The expenditure for 2018 reflects the considerable changes implemented in the Dáil reform programme agreed in response to the needs of the Houses and Members. These include the establishment of the Parliamentary Budget Office; the development of the Office of the Parliamentary Legal Advisers to include drafting and advisory services on Private Members' Bills; the increase in the number of parliamentary committees from 15 to 28, including eight specialist committees to date during this Dáil term; the extension of services by the Library and Research Service, Rannóg an Aistriúcháin, the Debates Office and House services; the establishment of the Business Committee, which members will know has become an important support for the running of the Houses; and some incidental and ancillary costs arising from sitting hours, security arrangements, etc.

One of the key areas that we focused on in 2018 was our ICT investment programme. The service made a significant financial investment in new technology and systems in 2018 under its digital transformation programme. This key strategic decision for the service was taken by the commission in 2016. We have invested in our key business processes, systems and in-house ICT expertise, and have mapped more than 1,000 business processes. We are now developing

a parliamentary procedural system and this is being delivered on a phased basis.

Some other notable outputs from our digital transformation programme include: the upgrading of the Wi-Fi system across Oireachtas buildings; a new website to facilitate greater public engagement; and the roll-out of Microsoft Outlook to replace Lotus Notes, which was the email system for many years in the Oireachtas. We have also upgraded the Chambers and committee rooms, adding in simultaneous translation to allow us to host meetings conducted in Irish in any of the four committee rooms. The commission will continue with its investment in digital technology in the coming years to advance the modernisation of the processes and systems.

Another major feature of the spend in 2018 was the Leinster House restoration project, which is coming to an end. This involved essential restoration and structural works to Leinster House and was managed by the Office of Public Works, OPW, on behalf of the commission. I am pleased to be able to report that the sittings of the Houses and their committees continued uninterrupted during this work. The work will be completed in time for the return of the Houses after the summer recess.

Chairman: Are you sure about that?

Mr. Peter Finnegan: Absolutely, and I will provide an update on that point. The OPW briefed the commission on Tuesday and the handover of the building takes place on 2 August. All is on track.

Another notable feature of the spend in 2018 was expenditure on legal proceedings. During 2018, the O'Brien and Kerins Supreme Court cases were managed by the Office of Parliamentary Legal Advisers. The judgments were delivered in 2019. Liabilities arising from the Kerins case remain to be quantified and should fall due for payment during the current three-year funding allocation period 2019 to 2021.

A major feature of our work during the past three years has been our public engagement programme. When the Ceann Comhairle took up his position he spoke about a Parliament of the people. We have pursued that during the past three years. Part of this involves the Vótáil 100 commemorations during 2018, which provided the opportunity to increase public understanding and improve perception of the Oireachtas, especially the role of women in our national Parliament. The programme of events reflected positively on both the Oireachtas and on the service and provided an appropriate platform for the Dáil 100 programme, which is ongoing. In addition, our public engagement programme included a significant parliamentary education programme which is delivered by our education officer, Conor Reale. This has been strengthened significantly following Conor's arrival in the Oireachtas.

In 2018 we published a new policy on dignity and respect. The parliamentary community, which comprises Members, their staff, civil servants and service providers, have signed up to the dignity and respect statement of principles and policies which developed over the course of the past year.

I will turn briefly to corporate governance. The main policies and procedures for corporate governance of the service are outlined in the governance framework. This includes the assurance framework that sets out the key sources of assurance, internal and external, underpinning the governance arrangements and activities of the service. A review of the management committee was completed in 2018. A new structure of management board and strategic committees evolved that focuses on providing strategic direction to oversee and account for the perfor-

mance of the service through collective leadership. The board reviewed the risk and corporate governance controls of the service. We are now in the process of further professionalising our governance functions to include a chief risk officer, chief financial officer and a qualified internal auditor. Our new chief financial officer is due to start at the beginning of September. The commission's audit committee advises me on financial matters relating to my functions and advises the commission on matters of corporate governance relating to its functions. The reports are published in the commission's annual reports.

For the next three years up to 2021, the budget allocated for running the Houses of the Oireachtas Commission is €422.3 million. The commission adopted its strategic plan last Tuesday and has identified four key strategic goals. These are: the development of an effective Parliament; an open and engaged Parliament; a digital Parliament; and a well-supported parliamentary community.

I wish to acknowledge the support and assistance provided by the Ceann Comhairle, the Cathaoirleach and members of the Houses of the Oireachtas Commission. My colleagues and I in the Houses of the Oireachtas Service take immense pride in serving our national Parliament and its members. We look forward to contributing to its development during the period 2019 to 2021. I am now happy to take any questions members of the committee may have.

Chairman: Thank you, Mr. Finnegan, for your opening statement. The lead speaker for today's meeting is Deputy Alan Farrell, who has 20 minutes. The second speaker has 15 minutes. All other members have ten minutes. Members have indicated in the following sequence: Deputies Farrell, Jonathan O'Brien, Cullinane, Cassells, Connolly and Catherine Murphy.

Deputy Alan Farrell: I thank the officials for coming in and I will start by complimenting them. That is probably not a surprise but I wish to compliment the officials on the centenary celebrations of the Oireachtas because they have been exceptionally well performed or pulled off or whatever one calls it. In particular, the Dáil 100 events were well managed and some of the finances for this were expended in 2018. There have been some well-put-together programmes, especially in respect of public engagement. As this is the only opportunity I will most likely get to note that, I think it appropriate to do so.

I will turn to a somewhat less important matter but it is probably as important for the persons who use the bar in this establishment. There has to be some pun thrown into the debate this morning about rats. There was mention of a certain dish being on the menu today. I will put it out there. It would be interesting if the canteen put on ratatouille. Equally, with a slight element of seriousness, I appreciate the building is old and various works have been undertaken. It is a concern to all those individuals who are on the payroll, including this one, in respect of expenditure on pest control and so on. I have a genuine concern about it and I imagine the officials share this because of the proximity of all the services provided by the catering unit and bar and so on. It is not a question but a badly-performed pun on my part.

I will comment on the information and communications technology side of things because it is probably the only really point in the Comptroller and Auditor General's report that is worth discussing. I note that the commission has come in under budget. The commission is consistent in that regard. I understand the commission was significantly under-budget in the previous year - the figure was €13 million. This year the figure is €1 million. I am citing the figures from memory - I read the material yesterday. One thing that jumped out at me was the provision for certain expenditure programmes compared with the actual expenditure. There was a significant disparity. The figure that jumped out was for ICT. There was provision for €14.6 million but

the commission spent €22.7 million. I appreciate a great deal of work has been done. My office was reissued with new laptops for the first time since I was elected in 2011 and I thank the commission for that. There was expenditure on software licences and so on. Can Mr. Finnegan be specific about where the overrun came to pass?

Mr. Peter Finnegan: Before I answer that question, I thank the Deputy for his kind words on the commemoration. I will pass that onto the team. It was truly a team effort. It was a great privilege to be involved and to be in Leinster House at the time of the centenary of the Dáil.

The ICT expenditure has exceeded the budget but this was due to a conscious decision taken by us in the first quarter of 2018. We track our expenditure carefully. We have monthly management meetings and it became apparent to us that we were going to have a significant underspend in 2018, which was the last year of our financial cycle. Under the funding regulations that apply under the Act, we cannot carry forward the allocation to subsequent years. We took the view that the most appropriate thing to do was to invest €8 million further in services and essentially bring forward expenditure that we had planned for later years. That is why we did that. We consider the ICT programme to be very important. The background is that there was significant underinvestment in ICT in the Houses, probably for 15 years. Statistics indicate that one should spend in the region of 10% of one's annual budget on ICT, but we hovered around 6% or 7% and that dropped during the downturn. Our systems were quite old and outdated and we needed to significantly upgrade them. One of the things of which we are conscious in terms of ICT expenditure is our ability to support Members. We have a new generation of Members within Leinster House, with 70% having spent fewer than ten years here. All of our Members use modern ICT in their work and we need to be able to support that, particularly things such as mobile devices.

The second big issue relates to what we discussed earlier, namely, public engagement. ICT is a key strategy in our engagement with the public because it allows us to reach out and it allows the public to reach in. It is about having a Parliament that is accessible to the people. That has been a strong objective for us over the past year. Understandably, there has been criticism of the Oireachtas from time to time, but our view is that unless people experience it and see the work being done by Members, such as at committees, it will be impossible to change that perception. People who come to Leinster House are invariably impressed. The type of ICT investment we are making will allow people to do things they do anyway on their phones. If one is going home on the bus in the evening, one will check the news and weather and one might look up real-time passenger information for the next bus. One can also look at what is going on in the Oireachtas, including the committees. It is very important to be able to showcase the work that is going on in the Oireachtas and allow people to form an independent view of it.

Deputy Alan Farrell: One of the things from which Members and their staff have benefited is the upgrade from Lotus Notes email to Outlook. I cannot remember for how long Lotus Notes was used in the House of the Oireachtas. It was a very clunky system.

Mr. Peter Finnegan: It was used for 17 or 18 years. It has been used here for as long as I can remember.

Deputy Alan Farrell: A long-serving member of staff in my office is also a long-serving member of the political system. On some mornings, it took an hour before the computer started up and one could get into it. The upgrade was desperately needed.

On personnel and payroll, I wish to specifically address overpayments. It is a problem

across all Departments and I am sure it is commonplace elsewhere also. There are payment plans in place for a number of overpayments to personnel, with the exception of in six cases. Has progress been made in that regard since the end of the 2018 financial year? A sum of €12,122 was carried forward on 1 January 2018 in regard to six overpayments for which recovery arrangements were not in place. It is a very small sum, but the principle is important. I ask Mr. Finnegan to enlighten me. If he does not know the answer, he can revert to the issue.

Mr. Peter Finnegan: There are 27 cases involving overpayments. Nine have fully paid, ten are on a plan, three are not on a plan and four have been written off. I will check the position regarding the three personnel who are not on the plan.

Deputy Alan Farrell: It is a point of principle.

Mr. Peter Finnegan: It is a matter of which the Houses of the Oireachtas Commission is very conscious. Where overpayments arise, it is difficult for the individual concerned. We try to put in place an appropriate repayment schedule for them and to work with them.

Deputy Alan Farrell: On personnel of a different type, secretarial allowances and over-spends relating to assistants for non-office holders of the Dáil and Seanad, there are significant sums involved and I am somewhat confused about it. I would have thought that overtime would be fairly consistent in respect of those employment categories. By looking back at previous years, one could probably extrapolate the sort of expenditure to expect in any given year. A cumulative sum of €1.5 million or €1.6 million is significant. The report states that the estimate relates to pay increments and overtime. Obviously, the staff are on a scale and, as such, I would have thought it would be fairly easy to predict the increases. Why was that prediction not accurately made?

Mr. Peter Finnegan: The Deputy is correct that the increases are reasonably easy to predict. During the downturn, the overtime for secretarial assistants was reduced. Many of them qualify for a payment based on six hours overtime per week.

Chairman: Maximum.

Mr. Peter Finnegan: Yes, a maximum of six hours overtime per week. Our information is that many of them work far in excess of that.

Deputy Alan Farrell: Indeed.

Mr. Peter Finnegan: The commission took a decision based on negotiations with the staff associations for the people concerned to restore the payment to a level of eight hours per week. That is the reason for that spend.

Deputy Alan Farrell: I see. It is specific to that two hour agreement.

Mr. Peter Finnegan: Yes.

Deputy Alan Farrell: That is fair enough. I will tread carefully on the next issue.

Mr. Peter Finnegan: May I make one additional point on the last issue?

Deputy Alan Farrell: Please do.

Mr. Peter Finnegan: In the course of dealing with that issue we analysed the number of people who were working those types of hours. Approximately two thirds of secretarial as-

sistants work at least eight hours overtime per week, which is a significant amount. They are a hard-working group of people and it is the nature of the job that they are required to be flexible and so on.

Deputy Alan Farrell: Yes, absolutely. I know that when I am in the Dáil, my staff are here also.

Mr. Peter Finnegan: Yes. It is linked.

Deputy Alan Farrell: Yes. I will move to a slightly more concerning matter related to something referenced in the 2017 accounts. An allegation of fraud was made in respect of salary increments over a period of 18 months. It was to be classified whether it was a matter for the Garda to pursue. Is there any update on the matter? I assume that Mr. Finnegan put in place a more robust arrangement to ensure that increments are carefully reviewed.

Mr. Peter Finnegan: As the matter is under investigation, I cannot comment on it.

Deputy Alan Farrell: It is still under investigation.

Mr. Peter Finnegan: I can address our response in terms of controls. Following the emergence of that issue, we carried out a detailed examination and now have six or seven additional controls in place which apply to that system of incremental credit. They were agreed with the relevant associations and I am satisfied that we have the appropriate controls in place to avoid a reoccurrence of that issue.

Deputy Alan Farrell: I appreciate that. On expenditure, unusually, there is a nil expenditure for the North-South Inter-Parliamentary Association. Only €51,000 was set aside for it, but nothing was spent. Is that due to the fact that the Stormont Assembly is not operating?

Mr. Peter Finnegan: Yes. One of the great tragedies of the fact that the Assembly is suspended is that that association, which had very much begun to find its feet, is not currently functioning. The Ceann Comhairle is very anxious to keep North-South links alive and has taken several initiatives. He regularly contacts the Speaker of the Stormont Assembly, Mr. Robin Newton, and hosted a talk in the Members' restaurant in May on Edward Carson to reciprocate a talk which took place in the Assembly in January to commemorate the First Dáil. We hope that the North-South Inter-Parliamentary Association will be back up and running once Stormont is.

Deputy Alan Farrell: On the theme of interparliamentary associations and communications with other parliaments, it is an integral part of what we do in terms of our ability to learn from what others are doing. I am the head of the delegation for the OSCE, for instance. I am also involved in the parliamentary friendship group. I compliment the Ceann Comhairle and Mr. Finnegan on the supports that have been provided because we cannot sit in these offices and learn about the world. Sometimes we must physically be there. The group is very beneficial and many Members engage in the process. The supports that are provided are appreciated.

On the obvious impacts that Kerins and O'Brien cases will have, my only question relates to provision for future expected liability that will befall the commission and, from an accounting perspective, whether it is being ensured there is adequate provision for that in future budgets or the budget for this year, next year or whenever it might be. Is it possible for the Oireachtas to quantify that as of yet? I know it has been mentioned in the accounts that it is not.

Mr. Peter Finnegan: No, it is not possible to quantify it.

Deputy Alan Farrell: Is it still not possible?

Mr. Peter Finnegan: We have made some provision in our accounts. For obvious reasons, I will not say what the provision is, but it is not possible to quantify it.

Deputy Alan Farrell: In terms of contractors that are used by the Oireachtas, is it Mr. Finnegan's opinion that the service provided by those contractors in the support of the ICT unit represents value for money?

Mr. Peter Finnegan: It is, yes. We did a review of that recently - our managed IT service. That review demonstrated that there was value for money. It brought forward recommendations in terms of how we might approach the service next time around. I feel, overall, that it is a good service. The feedback from Members on the technical support - it is Fujitsu Siemens that is the company concerned - is very positive. It provides a good service nationwide to Members.

Deputy Alan Farrell: Yes. I cannot fault it, to be quite frank. In terms of the upgrade of Leinster House and all of the work that has been done over the past year or so, which I know is being managed by the Office of Public Works, did the Houses of the Oireachtas Commission or OPW incur the cost for the movement of the Seanad Chamber to the National Museum?

Mr. Peter Finnegan: The commission incurred some costs relating to the move to the Seanad Chamber. One of the big costs that was incurred in that related to the arrangement that was made between the Houses of the Oireachtas and the National Museum. In return for facilitating the Seanad, we agreed to provide funding towards the provision of a lift within the National Museum. We transferred that amount - it was €500,000 - at the end of last year, and that will be used now in terms of the capital programme for the museum.

Deputy Alan Farrell: But otherwise there was not rent paid *per se*.

Mr. Peter Finnegan: There were some other additional costs related to security, which we picked up as well because they were costs that were directly arising from our occupancy of the Ceramic Room.

Deputy Alan Farrell: Does that relate to securing the doors and things like that?

Mr. Peter Finnegan: Yes. It would be securing the doors.

Deputy Alan Farrell: As opposed to personnel?

Mr. Peter Finnegan: Yes, it is on the museum's side.

Deputy Alan Farrell: It involves physical things.

Mr. Peter Finnegan: Yes.

Deputy Alan Farrell: That is not surprising, I suppose. I compliment the Houses of the Oireachtas on the work that it has done in the establishment of the Parliamentary Budget Office, PBO, and the legal services that have been provided. It is important to note that. There was a time in 2011 when I started drafting a Bill. It was only through the assistance from the Library and Research Service, which I believe was beyond the normal scope, that I was able to put a Bill together. That was very strange. I was brand new to the building and I thought it was very odd that there was no direct support. I had to go to the Law Library to get additional assistance. The

situation is different now, which should be noted. I compliment Mr. Finnegan on it, particularly the Parliamentary Budget Office and the periodic reports it issues, because they are very helpful. Again, without the normal opportunity to raise these things, I use this opportunity to do so. As Mr. Finnegan has been given a clear audit and nothing of major significance jumped out at me from the pages, I am very pleased with the Comptroller and Auditor General's report and thank Mr. Finnegan for appearing this morning.

Mr. Peter Finnegan: I thank the Deputy.

Chairman: I thank Deputy Farrell and the next speaker is Deputy Cullinane.

Deputy David Cullinane: I welcome Mr. Finnegan and all of his team. Can I assume that they are happy to be here?

Mr. Peter Finnegan: Very happy.

Deputy David Cullinane: We are happy to have them.

Mr. Peter Finnegan: It is an important part of my function to speak at the Committee of Public Accounts.

Deputy David Cullinane: Very good. I will start with the accounts on page 12. Mr. Finnegan touched on some of it in his opening statement and I ask him to expand on the matter. I refer to line (e), under administration, "Office equipment and external IT services". The 2018 estimate was €14.6 million. Is that right?

Mr. Peter Finnegan: Yes

Deputy David Cullinane: And the outturn was €22.7 million.

Mr. Peter Finnegan: Yes.

Deputy David Cullinane: That was an increase of €9.7 million. What was done? What was the €22 million for? Why was there an increase of €9.7 million?

Mr. Peter Finnegan: To answer the Deputy's last question first, the increase of €9.7 million resulted from a strategic decision that we did because there was funding available in the final year of our three-year budgetary cycle. The service basically recommended to the commission that we bring forward ICT expenditure. Hence the reason the extra €8 million was invested in ICT.

Deputy David Cullinane: Was that decision made before the estimate of €14.6 million was put in?

Mr. Peter Finnegan: It was, yes.

Deputy David Cullinane: At what point was that estimate made? At what point was the decision made to increase it?

Mr. Peter Finnegan: The estimate would have been the year before. The estimate would go through, typically, in October of the preceding year.

Deputy David Cullinane: Was that in 2017?

Mr. Peter Finnegan: Correct.

Deputy David Cullinane: At what point was it decided to expand it?

Mr. Peter Finnegan: It was in the first quarter of 2018, because when we were profiling our spend, it became evident very early on, especially on the salary side, that we were not going to hit the numbers that we had originally envisaged. We took the strategic decision, then to invest money in ICT.

Deputy David Cullinane: What was it for, specifically?

Mr. Peter Finnegan: It was in a number of areas. It was on project expenditure relating to digital transformation - our digital parliament programme. We purchased our new Microsoft licences, which account for almost €2 million - €1.9 million approximately. We purchased hardware equipment as well.

Deputy David Cullinane: Was all of that put out to tender?

Mr. Peter Finnegan: Absolutely, yes.

Deputy David Cullinane: Can I have a breakdown on what the €22.7 million was spent on - the line items?

Mr. Peter Finnegan: Yes. In terms of the programme itself, the programme came in at €11.36 million. Software maintenance, which would include things like Microsoft licences, came in at roughly €2.6 million. Our managed serviced support with Fujitsu was €1.37 million. On printing equipment, we replaced our printer and the print unit came in at approximately €1.3 million. Hardware was approximately €864,000. Our sound contract came in at €678,000. That would be the sound contract in the Dáil, Seanad and four committee rooms. Our network expansion, which would be our Wi-Fi and so forth, came in at €618,000. The final items within that overall figure of €22.7 million would be things like consumables and stationery for the Oireachtas, the cost of our website, servers and backup units, our managed print service, office equipment, and some kinds of minor miscellaneous costs.

Deputy David Cullinane: Mr. Finnegan might supply the committee with a detailed note, if he can. I do not have a quarrel with a decision being made to upgrade the systems. Where it needs to be done from an ICT perspective, it should be. I am looking at the outturn for the headings and most of them are either under budget or on budget, so this heading is one that jumps out and where there is a significant overspend. If we could have a detailed note of the exact breakdown and what exactly the money was spent on, that would be useful for us.

Mr. Peter Finnegan: I will provide that, yes.

Deputy David Cullinane: On page 19 of the report, it talks about variations in expenditure and with regard to office equipment, external IT services and office premises expenses, it says the overspend arose through additional costs incurred due to the relocation of the Seanad to the Natural History Museum. It only deals with that at paragraph length which means we cannot really get under the bonnet of exactly what it was all spent on unless we ask questions or get a more detailed note. What was the cost overrun on that project?

Mr. Peter Finnegan: The overrun there is €194,000.

Deputy David Cullinane: What was the total cost of the project?

Mr. Peter Finnegan: The OPW move to the National Museum was probably around €1

million for the refurbishment.

Deputy David Cullinane: Why was there an overspend of €194,000?

Mr. Peter Finnegan: That is actually the cost we would have picked up in relation to that. The other costs would be met from the OPW.

Deputy David Cullinane: But it is an overspend. The overspend arose due to additional costs. Is that because the additional costs were not foreseen?

Mr. Peter Finnegan: They were not foreseen, correct.

Deputy David Cullinane: Why was that?

Mr. Peter Finnegan: We had to upgrade the alarm system when the Seanad was moved over to the National Museum.

Deputy David Cullinane: My next questions are on the refurbishment of Leinster House and conservation works. We all look forward to that being completed and opened. If there is a grand opening, we will all be there. I just want to look at the costs. While I do not believe everything I read in the newspapers, no more than anyone else, the initial reports on the project in an article in *The Irish Times* of May 2017 were that it would cost €8 million. The article stated:

While the final cost of the work has yet to be determined, the OPW said last December that it would be at least €8 million.

At what point were the initial costs worked out? Was that figure accurate and was the OPW accurate in saying it would be at least €8 million? Was that an estimate or what was that based on?

Mr. Peter Finnegan: It would have been an estimate but quite a rough one too. The costs on the refurbishment project - the total project spend, including construction fees, design team fees, VAT and various bonds, etc. - come in at €14.87 million. That is the key figure.

Deputy David Cullinane: I know that. We will get to that in a moment. I am going back first and we will work towards what the actual cost was. Back at that point, a number of newspaper articles were talking about a cost of €8 million. Mr. Finnegan says there was a very rough estimate by the OPW of €8 million. It would be better if we did not have rough estimates because once figures are put out like that, if it costs more, we are into the cost overspend territory.

Mr. Peter Finnegan: I agree.

Deputy David Cullinane: I downloaded the following from a website. It is on Leinster House restoration and conservation works and was published by the contractors, Duggan Brothers. It refers to works over a 12 month period and an Office of Public Works contract with a value of €10 million.

Mr. Peter Finnegan: The contract is €12.87 million, inclusive of VAT and the bond.

Mr. Seamus McCarthy: That might be a VAT difference. Businesses tend to focus on the price exclusive of VAT.

Deputy David Cullinane: I might provide a copy of that and it might be confirmed if it was a VAT difference. To cut to the chase, was there an overspend on that work? What was the

estimated cost and what is the estimated total outturn? Has there been an overspend?

Mr. Peter Finnegan: I would not describe it as an overspend. It is under negotiation between the OPW and the builder but it is in the public domain at the moment that the final project cost will come in at roughly 15% above the figure of €14.78 million. That is attributable to the fact that some of the items that resulted in additional cost could not have been foreseen when the tender documents were being done. There is only a certain amount of surveying that one can do with a historic building. It is when one actually gets in at it that one knows precisely what-----

Deputy David Cullinane: I am reading from an *Irish Examiner* article. Again, it is just newspaper articles and if they are wrong, Mr. Finnegan should feel free to correct the figures. This was published on 8 July 2019, which was this week in fact. The article says the total cost of renovating Leinster House will top €17.5 million. Is that incorrect?

Mr. Peter Finnegan: Doing very rough maths, if one adds 15% to €15 million, one is roughly at €17 million.

Deputy David Cullinane: So, it is correct.

Mr. Peter Finnegan: It is not far off it.

Deputy David Cullinane: Is there an overspend then?

Mr. Peter Finnegan: The estimated cost of the overspend is probably of the order of 15%. That is basically about costs in respect of itemised work that is done at the unit cost built into the contract.

Deputy David Cullinane: I ask Mr. Finnegan to explain in a little more detail so that people can understand it. Why is there an overspend in the first instance? If it is approximately 15%, how much is that in money? What is it directly related to?

Mr. Peter Finnegan: To answer the Deputy's first question, the reason there is an overspend is that a certain amount of this work was not known in advance and could not have been known until the contractor arrived on site and certain things were stripped away.

Deputy David Cullinane: Can Mr. Finnegan give examples of that?

Mr. Peter Finnegan: It would be brickwork, chimneys, additional fireproofing, and addressing some of the voids that were discovered in the structure of the building that were not known when the surveying took place. There was an extensive amount of surveying done to the building beforehand, but it is impossible to catch everything as part of such a process. There will be a number of items that remain undiscovered right up to the point at which one moves on site.

Deputy David Cullinane: Is there no limit then on what it could cost?

Mr. Peter Finnegan: There is.

Deputy David Cullinane: In other words, anything could have been found that could have increased the cost.

Mr. Peter Finnegan: No. It is not that anything could have been found. The OPW carried out a very good survey.

Deputy David Cullinane: A number of things were found that were unforeseen. Mr. Finnegan said very extensive surveys were carried out but that there were still things that were not detected that led to an overspend.

Mr. Peter Finnegan: That is correct but the nature of restoration of historic buildings is that there will be things that one discovers once one gets on site and looks at things in detail. These are the issues I have just referred to and that gave rise to some additional cost.

Deputy David Cullinane: I will quote something back to Mr. Finnegan that I found extraordinary. I will not name the individual because I do not think he is in the role he was in. It was the Superintendent of the Houses of the Oireachtas and he was quoted in *The Irish Times* when it was asking about the costs. He said “As Michelangelo said to the pope, ‘It will cost what it will cost’.” That is not really an appropriate response when somebody is asking genuine questions about how much a project will cost. I put it in the context of all the other cost overruns, which are outside of Mr. Finnegan’s control, involving State money. People take these issues seriously so when a question is asked and the response is “As Michelangelo said to the pope, ‘It will cost what it will cost’,” that is a very flippant response and almost sounds like saying “Whatever it is, it is.” However we are talking here about our money - taxpayers’ money. Did Mr. Finnegan see that quote in the first instance?

Mr. Peter Finnegan: I saw it at the time, yes.

Deputy David Cullinane: Did Mr. Finnegan think it was an appropriate quote?

Mr. Peter Finnegan: It is unfortunate to make that comment. We have been particularly conscious of cost control on this project. We have our own internal team that works on it. That team meets every month. The commission is getting progress reports from the OPW and the management of public money on the project has been a key priority for us. Of all institutions, the Houses of the Oireachtas must ensure that public money is spent appropriately and that there is proper management of resources.

Deputy David Cullinane: Regarding my final set of questions, it would be remiss of us not to ask about our own expenditure and what we incur. My first question in that territory is on the funding for political parties. It is something that is largely misunderstood. There is an obvious logic to it as it reduces the dependency on corporate donations, which we have very strict controls on, thankfully, in the State. I am personally in favour of State funding for political parties, groupings and Independents. How does it work? As we do during the so-called silly season, we will have any number of articles on expenses for politicians and how much political parties and Independents cost the State. That is all grand as we all have to be held to account. Sometimes, however, the facts underpinning it are not always put out there. How does it work? How are political parties funded and what was the total cost for each grouping in 2018?

Mr. Peter Finnegan: I preface my remarks by saying it is a very important source of funding because it really is the funding of the democratic system. This funding is not administered by the Houses of the Oireachtas. The way it works in broad terms is that there is a sum of money - I think it is €61,000 - for the first ten Members and it is on a sliding scale.

Deputy David Cullinane: Is that €61,000 for each Member?

Mr. Peter Finnegan: For each Member, yes. It is for the first ten Members, and it is on a sliding scale. Any party in government, its overall funding is reduced by one third. That money then can be used for-----

Deputy David Cullinane: What is the logic for that? Is it because they have access to civil servants?

Mr. Peter Finnegan: It is because they have access to services etc. I apologise; for the first ten Members it is €64,000 per Member. For 11 to 30 Members it is €51,000 and for more than 30 Members it is €25,000.

Deputy David Cullinane: Is that the only funding to parties? Are there other allowances to parties?

Mr. Peter Finnegan: There is other funding that goes to parties via the Electoral Act based on electoral performance. On the parliamentary activities allowance, it is very tightly drawn up. There is a series of categories the money can be spent on and it is fully audited.

Deputy David Cullinane: I will come to that shortly because I want to ask a question about the difference between allowances for party leaders and Deputies and allowances for Independents. I believe some changes were made to those recently but I will come to that.

Mr. Finnegan gave headline figures in his opening statement as to State funding for political parties. Will he remind us of that?

Mr. Seamus McCarthy: I think I was the one who gave those figures.

Deputy David Cullinane: I am sorry, Mr. McCarthy. Is that because it is not directly related to the work of the commission?

Mr. Peter Finnegan: It is not directly related. The money is actually paid from the Department of Public Expenditure and Reform to the parties. We do not have an involvement in those payments. It does not come through-----

Deputy David Cullinane: Is it listed in Mr. McCarthy's accounts?

Mr. Seamus McCarthy: It is classified as a net allied service in the way it is in other appropriation accounts. One sees the expenses-----

Deputy David Cullinane: Who is the Accounting Officer for it?

Mr. Seamus McCarthy: The Department of Finance.

Mr. Peter Finnegan: The Department of Finance.

Deputy David Cullinane: We might wait for the Department of Finance witnesses to come in.

Chairman: The next speaker is Deputy Cassells.

Deputy Shane Cassells: I extend a warm welcome to Mr. Peter Finnegan and all the team and thank them for their work. I refer to page 4 of Mr. Finnegan's opening statement. He referenced the Kerins Supreme Court case, which involved this particular committee, and the ramifications of it. Additionally, Mr. Finnegan wrote to all the members last night setting out his thoughts in respect of the establishment of a working group that would examine this particular Supreme Court case and the need for Oireachtas committees to have clear terms of reference and to remain within them. One of the points he made in his letter to us was about the conduct of meetings, the conduct of hearings by the committee as a whole and the supervision of such

hearings by the Chair. In terms of the implementation or scope of these changes, who will be policing who? My fear would be about the ethos of the group and how far it would be prepared to go in terms of the implementation of changes.

In recent committee hearings we saw the Irish Greyhound Board, which is in receipt of huge amounts of public money, and the need for proper scrutiny of the expenditure of that public money. We have seen, in recent committee hearings, witnesses from the Football Association of Ireland stonewalling in respect of questions and citing legal cases in that particular week as a defence. In the end, it lost its State funding but the fear is that this working group would go so far in trying to rein in committees that we would not have that proper scrutiny of public expenditure. In the context of the letter he sent us last night, I ask Mr. Finnegan for his views on the ethos of this working group and how far it is prepared to go.

Mr. Peter Finnegan: As an initial remark, in its judgment the Supreme Court identified four particular areas that it recommended the Oireachtas examine in order to safeguard constitutional rights. They were remit, clarity around invitations, the conduct of meetings and remedies. Following the issuing of the Supreme Court judgment, the Committee on Procedure of the Dáil met and established a working group which reports to it. That working group is chaired by Elaine Gunn, who is on my left.

The purpose of the working group is to consult with all relevant parties within and outside the Oireachtas. The group has written to all the party leaders. My letter last night was to alert individual members to the work of the group. A key part of the group's work will be to undertake a broadly based consultation of all the stakeholders involved. Having done that, it will take the views of people within the Oireachtas and people who come before Oireachtas committees. It will do its analysis. It will take its advice and report to the Committee on Procedure of the Dáil. The Seanad Committee on Procedure and Privileges will also be involved in the process. Any decisions in respect of the matters concerned are a matter for the committees on procedures of both Houses.

Across the Oireachtas, people are acutely aware of the need to find the correct balance. People have spoken about the issue of a chilling effect on Oireachtas committees. That is not what this is about. This is about addressing issues that have been highlighted to us by the Supreme Court. The Supreme Court has essentially said to the Oireachtas that it has a wide margin of appreciation in how it conducts its affairs but it must safeguard the constitutional rights of third parties. That is what this is about. It is finding that balance, working with people who sit on committees and with people who come into committees and bringing forward recommendations.

Deputy Shane Cassells: Mr. Finnegan does not believe that the ethos of this group will have that chilling effect on committees in terms of neutering the scope of the questions asked.

Mr. Peter Finnegan: Absolutely not, no. That is not what is intended at all.

Deputy Shane Cassells: Mr. Finnegan alluded to it and he does not have a final figure but does he have a figure in terms of the legal costs of that particular case thus far?

Mr. Peter Finnegan: Yes. I think the figure is €485,000 for the two cases. That would be the Denis O'Brien case and the Angela Kerins case.

Deputy Shane Cassells: What would be the legal costs incurred by the Houses in a normal year?

Mr. Peter Finnegan: They would be far below that. These are major constitutional cases that required very senior legal teams. To explain the representation for the Oireachtas in the courts, on the Angela Kerins case we had two senior counsel, namely, Paul Gallagher and Brian Kennedy. Paul Gallagher is a former Attorney General. We had two junior counsel. We did all the in-house solicitors' work ourselves in the Office of Parliamentary Legal Advisers, so there was a considerable saving on that. We also had two senior counsel in the Denis O'Brien case. That is in recognition of the important constitutional dimension to both of those cases. Where we are involved in normal litigation cases, the costs would be nothing like that but such were the issues at stake we had to ensure that the position of the Oireachtas was well argued by some of the top legal brains in the country.

Deputy Shane Cassells: Moving to the Leinster House renovation programme, Mr. Finnegan outlined earlier the potential final figure. He referenced areas of overspend that could not have been envisaged when the initial scope was done. At every point when additional work was required, was that referenced through Mr. Finnegan's office? Did he sign off on that as well, in terms of working with the Office of Public Works, OPW, in that respect?

Mr. Peter Finnegan: We are, in a sense, the client. The OPW is acting on our behalf but we have a steering group that oversees the project, which Mr. Michael Errity chairs. That group meets on a monthly basis. It was presented with monthly reports and all of those issues would have come through. We also brought in our own expert to work for us who gave us a good independent take on what was being done as part of that project.

Deputy Shane Cassells: Potentially, Mr. Finnegan would have anticipated additional costs because of the fact that he was dealing with an old building.

Mr. Peter Finnegan: We would have had to, yes.

Deputy Shane Cassells: He may have had a ballpark figure. Does he believe the €17 million spend on the building represents value for money in respect of the work?

Mr. Peter Finnegan: I do. Having been in Leinster House for the duration of the work, having walked the site on many occasions, having been up on the roof and in the basement, and having seen every part of the building, I know that an enormous amount of work was involved in the project. It is detailed work. At any given time, 80 construction workers were on site - everybody from electricians to stonemasons. It is good value for money. The building was constructed in 1745 and we are coming up to its 275th anniversary next year. The sum of €17 million has been the only major capital expenditure on the building and its restoration. If that is averaged out over 275 years, it is outstanding value for money. One nice aspect of the project is that there will be a building for the people at the end of the project. We want people to come in and see the building because the work is to a very high standard. Ultimately, we say it is the people's Parliament and it is their building.

Deputy Shane Cassells: On the subhead of consultancy services, there was a provision of €3.4 million. Expenditure amounted to only €1.5 million. Why was such a large provision made for consultancy services?

Mr. Peter Finnegan: The variation is mainly attributable to legal advice. We had an original estimate of €2.5 million-----

Deputy Shane Cassells: Legal advice comes under the subhead of consultancy services.

Mr. Peter Finnegan: Yes, that is the way it is categorised in our Vote. There was a big underspend-----

Deputy Shane Cassells: Are any other consultancy services, such as public relations, PR, and so on, engaged by the Houses?

Mr. Peter Finnegan: No, not on PR because our communications unit does all the internal communications. There are some consultancy services for information and computer technology, while there are procurement services for facilities. There was some spend on communications around the time of the Dáil 100 and Vótáil 100 programmes as well as some spend on the library, human resources and internal audit.

Deputy Shane Cassells: I turn to communications and the broadcasting services. What is the full yearly cost of the operation of Oireachtas TV?

Mr. Peter Finnegan: The full cost of Oireachtas TV is in the region of €1.3 million. That is over and above the normal day-to-day spend. In the broadcasting area, 75% or 80% of the spend would probably arise in any event because we televise the in-House proceedings. On any given day, six studios cover the two Houses and four committee rooms, and the feed is fed to all the major broadcasters. Somewhere in the region of 35 people work on it. The issue with Oireachtas TV is that the content is there in any event and the additional expenditure arises from some of the transmission costs we incur. There is also a small element for programme-making.

Deputy Shane Cassells: Within the communications spend, for a number of years there was a provision for the Houses of the Oireachtas to be broadcast on local media too. I refer to regional newspapers and local radio stations. Proceedings in the Chambers were broadcast every week on local radio in order that, as Mr. Finnegan noted earlier, there could be public engagement and the Parliament could be accessible.

Mr. Peter Finnegan: Yes.

Deputy Shane Cassells: What was the cost of providing that service every year?

Mr. Peter Finnegan: We will get a figure for the committee. My recollection is that it was somewhere around €100,000. That is the sort of money we are talking about.

Deputy Shane Cassells: It is considerably less than the national spend on Oireachtas TV. Am I correct that the regional contract has ended?

Mr. Peter Finnegan: Yes. It came to a natural end. The two extensions that were provided for had been availed of.

Deputy Shane Cassells: Will a provision be made for a new contract in respect of that service for regional papers and local radio?

Mr. Peter Finnegan: The commission has considered this and there were meetings. The Ceann Comhairle met people who availed of and benefited from the service time ago and listened carefully to the points they made, which were valid. It was subsequently brought to the commission, which decided to go in a different direction for local media. The issue with the local media service was that it worked for a category of Members. Our estimates are that 27% of Members were covered by the previous contracts. On the local media platforms, only four of 19 local radio stations were covered. We now seek to design a service that has much broader coverage for Members generally, where there is more equal access to the service. We are also

trying to get nationwide service on the local radios and so on that pick up the service.

Deputy Shane Cassells: It is very disappointing that the service was effectively ended and I made that point to the Ceann Comhairle when he convened those meetings. Local radio and newspapers are an important part of democracy in allowing people access to what happens here. Rather than allowing the contract to end, the provision should have been rolled out to the full 19 local radio stations and the local newspapers. On behalf of Members and for local media, I reiterate to Mr. Finnegan that it should be pursued. Local media is under significant pressure in an age when social media, which is not subject to proper kinds of press regulatory mechanisms, effectively skews the news. The Houses need local media engagement and I ask that Mr. Finnegan seek to provide it.

Mr. Peter Finnegan: The Deputy's point is well made. To reassure him in respect of the local media element of the new strategy, there is a considerable local media element and it will involve engaging with local media organisations every quarter and bringing them to Leinster House at our cost. We will facilitate meetings with Members and allow radio stations that wish to broadcast from Leinster House to do so. We will provide them with training on the web in order that they can access much of our material, given that so much of it is now online.

Deputy Shane Cassells: I thank Mr. Finnegan and all the team for the work they do and, in particular, for the Dáil 100 celebrations at the start of the year.

Mr. Peter Finnegan: I thank Deputy Cassells.

Deputy Catherine Connolly: Cuirim fáilte roimh na finnétithe. Is iontach an rud é go bhfuil cothromaíocht inscne i gceist inniu. Gabhaim comhghairdeas leis an tseirbhís sa chomhthéacs sin. Is rud neamhghnách é dúinn bheith ag cur ceisteanna ar oifigigh Thithe an Oireachtas agus ag éisteacht le freagraí uathu. The witnesses are very welcome and I thank them for making an effort with the Irish language. Go raibh míle maith acu. B'fhéidir go mbeidh tuilleadh Gaeilge le cloisteáil sa ráiteas tosaigh an chéad uair eile.

Ag fanacht le sin, I turn to the Coimisinéir Teanga's report that was published today. I accept that Mr. Finnegan will not have had a chance to read it, nor have I. Nevertheless, the headline figures are extraordinary. Of 21,000 members of staff, 3% have a competency in Irish. I do not know whether Mr. Finnegan had a chance to hear that but they are the headline figures. Some 550 of 21,000 have a competency in Irish. I, too, have yet to read the report but the figure is 3% or less.

Mr. Peter Finnegan: I have not seen the report but the figures do not surprise me. As the Deputy will know, we have tried to promote the use of Irish around the Houses and we adopted an Irish language strategy a year ago, which we have been implementing. On our own organisation, bilingual staff in Rannóg an Aistriúcháin provide a translation service, bilingual staff work in the Debates Office, and Irish language skills are required in individual areas such as the committees-----

Deputy Catherine Connolly: I accept all of that. Most of the 550 people are in the Department of Culture, Heritage and the Gaeltacht or other areas specifically associated with Irish. The question is unfair, in a sense, given that the report has just been published but it would be remiss of me not to mention it. Is the figure of 3% not a huge problem?

Mr. Peter Finnegan: It is an enormous problem.

Deputy Catherine Connolly: Will that be something the Houses of the Oireachtas Service will look at again in its own strategic plan, given the starkness of those figures?

Mr. Peter Finnegan: Very much so. I would be interested to have a read of that report later to see what exactly it has to say. It is a stark reminder of where we are at in the public service in terms of Irish. We have to do better because it is our first official language. In our own organisation we are trying to do better in terms of the promotion of Irish by organising Irish language classes. We have Irish language social events and we set up taise na leabhar, a virtual library.

Deputy Catherine Connolly: What is the availability of the Irish language classes? Are they free?

Mr. Peter Finnegan: Yes.

Deputy Catherine Connolly: What is the uptake on them?

Mr. Peter Finnegan: The uptake for some of them is disappointing, to be frank. We are making the offering and trying to encourage people to attend them.

Deputy Catherine Connolly: Rather than me digressing into the Irish language, I would love to come back to Mr. Finnegan on it another time. If people are not taking up the classes, we need to look at that. There is an inverse relationship between the amount of empathy and sympathy for and delight in the Irish language and the rate of its decline. We have a serious challenge but I will park the issue for the moment. On the rats, I take comfort from the fact that they have not deserted us. The ship is not sinking yet. It looks like we might be back and there is no election looming.

On the accounts, I will address the fraud issue first. On page 4 of the report, Mr. Finnegan states in note 6.2 that he has disclosed an alleged fraud but he cannot really say much about it. When did it come to his attention?

Mr. Peter Finnegan: I would have to look up the precise date on which it was brought to our attention.

Deputy Catherine Connolly: Can Mr. Finnegan tell me roughly when? I do not need the date.

Mr. Peter Finnegan: I think it was the summer of 2018.

Deputy Catherine Connolly: It was some time last year.

Mr. Peter Finnegan: I will just check. It was in the summer of 2018.

Deputy Catherine Connolly: How long has it been with the Garda?

Mr. Peter Finnegan: It was reported almost immediately.

Deputy Catherine Connolly: Does Mr. Finnegan have an update on the case from the Garda?

Mr. Peter Finnegan: I do not. It is a matter for An Garda Síochána.

Deputy Catherine Connolly: Okay. The service has put in new controls. We hear this all the time; after the event, the controls go in. Mr. Finnegan mentions six new items, I think. Why

were they not in place beforehand? I welcome that they are in place now but week after week, we hear about something being put in place after the event.

Mr. Peter Finnegan: The incremental credit scheme has been in place for a good number of years and has operated well up to now.

Deputy Catherine Connolly: There was no red alert anywhere.

Mr. Peter Finnegan: There was no red alert coming through on our side. The issue was that the Members in question basically, who were the employers, were not required to sign the application form. That is one of the new controls that we have introduced.

Deputy Catherine Connolly: What are the other controls?

Mr. Peter Finnegan: The Member who is the employer has to verify all of the references. That is recognised by the signing of the application. The signature from the employer also ensures that our Members HR unit is aware that the application is in process. On receipt of the signed application, our Members HR unit sends an email to the employer. Essentially, there is a double lock system confirming that an application has been received. After the application has been confirmed or denied, Members HR again contacts the employer by email informing him or her of the outcome.

Deputy Catherine Connolly: Those controls are now in place. We would hope there would not be another incident.

Mr. Peter Finnegan: Absolutely.

Deputy Catherine Connolly: Okay. On page 3, audits, there is a section dealing with the bar, which is currently closed. Is it not unusual that the staff are paid by the State?

Mr. Peter Finnegan: They are accounted for under subhead 1(a).

Deputy Catherine Connolly: If we take out the staff payment, it looks like the bar is operating at a profit but if we put in the staff costs, it is operating at a massive loss.

Mr. Peter Finnegan: Correct. There is a significant cost in running it but that cost is actually noted at the bottom of the account. If I can bring it to the Deputy's-----

Deputy Catherine Connolly: Is this just historical in that it has been run this way for years?

Mr. Peter Finnegan: Yes, it is historical. If the Deputy looks at page 28 of the account, those costs are highlighted in note 1. I should say in respect of those costs that because of the nature of Leinster House and the demands it imposes on people, there is a requirement for a facility like this. It would be what many employers would provide to their staff.

Deputy Catherine Connolly: I am not going to go into the ins and outs of that. I am looking more at the control mechanisms that are in place. On page 3, six points are highlighted. There is a credit policy implemented now, automatic credit and debit deductions. The next two points are particularly important. An internal audit was carried out in 2018, giving a reasonable level of assurance. This begs the question as to whether that was after a drink or two. What does "a reasonable level of assurance" mean?

Mr. Seamus McCarthy: That is good.

Deputy Catherine Connolly: Is it good? That is fine.

Mr. Seamus McCarthy: We cannot get absolute assurance.

Deputy Catherine Connolly: That is as good as it gets.

Mr. Seamus McCarthy: It is reasonable, yes. We tend to understate things.

Deputy Catherine Connolly: Okay. The next point is the financial results of the bar and restaurant. It states: "The Commission has procured the services of an external auditing firm to carry out a financial audit of the Bar and Restaurant Services 2018 Account." Has that been done?

Mr. Peter Finnegan: It has. That audit was completed and presented to the Comptroller and Auditor General for consideration in the course of his annual audit.

Deputy Catherine Connolly: Very good. Where is that at?

Mr. Seamus McCarthy: It is finished. The results are represented in the accounts.

Deputy Catherine Connolly: Did any issues arise in that external audit?

Mr. Peter Finnegan: No.

Deputy Catherine Connolly: I will move on to the two cases involving Mr. O'Brien and Ms Kerins. I am glad the Secretary General made reference to a chilling effect because I am really tired of the phrase. I read the judgments and listened to Ms English's briefings. The Supreme Court judgment has anything but a chilling effect on the way we run our committees. We want to get that message out. I would like to hear from Ms English again on the key points. That would be helpful and educational for all of us. The wrong message is going out, perhaps for reasons that suit those who are putting it out. Mr. Finnegan cannot tell us the contingency cost that has been put aside.

Mr. Peter Finnegan: No.

Deputy Catherine Connolly: I understand that. We won the Mr. O'Brien case in the Supreme Court, however, did we not?

Mr. Peter Finnegan: We won it in both the High Court and the Supreme Court.

Deputy Catherine Connolly: Perhaps Mr. Finnegan would give the committee a note as to why we are paying costs when we won those cases.

Mr. Peter Finnegan: The issue of costs arose and the Supreme Court decided we would get our costs for the High Court part of the action and that each side would carry its costs for the Supreme Court element.

Deputy Catherine Connolly: Can Mr. Finnegan provide us with a breakdown of those costs?

Mr. Peter Finnegan: I would be happy to do that.

Deputy Catherine Connolly: The most important thing for me is how we prevent this from happening in the future and how appropriate mechanisms are put in place. That is what was lacking. It was not this particular committee but the previous one which acted outside of

its remit and went beyond the invitation that it issued. There was no existing mechanism to put manners on it, for want of a better phrase. Is that right?

Mr. Peter Finnegan: That was the determination of the Supreme Court; they acted unlawfully and-----

Deputy Catherine Connolly: In those particular circumstances, for that particular meeting of that committee at that time. The message is not a chilling effect telling us to stop asking robust questions - quite the opposite. The court is saying it will not interfere with committees if the mechanism is in place and that it will only do so when it is forced into it by a lack.

Mr. Peter Finnegan: Correct.

Deputy Catherine Connolly: I want to get that message out. Ms English might put it a bit more articulately.

Ms Mellissa English: They are only set of papers that I appear not to have brought with me for today but that is absolutely fine since we have done this briefing on a number of occasions. As the Deputy rightly points out, there have been messages out there about this chilling effect on parliamentary committees, which is absolutely incorrect. The court is at pains throughout the decisions in both the Supreme Court judgments in Kerins in this regard. As the Secretary General said, the court is asking Parliament to set up a system that will rebalance the rights of non-Members when they appear in front of committees. It is stating that if we put procedures in place to provide an avenue of redress for people who believe they have been unfairly treated in front of committees and that if such a system includes remedies that will come into play when a Member or a committee acts unlawfully, the rights that need to be given to non-Members will have been rebalanced. It is stating that when such a system is in place, the Judiciary and the courts will give Parliament a very wide margin of appreciation in how it runs its business. It is far from a chilling effect. As the Deputy rightly pointed out, a number of errors occurred in that case in terms of remit, the letter of invitation and how the hearings were actually run. When the working group has finished its consultations and reported back to the Committee on Procedure, a system will be put in place. We hope Standing Orders will be amended to allow for a redress system. In such circumstances, things should operate much more smoothly in the future.

Deputy Catherine Connolly: I was trying to give the witnesses the briefing document that was given to us with my own notes, but perhaps that would be inappropriate. It is the briefing document the witnesses gave us.

Ms Mellissa English: It is. I thank the Deputy.

Deputy Catherine Connolly: The document is crystal clear. It has been very helpful for the Chairmen of the various committees. There is a certain hysteria.

Ms Mellissa English: Yes.

Deputy Catherine Connolly: Some Chairmen are coming under pressure from the press because of how it is being interpreted. It might be helpful to do this on a more regular basis. I thank the witnesses for setting out the functions of the Houses of the Oireachtas Commission. The efforts to make Parliament more accessible are very welcome. I would like to know more about the key performance indicators, to use the jargon we have learned from the Comptroller and Auditor General, that will be used as efforts are made to make Parliament more effective. Money messages come to mind, but we will leave that matter for another day. However, I wel-

come the efforts being made to make Parliament more effective and open. Oireachtas TV has been an eye-opener for me. Many people watch it. We are empowering people and it is money well spent. Those who watch Oireachtas TV can see for themselves what is going on in their Parliament without having to rely on social media. It is important for them to be able to learn directly.

Before I refer to specific legal cases, I thank the staff on the ground. If the Houses of the Oireachtas Commission is to learn anything, it must listen to the staff on the ground. When I leave here, my abiding memory will be of the ushers. Any visitor I have ever brought to the Oireachtas has spoken about them and the staff in the restaurants. They sell the Dáil to the people and us. In addition to officials like Mr. Finnegan, they made us comfortable from day one. If Oireachtas officials are to avoid misunderstandings and cases in the future, they should listen to people from the bottom up. There should be a mechanism for reporting issues that are arising and the things happening on the ground. That would help to improve matters.

I would like to ask about the extraordinary amounts paid out in compensation and on legal cases. I am referring to note 6 on page 25 of the briefing documentation. Will Mr. Finnegan explain why there were legal costs of €547,000 for six claims by employees and three by members of the public and that no legal fees were awarded? I am looking for clarification in that regard.

Mr. Peter Finnegan: I would like to bring something to the Deputy's attention before I clarify the matter she has just raised. We discovered late last night that the cost of €62,000 for claims made by employees, as set out on the page in question, included a cost that should have been included in a figure further down the page. The cost in question arose in a case in Rannóg an Aistriúcháin that involved the non-translation of Acts. The correct figure for legal costs for claims made by employees is approximately €10,000. I apologise for the discrepancy.

Deputy Catherine Connolly: The figure for claims made by employees should be €10,000.

Mr. Peter Finnegan: Yes. The overall figure is correct, but the breakdown is incorrect because approximately €50,000 was included in the figure at the top when it should have been included in the figure at the bottom. Claims made by employees are typically human resources-related that arise when people exercise their rights under relevant circulars. Sometimes cases end up in the Workplace Relations Commission, which means that costs have to be met for the representation of the Houses of the Oireachtas Service.

Deputy Catherine Connolly: I am sure Mr. Finnegan cannot go into the details of the six cases involving employees. Perhaps he might speak about the range of issues involved.

Mr. Peter Finnegan: I will have to get the Deputy a note on it. Based on my recollection, there can be issues with competitions involving people who were unsuccessful in them and there was an alleged penalisation case.

Deputy Catherine Connolly: Perhaps Mr. Finnegan might come back with a note on the range of cases involved.

Mr. Peter Finnegan: I will give the committee a note on it.

Deputy Catherine Connolly: The same point applies to cases involving members of the public. Why does the document state nothing has been awarded in compensation? Are the cases still pending? Where are we at with them? Who can clarify the matter?

Mr. Peter Finnegan: We cover our own legal fees. We do not look for them if we are successful in cases of this nature because it would be punitive on the people concerned.

Deputy Catherine Connolly: Is Mr. Finnegan saying there was no compensation paid because the Houses of the Oireachtas Service was successful in these cases?

Mr. Peter Finnegan: Correct.

Deputy Catherine Connolly: None.

Mr. Peter Finnegan: None.

Deputy Catherine Connolly: Are any of them ongoing?

Mr. Peter Finnegan: Just-----

Deputy Catherine Connolly: The figures are for 2018.

Mr. Peter Finnegan: Yes.

Deputy Catherine Connolly: There would be cases-----

Mr. Peter Finnegan: Six cases have been settled.

Deputy Catherine Connolly: Settled.

Mr. Peter Finnegan: Yes.

Deputy Catherine Connolly: Will Mr. Finnegan give us a detailed note on the cases inasmuch as he can do so?

Mr. Peter Finnegan: I will, absolutely.

Deputy Catherine Connolly: Obviously, we do not need personal details.

Mr. Peter Finnegan: No.

Deputy Catherine Connolly: I want the range involved. I want to know for what they were settled.

Mr. Peter Finnegan: Yes.

Deputy Catherine Connolly: I want to know what issues are arising in order that they can be prevented.

Mr. Peter Finnegan: Yes.

Deputy Catherine Connolly: Ultimately, it seems that-----

Mr. Peter Finnegan: There is a failure in the system when a case ends up in the Workplace Relations Commission.

Deputy Catherine Connolly: There is an absolute failure in the system.

Mr. Peter Finnegan: We recognise that. On our human resources side, we put a great deal of effort into processes and systems and training our managers to ensure issues such as this do

not arise. When they do, there is a failure somewhere.

Deputy Catherine Connolly: There is. I hear about processes all the time, but I cannot judge it. I do not know what the percentage is without looking at it. Every week we hear about processes and process failures. In private session earlier we heard about a case in which the process had become abusive. It was in another situation, into which I cannot go. That is my opinion and I would say it is the opinion of my colleagues. When we read about the process in the other situation - it has nothing to do with the Houses of the Oireachtas Commission - we found that the actual process had become an instrument of abuse. We are left looking at and dealing with it, which is not really our remit. There are messages to be looked at.

Mr. Peter Finnegan: Yes.

Deputy Catherine Connolly: Does the translation of documents by the translation service come within the remit of the Houses of the Oireachtas Commission?

Mr. Peter Finnegan: It does.

Deputy Catherine Connolly: Great. Go hiontach. B'fhéidir go mbeidh an tUasal Finnegan in ann na sonraí a thabhairt dom. Cá bhfuilimid anois maidir le cúrsaí aistriúcháin agus an córas aistriúcháin? What is the reason for the delay? Where are we in dealing with it? Who provides the translation service for Comhchoiste na Gaeilge, na Gaeltachta agus na nOileán? Has it been outsourced to a company?

Mr. Peter Finnegan: No; it is done remotely by the translators in Rannóg an Aistriúcháin from their booths.

Deputy Catherine Connolly: Will Mr. Finnegan clarify the matter? I will finish on this point.

Mr. Peter Finnegan: We have a significant programme of investment in Rannóg an Aistriúcháin in the next five years.

Deputy Catherine Connolly: Will Mr. Finnegan highlight the deficits for me?

Mr. Peter Finnegan: Absolutely.

Deputy Catherine Connolly: What is missing? We know that there have been significant delays in translations. What is the reason for the delay now?

Mr. Peter Finnegan: I will explain what we are doing. The delay arose mainly because of inadequate resources within Rannóg an Aistriúcháin. In effect, we are doubling the number of staff within the unit.

Deputy Catherine Connolly: Okay.

Mr. Peter Finnegan: By the middle of the following year, we will have the capacity to translate Acts concurrently. The second element is-----

Deputy Catherine Connolly: I would like to understand the specifics. If we pass the parole Bill-----

Mr. Peter Finnegan: If the Oireachtas passes the parole Bill in March, the intention will be to have it translated by September.

Deputy Catherine Connolly: Of the same year.

Mr. Peter Finnegan: Of the same year. We should have a Bill that is passed today in July translated by end of the year.

Deputy Catherine Connolly: From now on?

Mr. Peter Finnegan: That is what we are working towards, and we are putting in place the resources to do that.

Deputy Catherine Connolly: At this point, however, the service is not able to do it.

Mr. Peter Finnegan: We are not but we are working towards it.

Deputy Catherine Connolly: Good. When is that point towards it? Cá bhfuil an pointe sin?

Mr. Peter Finnegan: Tá súil agam go mbeidh sé go luath, but we are-----

Deputy Catherine Connolly: Tá súil agam freisin, ach cén uair?

Mr. Peter Finnegan: We are scaling up the staffing in Rannóg an Aistriúcháin. To give the Deputy some sense of where we are in staffing terms, we have had competitions for grád I, grád II and grád III. We have made offers to two people for grád I positions, we will make offers for grád II and we have made offers in grád III, so we will have three posts in clearance by September. We are making progress.

Deputy Catherine Connolly: From where is the service making the progress? Where is the service at?

Mr. Peter Finnegan: I will explain. As part of the settlement of the case, we were given a period to get ourselves geared up as was necessary.

Deputy Catherine Connolly: With regard to a settlement of a specific case in this area?

Mr. Peter Finnegan: Correct. I refer to the Ó Murchú case, which was settled around Christmas time. As part of the settlement, we committed to eliminating arrears over a five-year period and ensuring that all Acts are translated effectively on a current basis. We recognise that it would take us time to put in place the resources to do this and we have been doing that in recent months. It is not easy because there are a lot of very attractive options available to translators out there. I refer to jobs in Europe, etc. The other issue we are contending with is that for legislative translation we require an exceptionally high standard of Irish. We are undertaking recruitment. As part of that process we are looking at options if we cannot get people recruited through the normal means, so we will look at issues-----

Deputy Catherine Connolly: Again, because I am conscious I am taking up time, may I have a detailed note on where we are at, through the Chairman? This case was settled at Christmas, was it?

Mr. Peter Finnegan: Correct.

Deputy Catherine Connolly: High Court proceedings were taken.

Mr. Peter Finnegan: High Court proceedings were taken.

Deputy Catherine Connolly: They were settled.

Mr. Peter Finnegan: Yes.

Deputy Catherine Connolly: There was a settlement agreement and within that the service gave an undertaking on a number of issues.

Mr. Peter Finnegan: Correct.

Deputy Catherine Connolly: Mr. Finnegan will set that out for us.

Mr. Peter Finnegan: I will.

Deputy Catherine Connolly: It took a court case to make the changes.

Mr. Peter Finnegan: We were working on it anyway. We had PwC undertake a capacity review to look at the resourcing of Rannóg an Aistriúcháin. We recognise that the Rannóg has been under-resourced for some time and that to address that issue we had to do a detailed analysis of the work and the staffing levels needed to translate Acts on a current basis and then to translate the arrears of Acts. That was ongoing at the time of the High Court proceedings. On one level, therefore, we were fortunate that that process had started and we were able to use that work-----

Deputy Catherine Connolly: How far back are we talking about for the translation arrears?

Ms Elaine Gunn: To clarify, they go back to 1992, so we are talking about in the region of 620 Acts right up to the end of 2018. It is a significant body of work. They are all translated but they are not edited and finalised for publication. The recruitment is aimed at trying to go current. The objective is to treat 2019 as year one and to go current, so the publications should start hitting the shelves from next year. However, we have to get the staff numbers up to a critical mass. At this point we have 18 staff out of a target of 39, so we have a way to go.

Deputy Catherine Connolly: I would appreciate a detailed note on that. I will follow up on it.

Ms Elaine Gunn: I am happy to meet the Deputy separately on the matter as well.

Deputy Catherine Connolly: I thank Ms Gunn.

Chairman: The secretariat will circulate that.

Deputy Catherine Murphy: I have to declare a conflict of interest because I am a member of the Houses of the Oireachtas Commission, but most of the questions I wanted to ask have been asked, which removes the issue to some degree. I will be leaving in about ten minutes, so excuse me if it appears that I am walking out, but I will be here for the answers.

I refer to page 17, note 2.5, which concerns prepayments. We know that some of that related to the print equipment. When was that received? When was it paid for? It accounted for €1.8 million. What did the other €4 million relate to?

Mr. Peter Finnegan: The figure for prepayments represents the goods and services we paid for in 2018 which we had yet to receive. In other words, we had not received the benefit of it. The figure includes payments for insurance cover, software licences, maintenance contracts,

consultancy, advance fees, and subscription and membership fees.

Deputy Catherine Murphy: Why would the service pay for insurance cover in advance?

Mr. Peter Finnegan: It is a small figure. It relates to travel insurance for people travelling abroad.

Deputy Catherine Murphy: I refer to page 18, note 2.10 on matured liabilities. What does that relate to? The figure is €1.23 million.

Mr. Peter Finnegan: It relates to refund of fees and refund of illness benefit. There is also a refund for a broadband service.

Deputy Catherine Murphy: What was the issue with the broadband service?

Mr. Peter Finnegan: There was a refund for a broadband service for a period in 2018. There was reimbursement of expenses for Dáil 100. There were certain items published in connection with that.

Deputy Catherine Murphy: I can understand-----

Mr. Peter Finnegan: I can provide the Deputy with detail of that if that would be helpful.

Deputy Catherine Murphy: Yes. That would be useful. A certain number of Members are audited every year by an outside-----

Mr. Peter Finnegan: Ten per cent.

Deputy Catherine Murphy: I myself have been subject to it on a few occasions. It is very robust and goes into much detail. That is tendered for.

Mr. Peter Finnegan: It is.

Deputy Catherine Murphy: When is it due to be tendered for again?

Mr. Peter Finnegan: We tendered for it last year.

Deputy Catherine Murphy: How many years does the tender last?

Mr. Peter Finnegan: I think it is a three-year provision for a kind of extension. That is the way the contracts works. Mazars is the company that conducts the audit.

Deputy Catherine Murphy: That did not change from-----

Mr. Peter Finnegan: No, it did not.

Deputy Catherine Murphy: It was a competitive tendering, though.

Mr. Peter Finnegan: It was an open competitive tender. That is correct.

Deputy Catherine Murphy: I will make just a few final points. Many of the areas have been covered. As a member of the commission, I know that we are briefed continually on the building works in Leinster House. Not only that but visits of the House are available and there are photographic updates and so on. What surprised me were the risk of collapse and the risk of fire that were discovered. That was discovered and it was inevitable that work had to be done.

At least, it is not being done because of a catastrophic event. We must get value for money. The project comes within the remit of the Office of Public Works. It jumps out at me how impossible it is to estimate accurately the cost or produce a tender because the contingency is limited to a certain figure.

Mr. Peter Finnegan: Yes.

Deputy Catherine Murphy: That produces a piece of misinformation.

Mr. Peter Finnegan: It does.

Deputy Catherine Murphy: Refurbishing an historical building is not the same as refurbishing a modern building because the same set of circumstances does not pertain. It is important to learn from this, not on the side of the Houses of the Oireachtas Service but rather in terms of how the OPW has a profile of appearing to underestimate figures when it is almost impossible to be right in a scenario involving an historical building. It is an important point and an amendment should be made in that regard.

Mr. Peter Finnegan: Yes. It is a standard contract and, as the Deputy correctly notes, the OPW has had to work with a contingency figure of 10%. The reality is that for a project such as Georgian Leinster House which has seen major restoration, the contingency figure could be up to 40%. It is very important to have realistic contingency figures built into the contract as otherwise they can be very misleading. I take the opportunity to acknowledge what I regard as the absolutely outstanding work of the OPW. We have had a superb team of architects, led by Mr. Ciaran O'Connor, the State architect. It has been a labour of love for them and I have seen the level of commitment and hours invested in the project by the team. Sometimes the public sector is criticised correctly on projects, but this is an example of a project that has gone well and been well managed. It will leave a lasting legacy for generations of Irish people who will come to Leinster House.

On a personal level, I am really looking forward to the building being opened in order that people can come to Leinster House to see the outstanding work that has been done. We will have tours at weekends in the autumn once Leinster House is reopened as I anticipate a very high level of interest in coming to see the refurbished building.

Deputy Catherine Murphy: I concur with those comments. It is unfortunate that the public will not get to see some of the amazing lead work done on the roof and things like it.

Mr. Peter Finnegan: It is incredible.

Deputy Catherine Murphy: I hope the work will result in a very long lifespan.

Mr. Peter Finnegan: Like the Deputy, I have walked the site on a number of occasions. What really struck me was the calibre of craftsmanship involved in the project. It is a tremendous gift to have such skills. We can see it first-hand when walking around the site. It is really impressive.

Chairman: We have discussed the Oireachtas television service quite a bit. Some of us here do not get to see all of the programming and might hear people saying they were watching us on a Saturday morning or Sunday evening, for example, which is good. The delegation can send us a note if the information is not to hand, but where is the channel hosted? Is it hosted on Saorview, Sky or Virgin Media?

Mr. Peter Finnegan: It is hosted everywhere. In designing and rolling out the service we were really conscious that people should be able to watch the proceedings in the Oireachtas no matter what platform they used. It is hosted, first and foremost, on Saorview, which is a free service. That is important as many people have it as a second service within their household. We also have it on Sky. The signals are transmitted to the satellite and down again. It is on what is now called Virgin Media and also available on the web. It is carried on every platform operating in Ireland.

Chairman: It is available on the Oireachtas website.

Mr. Peter Finnegan: Yes. It is also accessible via the Oireachtas app.

Chairman: What station number is it on Sky?

Mr. Peter Finnegan: I have been told that it is channel 517.

Chairman: That is helpful as people often ask where can it be found.

Mr. Peter Finnegan: I am with Virgin Media and it is channel 207.

Chairman: It is easy to find it on Saorview and the website.

Mr. Peter Finnegan: Yes.

Chairman: “Oireachtas Report” used to go out on RTÉ at 11 p.m., midnight or 12.30 a.m. The case has been made that the numbers watching it were quite low, but the programme was useful as it summarised proceedings on the day after a little editing. Now people can watch us to their heart’s content for several hours. What work is being done to discover the numbers watching these television channels?

Mr. Peter Finnegan: The television service must be looked at in the context of our overall communications strategy, of which it is one of a number of elements. It is interesting as some of the recent poll findings indicate that the level of trust in the institution has gone up by quite a considerable amount. It has increased by four or five percentage points in the past few years. I am not saying it is attributable entirely to what we are doing-----

Chairman: That is not research commissioned by the Oireachtas.

Mr. Peter Finnegan: No; it is independent research carried out by Eurobarometer. The level of trust in the institution has gone up considerably. It is due to a number of factors, but I would like to think part of the reason is what we are doing in opening the Oireachtas to the people in order that they can see for themselves what is going on. A very strong objective is people should be able to access the Oireachtas on whatever platform they choose. Younger people will use their mobile devices and look at proceedings on their way home on the bus or in the evening, but older people are in the demographic who predominantly watch television. We are trying to create an offering for all segments of the population in order that they can see the work being done in Leinster House.

Chairman: Are there Oireachtas Facebook and Twitter sites?

Mr. Peter Finnegan: Yes.

Chairman: What is on them? I must not have friended them.

Mr. Peter Finnegan: The Twitter account has 31,000 followers and there is also a Facebook page.

Chairman: Who manages them?

Mr. Peter Finnegan: They are managed by the communications unit.

Chairman: What does it do?

Mr. Peter Finnegan: We use it a lot to promote other services. We can tell people what is coming up on Oireachtas TV, for example. There can be video links to report launches, etc. Twitter is a really useful tool for cross-promoting what is being done across different platforms.

Chairman: We will go back to the big issue mentioned, the Angela Kerins case. There is a committee working to report to the Committee on Procedure, etc. Will Mr. Finnegan run through the four points in the letter? The Supreme Court mentioned remit.

Mr. Peter Finnegan: They were the issues identified by the Supreme Court, of which the first is remit.

Chairman: As Chairman of the Committee of Public Accounts, I fully accept the decision and have no issue with anything stated. I have said several times that it is not a “chilling effect”, that it could give us an opportunity to be proactive and improve how we operate. I see nothing negative with the overall issue. Some people might present it in that way; that is their affair. Does the Secretary General fully accept the Supreme Court decision from point of view of the Houses of the Oireachtas Service?

Mr. Peter Finnegan: Absolutely.

Chairman: Is he working to it?

Mr. Peter Finnegan: We fully accept it.

Chairman: I think we can agree on this. The remit of the various committees needs to be looked at. Whether that means people working within their remit or whether their remit needs to be enlarged or narrowed, there is quite an issue to be looked at there.

Mr. Peter Finnegan: These are all issues that are on the table, yes.

Chairman: Work needs to be done there. So we accept what the Supreme Court ruled there.

Mr. Peter Finnegan: Absolutely.

Chairman: I have said this publicly several times. Witnesses get invitations. The Secretary General will know that over the decades no member or Chairman of a committee has ever seen the invitations that went out to the witnesses. We have never had sight of that. That needs to be addressed among other things in terms of the content. There clearly was a failure, which I am acknowledging. I accept the Supreme Court ruling that the issue of the invitations needs to be dealt with. The Supreme Court felt it was a sufficiently significant issue to deal with. Every committee Chairman in this Dáil and previous Dáileanna must have felt, “What are we talking about? We never saw an invitation.” Clearly that issue needs to be dealt with, not only making sure members are familiar with what is in the invitation but also that it is clear in what it says. We are agreed on that.

The next issue is the third issue.

Mr. Peter Finnegan: The issue is the conduct of meetings - the conduct of hearings by the committee as a whole and the supervision of such hearings by the Chair.

Chairman: The role of the Chair has come in, which I totally agree with. I am chairing the Committee of Public Accounts and I have chaired other committees in previous Dáileanna. How many committees do we have?

Mr. Peter Finnegan: Twenty eight, including the two bodies.

Chairman: It should not have taken the Supreme Court to tell us that in an Oireachtas of 218 Members with 28 of them being elevated to a position of Chairperson there should have been a programme of training to be a committee Chairperson. In the Oireachtas we have all been collectively remiss in not having any programme for training Chairpersons. The Supreme Court felt it was such an important issue that it specifically highlighted it. It is good. We will do it now. Having heard from the Supreme Court it is blatantly obvious we should have done something about Chairpersons getting some training. I am sure that if somebody within the staff of the Houses of the Oireachtas Service is promoted to a role he or she never held before, there must be some element of training of what the new role is about. We accept that that is long overdue and very necessary.

Is it correct that there were no remedies in place where there was a problem for a particular witness?

Mr. Peter Finnegan: That is correct. The interesting-----

Chairman: In other words-----

Mr. Peter Finnegan: The interesting thing was in the second case, the Denis O'Brien case. There was a remedy and the court acknowledged that. That was a key factor in the decision of the court that there was a remedy in place.

Chairman: I will summarise and give my view. The Secretary General may concur. Everything that the Supreme Court found should be the case was patently obvious. There is nothing one could quibble with. That is how I see it. Mr. Finnegan is working to implement that.

Mr. Peter Finnegan: We are absolutely working to implement it. As I said at the outset, we absolutely respect the decision of the court in this case. It is very helpful for the court to have identified these specific areas, which we will pursue now.

Chairman: I would make one suggestion. Given that the Oireachtas has been told to deal with these four issues, we could take a very restrictive view and deal with the four specific issues or use the opportunity of the Supreme Court ruling to see if there is anything else we need to do. Rather than taking a very restrictive reactive approach to the Supreme Court decision, perhaps we could take a more proactive approach in terms of issues that need to be dealt with because we do not want to deal with these four and find in eight years' time another four are mentioned that we should have picked up on at this stage. I am saying we should learn not just the specifics but the broader lessons.

Mr. Peter Finnegan: Yes. That is a very fair point. By virtue of the fact that we are doing a consultation process with the committee Chairs and also members of committees, one would hope that if there are other issues out there, they will be identified as part of that process and we

would be able to deal with them.

Chairman: That is great.

Mr. Peter Finnegan: There is a level of expertise among the people we are actually going to-----

Chairman: I move on to the building refurbishment, which will cost approximately €17 million. I ask the Secretary General to outline for us that Leinster House is an historic building, a listed building

Mr. Peter Finnegan: It is an historic building.

Chairman: It would not have been subject to planning through Dublin City Council, the planning authority for where the building is located. It would be exempt.

Mr. Michael Errity: The OPW through its own statutory arrangements carries out what it calls a Part 9 planning process, where it puts up the normal information boards, etc., that one would associate with planning permission and then an independent assessment is carried out within the OPW, taking in the views of people such as Dublin City Council and anybody else who would come forward with submissions, the same as any other planning permission, the only difference being it is the OPW as a State body that makes the decision rather than the relevant local authority.

Chairman: The OPW makes a decision on works the OPW is going to carry out.

Mr. Michael Errity: In respect of things like State buildings, Garda stations, etc.

Chairman: There is nothing wrong with what is being done, but it is a bit unusual in this day and age that an organisation that carries out the work is the organisation that gives itself the permission to carry out the work. I just leave that out there.

Mr. Michael Errity: I should say that the OPW, in fairness to it, has a very rigorous process of what, one might call, Chinese walls where those making the decision are not in any way associated with the people who one might call sponsors or advocates for the project.

Chairman: All I am saying as Chairman of the Committee of Public Accounts - this is nothing unusual - is that this committee does not share Mr. Errity's confidence in the ability of the OPW. This project started at whatever it started with and now it is whatever it is. OPW officials have appeared before this committee and there is a special report by the Comptroller and Auditor General on moving the Department of Health from Hawkins House to Miesian Plaza. We found the procedures were not as good as we would have expected. I can understand some people saying that the OPW is very competent, but the Committee of Public Accounts has not always found that to be the case. I would not be able to share Mr. Errity's 100% confidence. That is not a reflection on him; it is a comment about the OPW in respect of what we find when its officials appear before this committee. Just because it is the OPW it does not mean it is right in everything it does.

Leinster House is exempt from the normal planning process, which is fine. Would the same apply to a fire certificate? In the same way that all public buildings need a fire certificate from the local authority, would each of the buildings in this complex have a fire certificate?

Mr. Michael Errity: There is not a fire certificate for this building, because some of the

parts of the building existed before the building control legislation, but the OPW has its own central arrangement for fire certificates and carries out its own fire tests. It has a parallel process to, what one might call, the private sector fire certificate.

Chairman: However, again it is issuing fire certificates for buildings for which it does the work. We are back to the same moot point. I am not saying there is a problem, but I am pointing out the difference in approach.

What is the energy rating of the building that we have just spent €17 million on refurbishing?

Mr. Michael Errity: We would have to speak to the OPW.

Chairman: I am shocked that with all the talk about climate change in this building, we cannot answer that.

Mr. Peter Finnegan: I know from talking to some of the people on site that when one is dealing with an historic building there is a limit to how much one can achieve in terms of energy rating.

On the overall issue of sustainability, etc., one of our key goals over the next three years is to develop a sustainability plan for the Oireachtas. As recently as Tuesday, the Houses of the Oireachtas Commission agreed to a biodiversity plan for Merrion Lawn which is going to be implemented over the coming months. We are acutely aware of the need to make progress in this area. We are in discussions with the OPW about installing electric charging points for cars. We aim to basically progress these initiatives over the course of a number of months alongside our sustainability plan.

Chairman: What is the method of heating for the building that has been refurbished?

Mr. Peter Finnegan: On the energy, let me just go to this before I answer the Chairman's question. Basically for 2018 our facilities unit reported a 27.8% saving on energy efficiency. This is the energy indicator used for reporting to the Sustainable Energy Authority of Ireland and will comprise the data included in that authority's annual report. A key focus of the energy-management activities of the Oireachtas has been the participation in optimising power at work. There is an energy-awareness campaign in place in 300 buildings owned or leased by the OPW. It aims to reduce carbon dioxide emissions by reducing energy consumption in the public sector.

Chairman: Is that for all OPW buildings?

Mr. Peter Finnegan: It is, yes.

Chairman: It is not just for the Oireachtas.

To go back to the refurbishment figure of €17 million, what is the heating system? Is it gas, oil or otherwise? What will be in the basement?

Mr. Peter Finnegan: The central heating system that operates up by the Department of Agriculture, Food and the Marine that heats all the buildings here.

Chairman: What is its fuel source?

Mr. Peter Finnegan: I believe it is gas and wood pellets.

Chairman: Gas and wood pellets. I will ask Mr. Finnegan to send on a note in regard to the energy rating of the building that is being fully refurbished and the form of fuel used to heat or cool it, as the case may be. There is a lot of hot air. We could generate quite a bit of that sometimes but it has to be cooled as well. Consider all the talk about climate change, bearing in mind that we have had a climate change committee and are setting up a new climate change committee. Representatives of the Department responsible for climate change were here and we asked them what changes were made in their head office. The answer is a bit like Mr. Finnegan's. There was not an answer. I am just saying that, somewhere in the public service, we have to begin to practise what we are preaching. That is all I will say about saying that.

With regard to the security of the building, last year and whenever, there was one or two occasions when Members could not get out through the front gate. Any national parliament should be able to have guaranteed access. It has not happened on every occasion. Sometimes the protesters were allowed up to the gate. Maybe the numbers were higher than expected or maybe there were not enough personnel on duty outside. I presume that is on the risk register.

Mr. Peter Finnegan: It is. We are in close consultation with An Garda Síochána. We have an annual security meeting with the Garda and members of the Defence Forces. Without getting into detail, those things are considered.

Chairman: The Army patrols the building at night. Are the personnel paid for by the Oireachtas or the Taoiseach's office? Who pays for this? I did not see it in the allied net expenditure figures.

Mr. Peter Finnegan: It is not us.

Chairman: Could Mr. Finnegan find out for us?

Mr. Peter Finnegan: We will find out.

Chairman: There are soldiers patrolling the building every night. In the normal course of events, I would have expected to see a costing from the Department of Defence under net allied expenditure.

Mr. Seamus McCarthy: I imagine that it is a single picket for Government Buildings.

Mr. Michael Errity: It is the military police.

Chairman: I am aware of that but that is why I asked the question. I want to get it out in the public arena. The delegates will send us a detailed note that we can publish because the public would like to see the information.

Mr. Peter Finnegan: We will.

Chairman: It was mentioned in the opening statement that there are 2,027 people on the payroll system. It includes pensioners.

Mr. Peter Finnegan: Pensioners, yes.

Chairman: Rather than going into it now, could Mr. Finnegan send a breakdown of the categories, including retired Members, retired staff, etc.? Could the numbers pertaining to Members' staff and civil servants be translated into whole-time equivalents? I see there are 564 on the payroll here and 450 members of staff. I cannot work up to the 2,027 that Mr. Finnegan

mentioned in his statement.

Mr. Peter Finnegan: I have the data and will send them on.

Chairman: Call out the figures for those watching.

Mr. Peter Finnegan: The figures are as follows: political pensioners and former MEPs, 235; former Members - pensioners, 418; Civil Service and catering staff above junior clerk, 340. We have a weekly payroll that consists of political staff, clerical officers, staff in the bar, catering staff, ushers, service officers and cleaners. They total 815. There are 218 Members. We actually have one MEP.

Chairman: Where are the Members' staff?

Mr. Peter Finnegan: Members' staff are included.

Chairman: In which figure?

Mr. Peter Finnegan: They are in the weekly payroll numbers.

Chairman: Mr. Finnegan referred to the new IT system, which I am sure is very good and is being rolled out as we speak, and stated it has many benefits. What training has been offered to the staff in order to upgrade them? Was it in-house? How was that done?

Mr. Peter Finnegan: We have a considerable amount of ongoing training in relation to ICT. I will have to send on the note on it to the Chairman.

Chairman: I am happy for Mr. Finnegan to send it on. We do not need it now. When I saw the 2,000 figure, it just did not gel with me. The big issue I want to raise over training – I am making a practical suggestion that I do not believe would cost much at all – concerns staff. There are two categories of staff: the Civil Service staff, which Mr. Finnegan looks after, and the Members' staff. The latter are not civil servants and can kind of toddle along as they like. The group I am most concerned about comprises the Members' staff who operate in constituency offices. They have zero personal contact with Leinster House, other than when they ring extension 4444, if they want to avail of an IT service. An assistant goes down, wires up what is required and then leaves. I suggest it would be a big help to the operation of the Oireachtas if a programme could be put in place, even for half a day per year, to visit the constituency offices to train the Members' staff there. They have no access. They will not come here from all over the country for a day's training twice per year. All it would take is one of two of the people doing the training to create a programme. As Oireachtas staff install the equipment, all it would take would be for someone to give a few hours' training a week later.

Mr. Peter Finnegan: A few hours.

Chairman: Things do change. Staff will say a service was on the old system but not on the new one, for example. What I suggest does not represent a big cost. Staff are being sent around with the hardware and should also be sent around to give a bit of help with the software. The constituency staff are Oireachtas staff and are making the whole system work. They are the utterly poor relations when it comes to training. I realise Mr. Finnegan will say emails go out offering training but I am more interested in the take-up of training. The delegates might consider that.

Mr. Peter Finnegan: We will.

Chairman: There would not be a big cost.

Mr. Peter Finnegan: We will consider that.

Chairman: My view could be echoed by many Deputies whose staff are not based on the premises.

Let us consider the additional research staff and the Parliamentary Budget Office staff. I thank the Library and Research Service for giving me yesterday the research document I asked for a couple of weeks ago. How many staff are involved in research by comparison with the Parliamentary Budget Office staff? We regularly get very good updates from the Parliamentary Budget Office. The committees could do with some dedicated research resources across the board. I feel the Parliamentary Budget Office and the committee it works with have a very high level of research staff available. We see material emerging weekly or sometimes much more often whereas many of the committees could possibly do with a slice of that research facility. Could Mr. Finnegan talk to me about that.

Mr. Peter Finnegan: The Parliamentary Budget Office, which is now in its second year, has 13 staff in total. Its director is Ms Annette Connolly, who is at assistant secretary level. It has one principal officer, Ms Denise O'Connell, who is just behind me. There are five assistant principal officers, five administrative officers and one clerical officer. The office provides a service for all of the Oireachtas. It works with the budget oversight committee on budgetary matters but its publications are available to all the Members. On committees, the overall number is about 81.

Chairman: Eighty-one what?

Mr. Peter Finnegan: Eighty-one staff.

Chairman: I am talking about research staff, not others.

Mr. Peter Finnegan: Library and research staff, sorry. The research division of the Library and Research Service has a staff complement of 18.

Chairman: That is the division that Members seeking information on a topic submit requests and are given replies. That is a good service.

Mr. Peter Finnegan: We have nine vacancies at present.

Chairman: That is a significant number.

Mr. Peter Finnegan: Yes, it is a problem for us.

Chairman: There is an issue there. I am sure it is good to have a couple of years' experience in the Houses of the Oireachtas on one's curriculum vitae but staff probably move on.

Mr. Peter Finnegan: Yes, it is really good and staff are very much in demand when they get a few years in the Houses of the Oireachtas under their belts.

Chairman: It looks good on the CV.

Mr. Peter Finnegan: They are talented.

Chairman: I mean that in a positive way.

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Mr. Peter Finnegan: Absolutely. It is a positive reflection on the Houses of the Oireachtas because it helps us attract staff but it does mean that we have this turnover. We are interested in bringing in the best people we can. They may stay with us for a short period or a longer period. If they stay for a short period, they move on and we try to replace them.

Chairman: Will Mr. Finnegan look at the research facilities for committees because certain committees have some, while others have none. Some members of staff can be very good at this. It makes for a better Oireachtas if Members are more prepared. That is only a suggestion.

Mr. Peter Finnegan: That is fine.

Chairman: We have completed our questioning. We are well ahead of the Vote so that is good. There is nothing contentious. I thank all the staff for coming before us. We meet on the corridors most days and it is good to meet in a formal setting. Mr. Finnegan and his team have been as friendly, courteous and helpful today as they always are when we meet in the normal course of our work. I thank the witnesses from the Houses of the Oireachtas Service for their attendance and the information provided for today's meeting. I also thank the Comptroller and Auditor General and his officials. I wish everyone present a pleasant summer. It is agreed that the Clerk of the Dáil will follow up on information and actions that have been requested.

The witnesses withdrew.

Chairman: Members of the committee will have an informal meeting at 2.30 p.m. to discuss a private matter.

The committee adjourned at 12.55 p.m. *sine die*.