

DÁIL ÉIREANN

AN COISTE UM CHUNTAIS PHOIBLÍ

COMMITTEE OF PUBLIC ACCOUNTS

Déardaoin, 15 Meán Fómhair 2022

Thursday, 15 September 2022

The Committee met at 9.30 a.m.

MEMBERS PRESENT:

Deputy Colm Burke,	
Deputy Alan Dillon,	
Deputy Neasa Hourigan,	
Deputy Paul McAuliffe,	
Deputy Catherine Murphy,	
Deputy Verona Murphy,	

DEPUTY BRIAN STANLEY IN THE CHAIR.

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

Business of Committee

Chairman: I welcome everyone to this first meeting of the committee in the new Dáil term. I hope everybody had a good break. No apologies have been received. The Comptroller and Auditor General, Mr. McCarthy, is here as a permanent witness to the committee. Members participating remotely must do so from within the precincts of Leinster House due to the constitutional requirement that, in order to participate in public meetings, members must be physically present in the confines of the place where Parliament has chosen to sit. The public business before us this morning is as follows: minutes, accounts, financial statements, correspondence, work programme and any other business. Before I turn to that business, we will go into private session to deal with some housekeeping matters before resuming in public session. Is that agreed? Agreed. We do not have witnesses this morning so we will not be keeping anyone waiting.

The committee went into private session at 9.34 and resumed in public session at 10.15 a.m.

Chairman: The first item is the minutes of our meeting of 14 July, which have been circulated. Do members wish to raise any issues in respect of those minutes? Are the minutes agreed? Agreed. As usual, the minutes will be published on the committee's web page. The next item is accounts and financial statements. There are a substantial number of these before the committee this morning. There is a total of 67 accounts and financial statements listed. The list includes 2020 financial statements and accounts presented to the Oireachtas Library in December 2021 but not yet noted by the committee. I will ask the Comptroller and Auditor General to address these before opening to the floor.

Mr. Seamus McCarthy: As the Cathaoirleach has said, quite a lengthy list of financial statements and accounts has developed since the committee last noted any. One of the exercises carried out by the liaison officer over the summer, in consultation with my office, was to look back on the accounts that had been presented and any that may have been missed. There were two sets presented in December that were not picked up. A kind of filtration system is in place between the Library and so on to identify these. One of those that were presented in December but which we did not catch is the accounts for University College Dublin for 2019-2020, which were presented on 3 December 2021. These accounts received a clear audit opinion but I drew attention to the recognition of a deferred pension funding asset, which is standard for universities, and some procurement non-compliance in the college. The second set of accounts that was missed in that trawl was the accounts for the National Concert Hall for 2020. Those accounts were presented on 21 December 2021 and received a clear audit opinion.

I will now move on to accounts presented between the last meeting of the committee and earlier this week. With regard to departmental and other funds, the accounts for the carbon fund for 2021 were presented on 18 July and received a clear audit opinion. The finance accounts for 2021, which is one of the biggest accounts totalling €70.9 billion, were presented and received a clear audit opinion although I will draw attention to statement 1.5 in the accounts, which discloses exceptional payments made from the Central Fund to the EU arising from an audit of customs. Further information on that matter is given in statement 1.5. The credit union fund account for 2021 received a clear audit opinion. The local government fund account, which is again quite a large account with a turnover of €1.2 billion in 2021, also received a clear audit

opinion.

I will now turn to the education sector. The accounts for the Mayo, Sligo and Leitrim Education and Training Board for 2020 were presented on 3 August. They received a clear audit opinion but attention was drawn to non-compliance with procurement rules. The 2021 accounts for Cavan and Monaghan Education and Training Board were presented on 22 August and received a clear audit opinion. The accounts for Waterford Institute of Technology for 2019-2020 received a clear audit opinion. Attention is drawn to note 28 of the financial statements relating to a continuing going concern there. It is something I have drawn attention to over a number of years. The situation seems to be improving but there is still an issue in relation to that.

For 2020 to 2021, Dundalk Institute of Technology received a clear audit opinion. On Athlone Institute of Technology, I refer to dissolution or cessation accounts for the body. They cover the period 1 September 2020 to 30 September 2021. That is a 13-month period. It received a clear audit opinion. Regarding Limerick Institute of Technology, the accounts are cessation accounts. The two of them have been merged into a technological university. The same accounting period applies: 1 September 2020 to 30 September 2021. It also received a clear audit opinion.

Next are the accounts for the Institute of Technology Carlow for the period 2020 to 2021. It received a clear audit opinion.

With regard to the National College of Art and Design in the period 2020 to 2021, attention is drawn to the recognition of a deferred pension funding asset. This is standard for universities and colleges. The college presents accounts on the same basis as universities.

The accounts for the University of Limerick received a clear audit opinion for the period 2020 to 2021. However, attention is drawn to recognition of a deferred pension funding asset, which, as I said, is standard for universities, and to an element of procurement non-compliance.

The accounts for Mary Immaculate College received a clear audit opinion for 2020 to 2021, again drawing attention to recognition of a deferred pension funding asset, as for universities. There was procurement non-compliance in that case as well.

With regard to the National University of Ireland, the accounts relate to the calendar year 2021. It received a clear audit opinion.

The Residential Institutions Statutory Fund Board, Caranua, received a clear audit opinion for 2021. Dublin Institute for Advanced Studies received a clear audit opinion for 2021.

The Higher Education Authority received a clear audit opinion for 2021. There was quite a sizeable account there, with a throughput of €1.8 billion.

SOLAS also had a big account, amounting to €834 million in 2021. It received a clear audit opinion.

Next are the subsidiaries of the National Asset Management Agency. These are designated-activity companies. There are ten or 12 of them. I do not propose to read out all the names. With regard to one of them, I draw attention to a settlement with the Revenue Commissioners in respect of underpayment of professional services withholding tax in the period 2013 to 2016. The settlement included interest of €1 million and penalties of €0.1 million. I am drawing attention to that. Otherwise, all the subsidiaries received a clear audit opinion, and they were all

presented on 13 July.

In the health area, St. James's Hospital, received a clear audit opinion for the accounting period 2021, but I draw attention to non-compliant procurement.

Dublin Dental University Hospital received a clear audit opinion for 2021. The Irish Blood Transfusion Service Board received a clear audit opinion, again for 2021.

The Food Safety Authority of Ireland received a qualified audit opinion for 2021. In this case, the accounts give a true and fair view except that they account for the costs of retirement benefit entitlements of staff only as they become payable. However, that is standard accounting treatment for a number of health bodies at the direction of the Minister for Health, but it does not comply with a true and fair view and therefore I have to qualify in relation to it. Otherwise, the accounts give a true and fair view.

The Health Insurance Authority, for 2021, received a qualified opinion on a basis similar to the one I have described for the Food Safety Authority of Ireland.

The Risk Equalisation Fund, which is managed by the Health Insurance Authority, had quite a sizeable account for 2021, amounting to €803 million. That received a clear audit opinion.

The Hepatitis C and HIV Compensation Tribunal special account and the Hepatitis C and HIV Compensation Tribunal reparation fund account both received a clear audit opinion for 2021.

The Health Products Regulatory Authority received a qualified audit opinion for 2021. The same issue arises as the one I described for the Food Safety Authority of Ireland. The accounts give a true and fair view except that they account for the costs of retirement benefit entitlements as they become payable.

With regard to State bodies and their subsidiaries, Enterprise Ireland received a clear audit opinion for 2021. The Commission for Regulation of Utilities received a clear audit opinion for 2021. The Office of the Planning Regulator received a clear audit opinion for 2021. The Road Safety Authority received a clear audit opinion for 2021. The Marine Casualty Investigation Board received a clear audit opinion for 2021. The Health and Safety Authority received a clear audit opinion for 2021. The Personal Injuries Assessment Board received a clear audit opinion for 2021. Transport Infrastructure Ireland received a clear audit opinion for 2021. The State Examinations Commission received a clear audit opinion for 2021.

The Rásaíocht Con Éireann and Irish Retired Greyhound Trust accounts relate to the accounting period 2020. The accounts were certified on 12 May 2021 but were presented only on 4 August 2022.

Chairman: What exactly is the Irish Retired Greyhound Trust?

Mr. Seamus McCarthy: It is a trust fund that was set up for the benefit of retired greyhounds, or their welfare. It received a clear audit opinion. I believe I mentioned earlier that Rásaíocht Con Éireann's accounts for 2021 were signed at the end of June but they have not been presented yet. I think they are overdue for presentation at this stage.

For 2021, IDA Ireland received a clear audit opinion. The Economic and Social Research Institute received a clear audit opinion for 2021.

The Heritage Council's account for 2020 was signed off by me on 29 September 2021 but was presented only on 15 August 2022. It received a clear audit opinion but I think it would be standard practice for the committee to follow up with the council and relevant Department to ascertain why it was late.

The Gathering Project 2013 is actually a dormant company. It is a subsidiary of Fáilte Ireland. There is nil turnover on the account but it is maintained as a subsidiary in existence. Therefore, I have to audit it. There is a clear audit opinion.

The Royal Irish Academy of Music received a clear audit opinion for 2021. The Private Security Authority received a clear audit opinion for 2021.

The Financial Services and Pensions Ombudsman received a clear audit opinion for 2021. However, I draw attention to note 9 to the financial statements, which deals with superannuation arrangements for staff. Discussions are ongoing between the office and the Department of Finance on the funding of liabilities under the scheme. This is something that has been going on for a number of years. The negotiations have been in train but they have not yet been brought to completion.

Next is the Office of the Ombudsman for the Defence Forces. It received a clear audit opinion for 2021.

Horse Racing Ireland's group and subsidiary accounts have all been presented. I signed the group accounts on 28 April. They were submitted on 12 September. They received a clear audit opinion but I draw attention to two matters. First is the loss of €1.8 million in 2020, relating to Horse Racing Ireland's investment in an associate company, Curragh Racecourse Ltd. This comes after losses in previous years, to which I have also drawn attention. The second matter I draw attention to is a disclosure of a loss of €105,000 incurred on the disposal of land through a land swap deal undertaken by the subsidiary the Tipperary Race Company Plc in 2020.

Chairman: Has this issue come up before of funding being transferred with regard to Curragh Racecourse Limited?

Mr. Seamus McCarthy: Yes. That is correct.

Chairman: Horse Racing Ireland is due to come before us. I want to clarify that Curragh Racecourse Limited is a separate entity. It is a limited company.

Mr. Seamus McCarthy: It is a limited company. It is an associate rather than a subsidiary.

Chairman: Mr. McCarthy does not audit that.

Mr. Seamus McCarthy: No, I do not.

Chairman: My concern is that this loss of €108 million is funding by public money that has gone into this company, and the Comptroller and Auditor General does not have access to audit their accounts and, therefore, the Committee of Public Accounts does not have any remit to examine them. We should note this for when Horse Racing Ireland is in before the committee. It is a serious matter that funding is being transferred and the Comptroller and Auditor General has said that there is a loss of €108 million. Will Mr. McCarthy explain "loss" in this context? Is it that there is no benefit received from that €1.8 million? What way is the loss explained?

Mr. Seamus McCarthy: The loss is, effectively, on the books of Curragh Racecourse Lim-

ited. The €1.8 million is the share of Horse Racing Ireland, HRI, in that loss, so the loss is actually bigger.

Chairman: What is the total loss?

Mr. Seamus McCarthy: I do not have the detail Chairman. Certainly we would have that for next week. I do not audit this associate company because HRI's interest is less than 50% in the associate. I believe it is about 34%.

Chairman: Okay.

Mr. Seamus McCarthy: As I said, there was also the loss incurred on the disposal of land in a land swap. I do not propose to read out the names of all of the subsidiaries there. They all received a clear audit opinion but with regard to the Tipperary Race Company Plc, I again draw attention to the loss on the disposal of land there.

The final set of accounts that have been presented for noting relate to Waterways Ireland. This is one of seven North-South bodies that I audit jointly with my counterpart in Northern Ireland. This relates to 2020. The accounts were certified on 14 December 2021 but only presented on 2 August. Again, there is a delay there. The committee may wish to follow up and to seek an explanation.

Deputy Neasa Hourigan: Have we had Waterways Ireland before the committee-----

Mr. Seamus McCarthy: Not that I can recall.

Deputy Neasa Hourigan: If it is a cross-border body, how does that operate? If we have not had them, can we have them?

Mr. Seamus McCarthy: The committee can have them. Basically, Waterways Ireland is accountable to two public accounts committees.

Deputy Neasa Hourigan: We do not necessarily need to have an authority from Northern Ireland come here to help audit. Can we go ahead and Waterways Ireland just have to answer to both?

Mr. Seamus McCarthy: Exactly. Both I and the Comptroller and Auditor General for Northern Ireland jointly sign the certificates but we each report to a different public accounts committee on the matter. The accountable person in this case is required to turn up either here or in the North at the determination of each individual committee.

Chairman: With the Assembly not sitting we will have to do the work.

Deputy Neasa Hourigan: The Chairman took the words right out of my mouth. With no oversight from the Assembly since it is, unfortunately, not sitting, I believe we should do our duty and have Waterways Ireland in for a session.

Chairman: Yes. We will certainly put the work in front of them.

Deputy Catherine Murphy: With regard to No. 4 in the finance accounts, attention is drawn to the statement 1.5 in the accounts on exceptional payments made from the Central Fund to the EU. Given that this is the Department of Finance I definitely believe this is something we should particularly put on the list when the Department is in. At this stage, can we make a note that this is something we will want to talk to them about?

Chairman: It is a special area of interest.

Deputy Catherine Murphy: On the local government fund, and I presume this is the local property tax, it would be very useful for us to have that considered at a meeting in the future and to put this on the list for consideration. There are particular issues around how it is distributed and all of that. It would be very beneficial to have a meeting on that.

On the University of Limerick and Mary Immaculate College, both of which are Limerick based, unfortunately Limerick keeps recurring. When they are in again this issue of procurement and non-compliance would be another aspect of the issues that we need to deal with. Perhaps we could take a note of that.

Chairman: Will Mr. McCarthy indicate what is the level of non-compliance and the value of it?

Mr. Seamus McCarthy: It is just over my reporting threshold, which is €550,000. That is the figure I am seeing.

Deputy Catherine Murphy: It is the kind of thing that when it comes to it I do not see the University of Limerick keeping on cropping up but we must keep at them on the issues. It is arising in this report and we should-----

Chairman: It is €551,000.

Deputy Catherine Murphy: On the residential institutions statutory fund board Caranua, this is now wound up and is now in the Department of Education. We are waiting for, and we were promised, legislation at the time it was being wound up. I am confused about this. It still exists given that an audit is done on it and so it has not been wound up. Is there any further information on that at this stage?

Mr. Seamus McCarthy: Apologies Deputy, I was looking at something else. The Deputy refers to Caranua. The turnover in the year was-----

Deputy Catherine Murphy: According to the report it was €381,000.

Mr. Seamus McCarthy: It is continuing with a board of officials from the Department of Education.

Deputy Catherine Murphy: Okay. We can pursue that beyond there. On No. 23, NAMA, and the settlement with the Revenue, withholding tax is always an item that jumps out at me because of the particular entities involved. Again, that should be something we pursue with them. This arose also between 2013 and 2016. When they are in before the committee we should make a note to have a discussion with them about that. They are not on the committee's work plan at the moment but this would be a residual in that we would have them in pretty much every year.

Deputy Verona Murphy: Was it an unprompted voluntary disclosure or was it an accounting error? Was it the result of an investigation or not?

Mr. Seamus McCarthy: It may be something they identified themselves and they made an unprompted voluntary disclosure. As I recall, the liability they estimated was significantly less than it turned out to be. It took three or four years to get a final resolution on that.

Deputy Catherine Murphy: Do we know what kind of money was involved?

Mr. Seamus McCarthy: The interest on it was €1 million and the penalties were more than €100,000. I do not immediately have the figure. I will see if I can find it.

Chairman: Total payment was €1 million with €100,000 in penalties.

Deputy Verona Murphy: It is on the screen there.

Deputy Catherine Murphy: As I said, I expect we will have NAMA in. Perhaps we can make a note of this so we can deal with it.

As for No. 49, when Mr. McCarthy said it was overdue, does the Comptroller and Auditor General monitor when the accounts are published, and would there be many that are overdue from the Departments? I am talking about the accounts he would have expected to be published at this stage.

Mr. Seamus McCarthy: I think the Deputy will recall from the previous Committee of Public Accounts that we put a lot of work into improving the promptness of presentation. The Department of Public Expenditure and Reform, I think, took on board the criticisms of the committee and reissued the instructions. Now, there has been, I think, a very significant improvement in the timeliness of presentation.

Deputy Catherine Murphy: The Department of Agriculture, Food and the Marine, regarding this one and another one, is-----

Mr. Seamus McCarthy: I am not sure if the Department of Agriculture, Food and the Marine actually had this particular account. I just do not know off-hand whether or not it was presented by Rásaíocht Con Éireann to the Department. Therefore, if it did not have it, it would not be able to forward it. Also, because this was a voluntary establishment of a trust fund, I think there may not be a statutory basis for it to be required to be presented. However, I think it is better to ask the Department for an explanation regarding that matter.

Deputy Catherine Murphy: I will raise just a couple more issues. One relates to the Financial Services and the Pensions Ombudsman. I refer to the fact that discussions are ongoing between the office and the Department of Finance about funding of liabilities under the schemes. It may well be useful for us to have them in to discuss that to see where it is at because the issue of pensions keeps cropping up. At some point in the future I think that that is one we are going to have to put on our work plan. I also flag that one.

Finally, as for No. 58, did Horse Racing Ireland get prior permission, or would it have required prior permission, for the decisions it took where there was a loss? Would Mr. McCarthy know that? I refer to whether it would have to seek authority from the Department in that regard.

Mr. Seamus McCarthy: I think that in a situation where you are investing in something, the permission would be around the investment. If you incur the loss, you incur the loss. You cannot walk away from a loss if you are a party to an investment. Certainly, I do not think it would have applied to the Department for permission or-----

Deputy Catherine Murphy: Would it have required permission from the Department to make those investments?

Mr. Seamus McCarthy: I imagine that it would have, but I think that that is something we can look at with it when it is before the committee next week.

Deputy Catherine Murphy: It might be worth asking the Department if a business case was presented and, if so, if it would make it available to us before we meet it. It is quite urgent that it do that because if it deviates significantly, I think it is worth us looking at that.

Mr. Seamus McCarthy: In fairness, the investment probably dates back to about 2016-2017. It was probably a different environment. Covid, obviously, had an impact, but there were losses incurred already, even before Covid. Therefore, if you like, the value of the State's investment in that has already eroded quite significantly. The 2021 accounts are in preparation. I have cleared them. It may be able to provide further information relating to that investment when it appears before the committee next week.

Chairman: Are members happy with that?

Mr. Seamus McCarthy: This gives a very good overview of the breadth of the bodies we audit. This list represents probably a quarter of everything we do. Then, at the end of this month, we will have the appropriation accounts, which are another very significant chunk of the work we do.

Chairman: One of the things I noticed in the 68 of them is that the vast majority of them are compliant.

Mr. Seamus McCarthy: Yes. There are clear audit opinions on them.

Chairman: It is good to see that. There is a wide range of bodies there. From our point of view, as the Committee of Public Accounts, it is just useful to point out that the vast majority have their accounts in good shape.

Mr. Seamus McCarthy: Yes. Certainly, my ambition is to come in here presenting a list that has all clear audit opinions. I do not want to be drawing attention to anything, but I will, of course, when I judge that it is necessary.

Chairman: I am concerned about the Horse Racing Ireland account and that of the company Curragh Racecourse Limited-----

Mr. Seamus McCarthy: There was a significant loss.

Chairman: -----and about that €1.8 million. It is not the first time we have had to discuss that.

Can we agree and note the listing of financial statements as agreed? Agreed. Thank you, members, for your co-operation with that. As usual, the listings of accounts and financial statements will be published as part of our minutes.

At this point we can break for a quick ten minutes before we move on to correspondence or we can stay going and stop in ten minutes' time. Which do you want to do, members? Do you want to break now?

Deputy Catherine Murphy: Let us make a start on the correspondence.

Chairman: We will make a start and stop at 11 a.m.

Moving to correspondence, as previously agreed, items that were not flagged for discussion for this meeting will continue to be dealt with in accordance with the proposed actions that have been circulated, and decisions taken by the committee regarding correspondence are recorded in the minutes of the committee meetings and published on the committee's webpage.

The first category of correspondence under which members have flagged items for discussion is B - correspondence from Accounting Officers and-or Ministers and follow-up to committee meetings.

The first item of correspondence is No. 1364 B. It is from Mr. Robert Watt, Secretary General of the Department of Health, and is dated 15 July. It provides information requested by the committee arising from our meeting with the Department of Health on 26 May. Topics addressed include issues regarding CAMHS, that is, child and adolescent mental health services; a progress update on the recommendations in the value for money review on nursing home care costs; dental services; and expenditure to date on the national paediatric hospital, with just over €1 billion of the capital budget of €1.4 billion, which was approved by the Government and has now been drawn down. That game has changed in that there is now substantial public commitment to this. It has already been administered. It is proposed to note and publish this item of correspondence. Is that agreed? Agreed. Does any member wish to raise anything in relation to it? The only thing of note I have seen in it is the fact that the figure has now gone over €1 billion, so we are already into a situation where the cost exceeds what the original estimates referred to and we are still some way away from opening the doors of the hospital. There is nearly another three years, potentially, to go on that project.

I want to raise an issue with dental services. While there seems to be a budget, a shortfall in staffing for dental services is given. In the case of Cork's public dental health service - it refers here to children up to their 16th birthday - there are four vacancies, moving from a situation where there was none in December 2021. We know there is not a large number of staff in some of these services. In the case of Dún Laoghaire and Dublin south there is a gap of 8.7 whole-time equivalents, and in the case of Louth-Meath they are almost ten staff short there. It does not state how many staff they have, but I am just thinking there is substantial funding going into that, and positions are not being filled. I think it is something we need to raise with the HSE again when it is before us. What is happening here? Are they not able to recruit? If they are saying that in CHO 8, in Louth-Meath, they are short ten dentists, I would like to know how many are needed and how many they have. We have a figure here for what the gap is, but the gap is ten whole-time equivalents. That is really a serious issue. In the midlands CHO, there is a gap of 2.3 FTEs, which is almost 2.5 FTEs. I wish to raise the fact that there are substantial gaps in areas represented.

Deputy Catherine Murphy: It is disappointing that no information is available on CHO 7. I would be surprised if it is the only CHO area on which information is missing. Information has not been provided for the Waterford-Wexford area either.

Deputy Verona Murphy: We do not have dentists providing dental treatment in Wexford.

Chairman: There is no service in County Laois.

Deputy Catherine Murphy: It is a postcode lottery for people. The people who will miss out on services are families who cannot pay.

Deputy Verona Murphy: It is utter chaos. The fund is currently €20 million less than it

was ten years ago.

Deputy Neasa Hourigan: Part of the issue is the complete lack of access to orthodontic services. We are running a system whereby we let people go so far that the only thing that can be done is extreme orthodontic treatment. The Minister in question is sitting on a report on the services and education of orthodontists. We have been unable to get that report from the Minister. I am wondering, if we are going to look at the issue, whether we could get the Minister to give us that report. It was done five years ago and has been sitting on a desk.

Chairman: This issue concerns children up to 16 years of age. They are not being seen in County Laois, in most cases, before the age of 16, which means that they go to secondary school without ever having seen the school dentist. The public system for adults, provided through the medical card scheme, has completely collapsed. People who are already in the system cannot access dental services and dentists will not take new patients. There are no dentist that we can find who are willing to do it. We have checked, and my secretary has gone to a lot of effort in doing so. There is not one who will take on new medical card patients. There is no dental scheme, so what is the money going into? Why is there a budget? Are dentists being recruited? Are the terms of employment not adequate? Are they being offered three-month contracts that are useless, or something like that? What is the problem? Surely, in a developed economy, we are capable of training dentists and having dentists in place to provide services, such as this. In the 1960s, they used to do it. I know, because I attended them. All the other members here, regardless of whether they are 20 or 60, will have seen a school dentist.

Deputy Verona Murphy: Not one final- year OT was offered a job by the HSE this year, nor could the HSE say how many OTs were qualified.

Chairman: Yet, there is going to be a shortage.

Deputy Verona Murphy: There is a chronic deficit in communication on how many we need in education and in services.

Deputy Catherine Murphy: I think it is important to say that even where they are available, they categorise what is required, if a child is actually seen. We are not talking about cosmetic treatment here. We are talking about children who are in pain and have long-term problems that will cause multiples of that if they are not dealt with. As Deputy Hourigan said, it is gets to the extreme stage. Therefore, it is really important that this issue is tackled, because a price is being paid, whether it is pain or remediation later on. The system is just not functioning. As I have said, it is a postcode lottery and we do not even have information on some locations.

Chairman: There is a complete failure and millions of euro are going into the system. Was a figure of €80 million mentioned at one stage, for dental health services?

Deputy Verona Murphy: Currently, only €62 million in funding is provided. That figure was €80 million in 2008.

Chairman: Even on that point, what is happening? Are there 60 dentists?

Deputy Verona Murphy: There are a lot of deficits. We have no emergency service for adults in Wexford. The hospital intervention service for patients with special needs, requiring anaesthetists to be available, has been reduced to operating one day a week. It is everything. There is no early intervention, which means that we might as well be throwing the €60 million

into a black hole. As Deputy Catherine Murphy said, we are always kicking the can down the road and the cost of it is now upwards of €100 million.

Chairman: We have discussed the matter and representatives of the HSE will appear before the committee. It is proposed to note and publish this item of correspondence. Is that agreed? Agreed.

Correspondence No. 1370B is from Mr. Mark Griffin, Secretary General, Department of the Environment, Climate and Communications, dated 20 July 2022, providing further information requested by the committee in relation to contracts and additional posts in respect of the National Broadband Plan. It is proposed to note and publish this item of correspondence. Is that agreed? Agreed. The item was flagged by Deputy Catherine Murphy.

Deputy Catherine Murphy: I will raise this when representatives from the Department attend the committee in the not too distant future. The information on the extensions is quite useful. They could be there for the entire duration of the build, which seems strange.

Chairman: They may be there until March 2024.

Deputy Catherine Murphy: Extensions are permitted. There are the extensions to which the Chairman has referred, but there another extension is permitted. It is an issue that I can raise with the representatives of the Department when they attend the committee.

Chairman: It has been agreed to note and publish the item.

No. 1371B is from Mr. John McKeon, Secretary General, Department of Social Protection, dated 20 July 2022, providing further information requested by the committee regarding the Department's investigation in relation to contractors engaged by RTÉ. It is proposed to note and publish this item of correspondence. Is that agreed? Agreed. I flagged this item. In the correspondence, Mr. McKeon outlines the current situation, stating that the employment status investigation unit, ESIU, is examining the social insurance status of approximately 500 contractors; and that RTÉ provided the Department with lists of those engaged in contract work in 2018, 2019 and 2020, which formed the basis of the investigation. The correspondence states: "A worker's employment status will still be examined where an individual is no longer engaged or employed by RTÉ. Therefore, it is possible that some workers, under investigation, are no longer under contract or employed by RTÉ", which clarifies that investigations can be retrospective. That is welcome. Mr. McKeon also states that "...7 former contractors who were not included on the original lists provided by RTÉ as being engaged during the period 2018-2020 have contacted the Department directly to be included in the review. RTÉ has been informed that any individual has the right to seek an insurability decision from the Department of Social Protection." In fairness, the Department seems to be going back through it. According to the Department, "Where an individual is determined to be, or have been, in a position of insurable employment, PRSI arrears will be assessed against RTE for the entire period of the misclassification." The confirmation of that from the Secretary General is welcome. At the end of his letter, Mr. McKeon notes that "In order to protect the integrity of the investigation process the Department does not normally comment on the status of ongoing investigations. As previously accepted by the Committee in February...we have committed to providing a report on the outcomes of the investigation upon completion." I certainly look forward to receiving that report from the Department when it is available and welcome the commitment to provide it. Do any other members want to address this issue of correspondence? No. We will note and publish the item.

No. 1373B, from Ms Dearbhla O'Brien, chief executive officer, Greyhound Racing Ireland, dated 22 July 2022 is a response regarding availability to attend a meeting in September 2022. It is proposed to note and publish this item of correspondence. Ms O'Brien stated that Greyhound Racing Ireland is happy to attend the committee, but she needed to check availability with the chairman as they have a board meeting. Later on 22 July, Ms O'Brien came back to say that the date suggested was not suitable as both Mr. Frank Nyhan and Ms O'Brien were unavailable due to prior commitments. As we set out in our earlier discussion, we will try to get them in.

Deputy Neasa Hourigan: We have agreed that we will change the date but, as Deputy Murphy pointed out, if people are invited to this committee, there is an expectation that they will come. I am aware that the derby is happening but, as I said, unless they are running in the derby themselves, surely they could find a staff member who can come. The races happen on a Saturday. I am at a loss as to why they cannot provide somebody for a couple of hours on a Thursday morning. I would like to see organisations that are invited to appear before the committee taking the invitations more seriously.

Chairman: It is also important that we have the CEO here, who is the Accounting Officer and where the buck stops. A less senior person can always divert things back and we maybe do not get as good responses. It is very important that we have the most senior official here. We have dealt with this matter; we will get them in as part of our work programme. It is proposed to note and publish the item of correspondence. That is agreed.

No. 1374B is from Mr. John Hogan, Secretary General of the Department of Finance, dated 22 July 2022, providing information requested by the committee regarding the separation of Irish Water from the Ervia Group. Members will have noted that, according to the Department, post separation, Irish Water will become accountable to the committee. It is proposed to note and publish this item of correspondence. This matter has been a big bone of contention with some of us who were Members of the Thirty-first Dáil, including Deputy Catherine Murphy and me. At that time, we raised the fact that there was a fatal flaw in the establishment of Irish Water in that it was not going to be accountable to the Comptroller and Auditor General or to the Committee of Public Accounts. It is to be welcomed that that is now happening. Deputy Murphy also flagged this.

Deputy Catherine Murphy: I have developed a Private Members' motion on this issue and am working on legislation regarding it at present. Can we clarify whether the Attorney General will define the economic identity of Irish Water when it is separated from Ervia? This is quite complicated. It is more complicated than I appreciated. When Irish Water was set up, it was intended it would have a very different function from what it has now. It has control over a very large amount of money and we do not have the kind of oversight this committee requires. It is one of the entities that would be before us every year, if it was audited by the Comptroller and Auditor General. This has been going on a very long time. Can we clarify the point I raised?

Chairman: We can. Does the Comptroller and Auditor General wish to come in on that?

Deputy Catherine Murphy: When Department of Finance officials are in, this matter may well be something we can deal with at that stage, but it will not be the only Department we have to consider in relation to this particular issue.

Chairman: Okay.

Deputy Catherine Murphy: Is there any update? Is the Comptroller and Auditor General aware of what is planned in respect of the auditing of this entity by his office? What will its input be into the changes in legislation that will be required?

Mr. Seamus McCarthy: We have certainly been consulted as thinking in the Departments has gone on regarding what are the appropriate arrangements to put in place. The kinds of difficulties that were thrown up have had an effect on what is now being proposed. The detailed planning of it and what it will entail for us has not commenced because we need to see a settled legal structure. If the legislation goes ahead and is passed before the end of this year, the first period of accounts for which I would be likely to carry out audit work would be 2023. It would be 2024 before Irish Water would come to this committee.

Deputy Catherine Murphy: I have no doubt that it is complicated by virtue of the fact that there is a commercial side. There will probably be a need for a dual audit.

Mr. Seamus McCarthy: I think that is inevitable.

Deputy Catherine Murphy: That is definitely the case. This must be a real outlier in terms of the extent to which public funds are not before this committee.

Chairman: The whole establishment and status of it is unusual because it is not a typical commercial semi-State, which of course is not audited by the Comptroller and Auditor General but could be sent for by this committee and would comply in the normal course of events. On the other hand, Irish Water was put in under the Ervia Group at the time because of the unusual nature of it. It now seems its legal status, or what shape it takes, is hanging there. It does not seem to be determined at this stage. Is that correct?

Mr. Seamus McCarthy: As it is a subsidiary of a commercial State body, it is specifically outside my remit. No matter how much money it gets-----

Chairman: That is the case at the present.

Mr. Seamus McCarthy: At the present. I cannot do an inspection, let us say, which would be available to me in other circumstances under section 8 of the Comptroller and Auditor General Act 1993. I cannot do a value for money in relation to Irish Water. There is a difficulty, because it is embedded in another entity, as to where control is and so on. These are the kind of things we have been discussing with the Department. I accept there is a willingness and intention to change the structure and to make it amenable to legislation that applies to my office.

Chairman: That could be useful. I look forward to it happening. It is overdue. We will note and publish this item of correspondence. It is 11.05 a.m. I propose we resume at 11.15 a.m. We will go through a pretty substantial number of items then.

Sitting suspended at 11.07 a.m. and resumed at 11.29 a.m.

Chairman: The next item of correspondence is No. 1378 B from Mr. David Moloney, Secretary General of the Department of Public Expenditure and Reform, dated 26 July 2022, providing further information requested by the committee regarding public funding for Benefacts. It appears that the Department does not see a direct role for itself, as the Department responsible for public expenditure, in ensuring that there is transparency in relation to the billions of euro of public funding that goes into the not-for-profit sector each year. That said, the letter states that "if a public service body were to bring forward a business case to assume a lead funding

role predicated on the use of the ‘Teckal’ exemption, such an arrangement would necessarily form part of the business case assessment”. No. 1378 B has to do with Benefacts. We know the substantial role it played in making sure there was transparency. No. 1403 B is related to this. It is an issue we might wish to raise with the Department of Public Expenditure and Reform when it comes before the committee. Some of the information in the correspondence shows that Benefacts was providing substantial benefits. Deputy Catherine Murphy had to leave early due to other parliamentary commitments. She has flagged this issue. We will hold these items over until next week. Is that agreed? Agreed.

No. 1384 B is from Mr. William Beausang, assistant secretary at the Department of Further and Higher Education, Research, Innovation and Science, and is dated 29 July 2022. It provides further information requested by the committee regarding withholding capital funding from the University of Limerick. It is proposed to note and publish this item of correspondence. Is that agreed? Agreed. This question came up, as committee members will recall, because funding was withheld. The letter contains further information on this. It is a matter we will revisit. Do members wish to comment on it? As they do not we will note and publish the item of correspondence.

No. 1385 B is from Mr. Graham Doyle, Secretary General of the Department of Housing, Local Government and Heritage and is dated 29 July 2022. It provides information requested by the committee arising from the meeting with the Department of Housing, Local Government and Heritage on 23 June 2022. It includes a wide range of information on 17 issues spanning 29 pages. A response to an 18th issue will be forwarded separately. These arise from the committee’s examination of the oversight and governance arrangements in place in the local government sector. It is somewhat surprising that on page 25, in relation to recommendations made by the Local Government Audit Service, it is stated that no central record of the implementation of recommendations made is maintained by the Local Government Audit Service. This is an issue we discussed. It is proposed to note and publish this item of correspondence. Is that agreed? Agreed. Do members want to comment on this?

Deputy Verona Murphy: Do we know why this is?

Chairman: It seems to have been left hanging there. There is no central record. When we go through the correspondence we see that it states no central record of the implementation of recommendations made is maintained by the Local Government Audit Service. It is an issue. Does the Deputy want to comment on this?

Deputy Verona Murphy: We have discussed it previously but the reality is that a huge amount of money is expended and entrusted to the local authorities. It is in excess of €1.2 billion. I understand that the Comptroller and Auditor General does not have an audit function over them.

Mr. Seamus McCarthy: Not over local authorities.

Deputy Verona Murphy: Yet when we requested those who do to come before the committee, they declined. The real question is who is overseeing them. Is it appropriate oversight if they cannot keep records of something so significant?

Chairman: It is supposed to be the Local Government Audit Service.

Mr. Seamus McCarthy: I certainly imagine that at an individual local authority level, each audit would follow up on recommendations from the previous audit and so on. That would be

standard practice. If the response is that centrally it is not collated and tracked there may be an issue. Perhaps the National Oversight and Audit Commission, NOAC, might take a view. Particularly where we have more than 30 organisations effectively doing the same type of business if there is a recurrent recommendation for five, six or ten of them perhaps there is something systemic that would need follow-up. Perhaps a query to NOAC might provide something additional. At the end of the month, I will publish a chapter on central government funding of local authorities. It remains an issue. The oversight and assurance system in place for the committee will always be an issue for discussion.

Chairman: We know from the meeting at which we dealt with local government funding that each local authority is a separate unit of governance. They have separate governmental structures.

Deputy Verona Murphy: They are supposed to be independent.

Chairman: The weakness we identified is that ultimate accountability is to the local authority members in the chamber. Normal practice in smaller local authorities is that two elected members are on the audit committee along with external people with accountancy experience. Their report is presented to the councillors. The problem is that the councillors may not have the resources or adequate information to be able to scrutinise it properly. In my experience I never saw it getting the attention it deserved.

Deputy Verona Murphy: That in itself is a question. It is about good governance. I have sat in council meetings where councillors have asked for independent advice and they have been asked “what for” by the person who would sanction it.

Deputy Neasa Hourigan: I agree with the Chair’s characterisation of what is happening at local level. It is very difficult for councillors to give it the time and attention it needs. We are speaking about the local authorities as though they are independent groups or organisations. In other European countries, local authorities can generate their own revenue. We do not operate in this way in Ireland. The local authorities draw from central funds. The fact there is no central record of the implementation of recommendations is quite extraordinary. As the Comptroller and Auditor General quite rightly identified, we cannot see trends or study the data. It does not seem like good oversight.

Chairman: Given what has been said will we correspond with NOAC? It might be the best thing to do. We can highlight that we have concerns about this. While each local authority is an independent political and administrative structure, it receives substantial funding from central government. In view of this there is a gap, in that there is little or no accountability. We can ask its view on how this can be rectified. Would that be satisfactory?

Deputy Verona Murphy: There is reference on page 52 to note 29. On page 29 it states that judicial review information has been submitted. Do we have this on our system?

Chairman: We will check that. We will also query this issue with NOAC. We will note and publish the item of correspondence.

No. 1390 B is from Mr. Ciarán Ó hÓbáin, assistant secretary at the Department of the Environment, Climate and Communications and is dated 4 August 2022. It provides a further update on recommendations made in our report on the examination of the 2019 and 2020 appropriation accounts for Vote 29 - Environment, Climate and Communications and expenditure on the national broadband plan. It is proposed to note and publish this item of correspondence. Is

that agreed? Agreed. I have flagged this as several issues arise. There are a couple of issues of note to mention. One that jumped out was the progress on the national broadband plan. Things are falling way behind. As of 30 June, 63,662 households or premises had been passed. That is a fraction of the original target even bearing in mind that there was a hold-up relating to the pandemic for a number of months. Of even more concern is the number of connections. One section of the correspondence relates to key updates and the current targets for National Broadband Ireland, NBI. The target is that by January 2023, only 102,000 households will be passed. There will be some 284 community connection points and 679 schools will be provided for. Those two targets are okay. However, the target for the number of premises passed has fallen way behind. The correspondence refers to milestones achieved. The number premises passed is ahead of target at the end of June, according to this document. These are moveable targets that keep being changed. Some 15,000 premises have been connected to the NBI network. That is 15,000 of more than 500,000. It is a concern, considering the money that has gone into the project. Those figures tell me that many of the people in rural areas where the plan is being rolled out have been serviced by another wireless provider. They are saying they are grand and have not switched over to the NBI system. We are due to have the representatives of NBI before the committee in the coming weeks and we need to raise this issue with them. They are way behind and have achieved a fraction of the original targets for premises passed. Even more concerning from the perspective of value for money and from the point of view of the committee is the section of this document touching on current targets and milestones achieved. It refers to quarter 2 of 2022. This correspondence is from 30 June. Only 15,000 premises have been connected to the NBI network. We are considering value for money. Are people suddenly going to decide to switch over? To date, the rate is minuscule. Almost €3 billion is going into this project.

We do not have to do anything at this point, particularly if we are due to have representatives of NBI before the committee in the coming weeks. However, those are the central issues we need to raise with them. Does any other member wish to comment on this correspondence?

Mr. Seamus McCarthy: I propose to publish a chapter in respect of the implementation of the broadband plan and the progress that has been made to date. That will be in my annual report at the end of September. It will speak to these points.

Chairman: The committee members will be happy to hear that. We look forward to receiving that report and I thank Mr. McCarthy.

No. 1409B is from Ms Helen Hall, chief executive of the Policing Authority, dated 12 July 2022. It provides a clarification regarding information provided by the committee at the meeting with the authority on 7 April. It is proposed to note and publish this correspondence. Is that agreed? Agreed. The correspondence was flagged by Deputy Catherine Murphy, who has not mentioned to me a need to hold it over or anything else. It is brief correspondence that arrived by email. We will note and publish that correspondence.

No. 1410B is from Mr. Brendan Gleeson, Secretary General of the Department of Agriculture, Food and the Marine, dated 25 August 2022. It is providing information requested by the committee in respect of the digitising of records of the Irish Land Commission. It is proposed to note and publish this correspondence. Is that agreed?

Deputy Neasa Hourigan: I suggest that we hold over this correspondence until Deputy Catherine Murphy is present. We have had a conversation about this and it might be worth a follow-up.

Chairman: We can do that. We can hold it over until next week. It is important. I have had to seek access to this on two occasions.

Deputy Neasa Hourigan: It is an interesting one. We might be doing the State a service if we follow up on it.

Chairman: They are based in a warehouse in Portlaoise, close to where I live. We will hold back No. 1410B and deal with it next week.

No. 1422B is from Mr. Graham Doyle, Secretary General of the Department of Housing, Local Government and Heritage, dated 29 August. It provides information requested by the committee regarding energy ratings of local authority-owned social houses and the numbers serviced by solid fuel central heating systems and with single-glazed windows. It is proposed to note and publish the correspondence. Deputy Catherine Murphy and I have flagged this correspondence for discussion. Members will see the figures included. I know that substantial work is being done in the local authority sector, in some counties at least, on energy upgrades for local authority housing. Some of the older housing stock has not been touched yet because those houses are constructed with mass concrete and require more extensive work, including external wraparounds and that type of thing. That is obviously an issue of concern. Mr. Doyle sets out the progress to date in respect of cost. He also states that a certain amount of information is held by the local authorities themselves. Some €85 million was provided under the programme for 2022 to allow for the retrofit of 2,400 homes.

Deputy Verona Murphy: The correspondence states, “The absence of regular and standardised surveys by local authorities of their housing stock and a national asset management database to capture the survey information gives rise to this data gap.” That takes us back again to the same issue.

Chairman: There is a gap there.

Deputy Neasa Hourigan: There is an issue in respect of getting that information.

Chairman: The situation varies from local authority to local authority. Some of the local authorities have done very good work to increase the energy efficiency of homes. That is to be welcomed and the more of it, the better. Individual local authorities have engineers who are focusing specifically on this type of work and who have expertise in the area.

The correspondence states:

Local authorities are asked to ensure that the average cost per home drawn down under the programme is circa €36,000, including project management fees. Adhering to this average would ensure the maximum number of homes can be retrofitted ...

The cost of the works seems to be coming in around that figure. I do not have an answer to the following point. Some of the premises that are being retrofitted were built in the 1990s and others in the 2000s. We also need to consider houses that were built in 1937 and that have not yet been touched. I have raised this issue with the Minister. It is something we should continue to push in our political groups. Perhaps next year we should try to get external wraparounds on those older houses.

Deputy Neasa Hourigan: The construction standards in the 1990s in some ways might have been lower than in the 1930s. I live in a 1930s poured concrete building. It retains heat.

Some of the insulation standards from the 1990s were lower. That might be some of the thinking involved.

Chairman: I am referring in particular to the old 9-inch mass concrete walls with no insulation on either side. There are many of those houses in County Wexford, including in Maudlintown, with which Deputy Verona Murphy is familiar. There are such houses in O'Moore Place in Portlaoise and Sligo town. They also appear in Crumlin and Drimnagh.

Deputy Neasa Hourigan: They are in Cabra too. They are all over the place. I live in one. Some of the thinking might be that some of the houses constructed in the 1980s and 1990s are draughtier than older houses.

Chairman: They have cavity walls that have been pumped.

Deputy Neasa Hourigan: Have they been pumped, though? I do not know. We will not go into the issue of insulation densities, but an argument could be made that construction was of a poorer quality in later years.

Chairman: There were two cavity block walls with insulation in the four-inch gap between them. That was the general standard in the 1990s.

Deputy Neasa Hourigan: I am aware.

Chairman: It depends on the workmanship, of course. Thousands of such houses do not have any insulation or concrete walls, with no dry lining or anything on either side of the walls. We need to push this matter within our political groupings. We will note and publish this correspondence.

No. 1424B is from Mr. Dave Walsh, chairperson of An Bord Pleanála, dated 30 August 2022, providing information requested by the committee during our meeting with the board on 14 July. It is proposed to note and publish this correspondence. Is that agreed?

Deputy Verona Murphy: No. This is what I am talking about. We are in the middle of a housing crisis, but when we specifically asked the chair of An Bord Pleanála to point out where in the specific planning policy requirements, SPPRs, it stated there were minimum densities, he replied with the same letter that he sent two years ago, despite the fact that, after receiving that letter, the Minister declared in the Dáil that there were no minimum densities.

This is a complicated planning policy issue and this is why we do not have housing stock. Densities are pertinent to urban areas where there is transport infrastructure, so they can be dictated there. They cannot be dictated in rural Ireland on the same basis, yet that is what is happening. When county development plans are being drawn up, the Planning Regulator is insisting through his office that minimum densities are imputed as a matter of law, but they are not. That is why we have a judicial review bill of €20 million. I do not accept that the chair of an organisation like An Bord Pleanála can give an answer that he clearly knows I received previously. I asked the question again because that answer was incorrect, yet he has sent back the same reply. Either he needs to be reprimanded or he should be asked for the specific answer to the question that was put to him.

Deputy Neasa Hourigan: There is a large volume of information in the documents we have received and I have many questions. Can we put it on our work schedule to have An Bord Pleanála appear before us again?

Chairman: The reply includes correspondence for Deputy Verona Murphy and transcripts of exchanges in the Dáil. In fairness to her, she has been raising the matter for some time. She asked a specific question that was not answered in the reply. If she proposes exactly what she is looking for, we can revert to An Bord Pleanála.

Deputy Verona Murphy: We have a housing crisis. The real issue is that houses are not being built. Planning permissions are not being applied for because minimum densities are being imputed. With a minimum density of 35 dwellings per hectare, we are getting terraced houses and apartments. Apartments are expensive to build. I am not talking about Dublin or city-oriented policy, which really only means Dublin. I am talking about rural and regional towns where such projects do not fit. Developers are not applying, which is leading to a housing shortage. They cannot afford to build apartments for less than the open market price. Clearly, they will not build apartments if they cannot sell them, meaning we will just be providing social housing rather than affordable housing. The densities should be imputed by local councillors at their own discretion based on their local knowledge. SPPRs are included in certain legislation, but they do not stipulate minimum densities. The Planning Regulator, purportedly the overseer of his own policy, says that there are minimum densities, yet no one from his office to the chair of An Bord Pleanála to the Minister has been able to show me where it is in legislation. This issue is causing untold hardship and the housing crisis.

Chairman: Is the Deputy's proposal that we revert to the chair of An Bord Pleanála?

Deputy Verona Murphy: To ask him to point out specifically where in legislation minimum densities are imputed. Where does it say in legislation that we must apply a minimum density of 35 dwellings per hectare, which is what the regulator is claiming?

Chairman: Is it agreed that we request that information? Agreed. I thank the Deputy for her clarification.

Deputy Neasa Hourigan: Can we invite An Bord Pleanála back to a meeting?

Deputy Verona Murphy: Absolutely. If we are ever going to get over the housing crisis, this issue has to be addressed. We are discussing schemes but schemes are only available if houses are built, and houses are not being built in rural and regional Ireland because of this specific reason.

Chairman: I accept that. In larger towns and cities, there is a need for apartments. For example, a number of apartments would be appropriate in Portlaoise.

Deputy Verona Murphy: It is cheaper to build a three-bedroom house than a one-bedroom apartment.

Chairman: Of course. In smaller towns like Duncannon or Mountrath-----

Deputy Verona Murphy: Apartments are not needed.

Chairman: No.

Deputy Verona Murphy: People do not want to live in them either.

Deputy Neasa Hourigan: I agree with the Deputy's proposal to ask An Bord Pleanála to answer the question it was asked. When it appeared before us previously, it was before the reports were completed. We also now know of an issue concerning An Bord Pleanála. I would

like agreement that we have the board appear before us again as soon as possible

Deputy Verona Murphy: We will probably face the same situation, in that An Bord Pleanála will use the report and the fact that a file has now gone to the DPP to say that it is inhibited in what it can discuss.

Deputy Neasa Hourigan: Given the housing crisis, we cannot allow An Bord Pleanála to stagnate in a legal dilemma. We need it to set out to the committee what the process for moving forward will be and what we can expect to see from it. We were truncated in what we could discuss at the previous meeting because the report had not been done, but I would like to return to the issue now. We could only do so much in the previous session, so we need another.

Chairman: An Bord Pleanála is somewhat moribund at the moment, given the various inquiries.

Deputy Neasa Hourigan: That is why we have to keep the pressure on.

Chairman: We will seek that clarification.

The next correspondence is No. 1446B from Ms Vivienne Flood, head of public affairs at RTÉ, dated 6 September 2022, providing further information requested by the committee regarding contractors. It is proposed to note and publish this correspondence. Is that agreed? Agreed.

We will now move on to correspondence from and relating to private individuals and any other correspondence. No. 1362C, which is from an individual and dated 13 July 2022, is further correspondence to the committee regarding the social welfare appeals office and the alleged use of test cases. The individual previously corresponded with the committee and, at the meeting of 2 June, we agreed to advise the correspondent that our report on the examination of the 2019 Appropriation Account for Vote 9 – Office of the Revenue Commissioners recorded the committee’s position on the matter arising from the evidence that was presented to it. Regarding the correspondent’s question as to whether the committee has found evidence of a test case, this matter has been raised with the Department and the Office of the Revenue Commissioners in writing and during engagements. The committee has received conflicting accounts on the use of test cases but it is not an adjudicative body. However, in terms of the wider issue of bogus self-employment, the committee will continue to pursue the matter in a manner consistent with its role. It is proposed to advise the correspondent accordingly. There are two pieces of correspondence that are kind of relevant to this. Just bear with me for a second while I reference these. I looked at these last night and had a discussion with the clerk about this. One is No. 1009 from Revenue. Basically, the correspondent is asking whether we have proof of a test case.

Please hold for one second while I clarify this.

I was just checking which one was published and which one was not. The clerk is going back through the records of the committee to check this. No. 1009 was published and it is from 4 August 2000. That is how far we are going back. It was sent to Jerome Flanagan, who was, at that time, part of the secretariat here. The relevant part of it states that for the purpose of insurability under social welfare law, a motorcycle courier was found to be self-employed by the Department of Social, Community and Family Affairs appeals tribunal some years ago. The decision was not challenged further through the High Court on a point of law and, consequently, would stand for social insurance purposes. That is the reference.

There is another letter, but it was not published. Therefore, we are not in a position to do anything with that. The one that is published is, obviously, a committee document. It is published and out there. I would suggest we help the correspondent by supplying the letter to him, referencing correspondence No. 1009 from 4 August 2000 to this committee. It is 22 years old. Thanks for that. Please bear with me because I am juggling a number of pieces of correspondence. We will bring the published correspondence to the correspondent's attention.

The next piece of correspondence is No. 1366C from Deputy Catherine Murphy. It is dated 19 July and is a proposal to request information on track attendance at Shelbourne Park Greyhound Stadium from Greyhound Racing Ireland. Deputy Murphy flagged this and it is her correspondence. I suggest that we put it to next week, if that is agreeable. Agreed.

I will move on to our work programme. In our last meeting, on 14 July, we agreed to the following engagements for this term. Horse Racing Ireland will be here next week, 22 September, with representatives from the Department of Agriculture, Food and the Marine and the Irish Horseracing Regulatory Board. On 29 September, we will engage with the HSE, focusing on mental health expenditure in Community Healthcare Organisations, CHOs, 4 and 8. If there are specific issues within either of those areas, we should put those on the agenda. I know there is one in CHO 8 that has to be included. In CHO 4, there are matters that have been identified. On 6 October we will again engage with the HSE about expenditure on emergency services and its 2021 financial statements. Along with the emergency hospital services, the ambulance service was a specific issue that we wanted to address. On 30 September, which will be budget week, the Comptroller and Attorney General will publish the 2021 appropriation accounts and the report on the accounts of the public services and that will assist us in planning engagements for the term.

We have already discussed a number of potential engagements and will discuss those further once availability has been confirmed for October. Do members wish to raise any other matters in relation to the work programme?

(Interruptions).

Deputy Verona Murphy: We do not have a slot as such, but if there are any hiccups with anybody, we would like to be able to call them in.

Chairman: The Deputy knows the situation with the Department of Public Expenditure and Reform. We invited officials and want them to come before us in October. That is it. The Secretary General has mentioned unavailability. However, the secretariat will revert back to them and we will confirm that we are actually requesting their attendance here and there is a requirement on the Secretary General of the Department of Public Expenditure and Reform to attend.

That concludes our consideration of the work programme. There is another matter of business. I raise the issue of the Siteserv investigation inquiry. Obviously, the inquiry has happened and has been a six-year project. It has cost in the region of €30 million. I only caught the headline figures on this, but the main finding was that the maximum potential loss to the taxpayer from the sale of Siteserv by the Irish Bank Resolution's Corporation, IBRC, would have been in the region of €8 million to €30 million. It took six years to find that out.

The Moriarty tribunal, as I recall, was in the region of – I have a note here – €66 million at the end of 2021. That does not count third-party costs, which normally match that or will be

well in excess of it. The figure will probably be in the region of €150 million by the end of it.

I refer again to the €30 million for the Siteserv inquiry. Members will recall it had a value of €140 million and IBRC sold it to Denis O'Brien for €41 million, if I recall. It was in the newspapers last week. There was then a six-year inquiry into that sale that cost €30 million.

Mr. Seamus McCarthy: To be correct, my understanding is that the expenditure to the end of 2021 is approximately €11 million. I think the figure is an expectation of third-party payments, which would perhaps bring it to €30 million. I am just trying to be helpful to the committee in the interest of accuracy.

Chairman: That is fine. The expected figure is €30 million. There are hundreds of millions piling up. The question has to be asked why some of these cases are not referred in the first instance to the An Garda Síochána white-collar crime squad to investigate. There has to be a quicker way of trying to get to the bottom of what is going on. When the report of the inquiry comes out – which it has in this case – if the white-collar crime unit wants to look at it, it can do that. However, is it the case that it should be the other way around? Is there a better way of doing these inquiries? My understanding is these are set up under the Department of Finance.

Mr. Seamus McCarthy: It is the Department of the Taoiseach.

Chairman: We should write to the Department of the Taoiseach about this. As Chair of the Committee of Public Accounts, I have serious concerns that there are bills of hundreds of millions of euro being landed on the taxpayer for these inquiries that take years and, in some cases, decades to carry out, and no one ever prosecuted at the end. The findings are made and they go onto a shelf. The inquiry into Siteserv will now join Moriarty and all of the other tribunals on the shelf. The bill was paid. The only benefit is to the legal profession, which charges huge fees. The whole Siteserv thing and the Moriarty and other various tribunals may have scandals within them. From the taxpayers' point of view, they may have something to say perhaps after we send over what we have done. However, there is a huge issue here in how we are going about investigating these. There has to be a better way. I certainly would like to hear expert opinion on this. Is there a better way of carrying out these inquiries? Should they be referred in the first instance to An Garda Síochána? Is the Garda white collar crime unit, which was set up a number of years ago to deal with white collar crime, the body that should be looking at these in the first instance? I do not think we can sit back as the Committee of Public Accounts. There will be another of these, and then another, over the next couple of years, regardless of who is in government. If tens or hundreds of millions of euro of taxpayers' money is spent, what will it be spent for? Will it be to gather dust on a shelf? When this came out last week, I thought, "Here we go again". As Chair of the Committee of Public Accounts, I will not stand over this.

Deputy Neasa Hourigan: I agree. I reiterate that we all think that these things should be investigated. We need to get better at investigating them. If something is being investigated and the investigation costs more than the wrongdoing did, it does not make any sense. Could this committee do something to include the Revenue Commissioners in this discussion? Maybe Revenue could be included to address an issue of this scale. That may be a pathway to prosecution. I do not know how we would normally interact with the Revenue Commissioners. I did not read the 1,500 pages of this report and I am not sure that anyone will ever read it. What is the purpose of this report? It must be referred to somebody for further action.

Deputy Verona Murphy: I may be wrong, but I thought that it had been referred to what was previously known as the fraud squad and that someone had been arrested or taken for ques-

tioning.

Chairman: I do not know. There are two issues here. I am not questioning the Moriarty tribunal report, the report on Siteserv, or the other reports.

Deputy Verona Murphy: It is about how we do things.

Chairman: Those reports are generally accepted. Maybe somebody else will dispute them. I have not sat down and spent nights and days reading through them either. The costs of this process have escalated into hundreds of millions of euro. The process issues a report after many years. It gets a day of coverage by the media, which is fair enough, since the media are doing their job. That is it, then the report goes onto a shelf. There has to be a better way to do this. What models are used internationally? Are there better ways to do this? Are there less expensive ways? Might a lesser inquiry have a time-limited first-stage examination of the facts available, by a legal person and an accountant, or another team of suitably qualified people, who could then decide whether to make a recommendation that this should go to An Garda Síochána or to a commission of inquiry? Instead, we have these lengthy processes with a bill that potentially runs to over €100 million. From the point of view of the public money of the taxpayer, when there are people in Mountjoy for not paying their television licence, where they are brought for one day before being sent home again, or for shoplifting, maybe for stealing cigarettes from a shop because they have an addiction, or drink worth €50 from an off-licence-----

Deputy Verona Murphy: It should start here with accountability. We have not been getting that so I am not sure how we expect to change it, but it certainly needs to change. Nobody would disagree with that.

Chairman: I suggest that, to start with, we write to the Department of the Taoiseach to express our concern about the escalating costs. We could firstly ask for how much has been paid for tribunals over the last two decades and what the expected final cost is. That is a simple question. There have been a number of tribunals.

Deputy Neasa Hourigan: It is a simple question but it will be a massive number.

Chairman: Let us get it. I think, as the Committee of Public Accounts, that we need to apprise ourselves of how much has been paid for various tribunals and inquiries over the last 25 years. What are the expected final costs? The Moriarty tribunal is not fully paid for.

Mr. Seamus McCarthy: It is not. The previous committee made that inquiry, so there may already be data up to 2019. It would just be a matter of adding the other information. I think it was addressed to the Department of Public Expenditure and Reform rather than the Department of the Taoiseach. The Department of the Taoiseach has responsibility for the Moriarty tribunal, the Cregan report and the Cooke commission, but other Departments have other commissions. I think the Department of Public Expenditure and Reform pulled it together. If my memory is correct, that may already be there as a base. When the appropriation accounts are published, if a commission of inquiry is being operated, the accumulated expenditure is in the appropriation account. In a couple of weeks, we will be able to bring those up to date, to the end of 2021.

Chairman: Can we write to the Department of Public Expenditure and Reform for an updated figure and the expected final cost of inquiries and tribunals from the past 25 years, if that is going back far enough? We would at least have the facts. Then we can maybe see the options with regard to what has been happening. As a State, I do not think we can allow the situation to continue the way it is going. It seems bizarre. The thing that jumped out at me was that there

is an expected final cost of €30 million. I am not disputing the finding. The finding was that the maximum potential loss to the taxpayer may have been another €8 million higher. In other words, it would have been sold for €48 million or €49 million instead of what it was sold for, which was €41 million.

Deputy Verona Murphy: We do not want to give the impression that we will not do it just because it is costing money. We need to find a better way. Every meeting of the Committee of Public Accounts almost has the potential for a tribunal.

Mr. Seamus McCarthy: Rather than focusing on the cost and the individual case, there needs to be learning about the controls, governance and oversight. As the Deputy said, one might learn lessons from one case that would be generally applicable.

Deputy Verona Murphy: Exactly.

Mr. Seamus McCarthy: They may be valuable if one can identify better ways of doing things in the future to avoid another loss of €8 million or €10 million. The committee is best set up to approach this by looking at any lessons about how we do business.

Chairman: I am sure these matters are raised in other countries. Maybe they are worse at it than we are. Maybe some are better. Surely, in developed countries at least, there is a better way of dealing with these real or potential scandals?

Mr. Seamus McCarthy: I am not an expert on it. I think we have been through this before, where it has been found that inquiries or commissions were ongoing for lengthy periods. There have been a number of iterations and a number of models have been used and are being used now, which may be different. For example, in the Vote for the Department of the Taoiseach, there is a tribunal of inquiry and there are commissions of investigation. This was a commission of investigation, which was supposed to be the better, more effective and cheaper model.

Chairman: It was set up for that purpose, to get away from the expensive tribunals, such as the Moriarty tribunal.

Mr. Seamus McCarthy: The other point is that, to bring information together, an inquiry usually needs to start by looking at whether there is *prima facie* evidence of wrongdoing? One does not want to start many inquiries into matters of rumour because it is so expensive to investigate and inquire into matters. One needs evidence. That is the issue that An Garda Síochána might have. If there is no evidence of something going wrong, it is not likely to commence an investigation.

Chairman: We will write to the Department of Public Expenditure and Reform to get that figure. We can apply our minds to see if there are better ways to do this. We will write to the Department of Enterprise, Trade and Employment in the first instance and get that figure. We can apply our minds to see if there are better ways of doing this.

Deputy Verona Murphy: Is the HSE undertaking a review of some of the purchasing throughout Covid-19 and of the €80 million? Are we not due to have a report on the purchasing of ventilators?

Mr. Seamus McCarthy: I am awaiting a final reply from the HSE in relation to that. It is actually overdue. I am anxious to complete the report as soon as possible. I may have further information in two weeks' time when the HSE comes before the committee to discuss other

matters. I may be able to give a further update in that regard. It is a report on the purchase of ventilators.

Chairman: We will adjourn until 9.30 a.m. on Thursday, 22 September when we will engage with Horse Racing Ireland.

We have two matters to discuss in private session.

The committee went into private session at 12.21 p.m. and adjourned at 12.39 p.m. until 9.30 a.m. on Thursday, 22 September 2022.