



/BD

26 January 2012.

Mr. Ted McEnery
Clerk to the Committee
Committee of Public Accounts
Leinster House
DUBLIN 2.

Office of the
General Secretary
Joe O'Flynn



Re: HSE (Skill Programme)

Dear Mr. McEnery,

I wish to refer to your correspondence dated the 13th January 2012 received on the 16th January 2012 regarding the above. I note the Committee has acceded to our request to appear and give evidence and I thank you for your assistance in this matter.

SIPTU, as an organisation that represents over 200,000 members, is as anxious as the PAC to ensure that taxpayers money is properly accounted for. In this respect we believe that our appearance on the 1st March will assist the Committee as well as allowing SIPTU the opportunity to correct the record in respect of information given to the Committee which was not correct or was misrepresented. You should note that we have specifically taken issue with the HSE over its statement to the PAC on the 15th December that “only recently – in past week or so – we identified that two sums had gone into the SIPTU account from 2001 and 2002 from the office for Health Management”.

This, as you may recall, led to accusations that these sums “were gone missing” and were “unaccounted for”. As SIPTU was implicated in this most serious matter and, as we did not seek or receive the said monies, we have referred the matter to the Garda Fraud Squad for investigation.

Referring to your request that SIPTU should give full access to the HSE Internal Audit team information as outlined in your letter of the 13th January 2012, I wish to advise the following:

Bank Statements/Credit Card Statements

It is SIPTU's intention to fully assist the PAC in accounting for the public monies involved in this matter. To this end, we have requested our financial advisors to prepare detailed accounts showing income and expenditure for each year that Bank records are available. We have also requested that details

relating to the various expenditure headings are also included. You will appreciate that this may prove somewhat difficult as this Account was not a Union Account. It is further compounded by the fact that the various funding agencies did not put a service level agreement in place between the parties nor did they ever seek income and expenditure reports, never mind an audit.

We will be forwarding the above mentioned Accounts directly to the Comptroller and Auditor General who we understand has overall responsibility for accountability in these matters and will provide full access to the Comptroller and Auditor General to the Bank details of the "Levy Fund Account".

SIPTU does not believe that the HSE are the appropriate Body to provide access to the financial records as there were other State Agencies who also provided Funds to the "Levy Fund Account". We also have a concern relating to those matters referred to the Garda Fraud Squad involving the HSE.

Grant Thornton Report

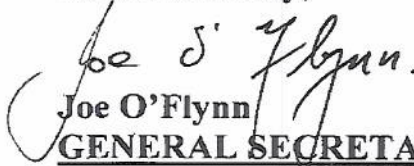
The Grant Thornton Report was a report commissioned by the legal representatives of the signatories of the "SIPTU National Health & Local Authority Levy Fund" and, from the outset they have made it clear that it is a privileged report.

The SIPTU Trustees and the Financial Advisor sought access to the Grant Thornton Report so that they could compare the figures which they obtained from their own enquiries.

Access was granted solely on undertakings given in advance by SIPTU's Solicitors that the Grant Thornton Report would not be copied or published by SIPTU. This was agreed to as we believed it was most important that the Trustees report contained information that was accurate. SIPTU does not have a copy of the Grant Thornton Report in its possession and we advised the HSE accordingly.

We trust this clarifies our position.

Yours sincerely,


Joe O'Flynn
GENERAL SECRETARY.