



Comhshaol, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government

Oifig an Aire
Office of the Minister



31 January 2012.

Mr. John McGuinness T.D.,
Chairman,
Committee of Public Accounts,
Leinster House,
Dublin 2.

Dear Chairman,

I refer to your letters of 22 July 2011 and 18 January 2012 in relation to a Compulsory Purchase Order (CPO) made by Wicklow County Council affecting land in Greystones.

At the outset, I wish to express my regret that, due to an oversight, a very significant delay has occurred in responding to the letter of 22 July. You as Chairman, and the Committee itself, may be assured that the delay in replying is in no way indicative of a lack of respect, on either my own part or that of the Department, for the important and necessary work carried out by the Committee in relation to expenditure of public funds.

The letter of 22 July raises general issues concerning determination of the price that is paid for the compulsory acquisition of land. As regards the existing law, assessment of compensation for the compulsory acquisition of land under the housing acts is by reference to the value of the land at the time of the service by the local authority of the Notice to Treat. While public authorities should proceed as expeditiously as possible in cases of compulsory acquisition of land, important issues can arise if delay occurs in any related arbitration process (or in otherwise giving full effect to the CPO) and, in the interim, significant change occurs in the market value of land. I am, therefore, examining the relevant legislative provisions to see if it is possible to identify options which would address the problems that can arise for public authorities in these circumstances.

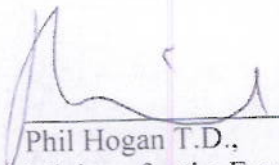
In your letter of 18 January (and in the earlier letter), you refer to the Greystones CPO in particular. Issues related to the relevant CPO were the subject of representations by a number of Wicklow public representatives to the former Minister for Housing and Planning, Willie Penrose T.D. These concerned both the land acquisition process followed by Wicklow County Council and consideration by the Department of a related loan application by the Council. In light of this, former Minister Penrose recommended, in consultation with me, that Senior Counsel be appointed to review these matters. Following nomination by the Attorney General's Office, Mr. Seamus Woulfe SC has been appointed to undertake the review.



The Terms of Reference for the review are as set out in the attached document. They address, in the first instance, issues relating to the Department; following completion of this work, consideration can be given to any associated enquiry that may be necessary in respect of the manner in which the Council dealt with the land acquisition.

It is intended that the review will be completed by the end of February and I will be in contact with you again at that stage.

Yours sincerely,



Phil Hogan T.D.,
Minister for the Environment, Community
and Local Government.

Review by Senior Counsel of the management by the Department of the Environment, Community and Local Government of an application by Wicklow County Council for loan approval in respect of the compulsory purchase of land at Charlesland, Co. Wicklow

Terms of reference

The manner in which this matter has been addressed by both the Department and Wicklow County Council has been the subject of representations by a number of Wicklow public representatives to the then Minister for Housing and Planning. The Minister's Special Adviser met with these representatives at the request of the Minister on 3 November 2011 and he was at that meeting given the annexed document dated 3 November 2011. He was subsequently sent a further document dated 7 November 2011 (also annexed).

In light of the serious allegations made in these documents, concerning the Department's¹ management of the loan applications by the Council² to fund the compulsory land acquisition, Counsel is requested to:

- I. review the relevant records of the Department³ in this regard;
- II. consult as necessary relevant officers of the Department;
- III. establish the process followed by the Department in regard to the loan application and its consistency with the relevant legal requirements and administrative requirements or practices;
- IV. identify any deviation from such requirements and practices; and
- V. make such findings and recommendations as may be appropriate in light of this review, including in regard to any shortcomings that may be identified either in regard to the management of the specific loan application or more generally in regard to the processing by the Department of such applications.

¹ These documents also contain serious allegations regarding the manner in which this matter was dealt with by the Council.

² The Council initially sought and received such loan approval in 2008. However, this loan approval was not acted upon at that time and thus lapsed. The Council on 20 July 2011 sought a further loan approval, which remains under consideration in the Department.

³ The conduct of this review may necessitate access to records or officials of the Council and the Department will, as required, seek the co-operation of the Council in this regard.