



**Comptroller and Auditor General
Special Report**

**Governance, internal control and
value for money issues in Inland Fisheries Ireland**

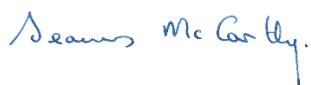
Report of the Comptroller and Auditor General

Governance, internal control and value for money issues in Inland Fisheries Ireland

I have, in accordance with the provisions of Section 9 of the Comptroller and Auditor General (Amendment) Act 1993, carried out an examination of governance, internal control and value for money issues in Inland Fisheries Ireland. This report was prepared on the basis of information, documentation and explanations obtained from Inland Fisheries Ireland, and from the Chief Executive Officer of Inland Fisheries Ireland. Where appropriate, comments and responses received were incorporated in the final version of the report.

The sole focus of this report is on the performance of Inland Fisheries Ireland in respect of its governance, internal control and value for money, and not on its staff members or any third parties. For the avoidance of doubt, this report does not make any criticism or comment or present any view, whether express or implied, with respect to staff members of Inland Fisheries Ireland or third parties, and it should not be understood as doing so.

I hereby submit this report for presentation to Dáil Éireann in accordance with Section 11 of the Comptroller and Auditor General (Amendment) Act 1993.



Seamus McCarthy
Comptroller and Auditor General

24 July 2025

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Summary

Summary

Inland Fisheries Ireland (IFI) is the State agency responsible for the management, protection and conservation of Ireland's inland fisheries and sea angling resources. It was established in 2010 under the Inland Fisheries Act 2010 (the Act), amalgamating the previous Central Fisheries Board and the regional fisheries boards. It operates under the aegis of the Department of Climate, Energy and the Environment.

In 2022 and 2023, a number of disclosures were made to the Minister for the Climate, Energy and the Environment and to the Comptroller and Auditor General that raised concerns around IFI's governance arrangements and the adequacy of its system of internal control.

The audit reports for the 2021 and 2022 annual financial statements drew attention to a number of significant issues of concern about IFI's affairs, in particular matters in relation to governance, internal control, the regularity of certain transactions and value for money issues. This examination reviewed and reports on those matters in more detail.

Board of Inland Fisheries Ireland

Section 6 of the Act provides for a Board of IFI comprising ten members, including a Chair. Following several resignations in 2022 and early 2023, including two successive Chairs, the Board membership fell to five members which was just sufficient to form a quorum for a meeting.

In February 2023, the Minister removed the remaining board members on a no fault basis and appointed two persons, under Section 18 of the Act, to perform the functions of the Board on a temporary basis, pending its reconstitution.

A new Board was appointed by the Minister in January 2024.

Fisheries protection activity

A key function of IFI is the protection and conservation of fisheries resources including both fish and their habitats, with responsibility extending to inland surface waters and inshore waters within 12 miles of the shore. As part of this function, IFI uses a range of protection and enforcement measures.

IFI carries out protection patrols that include lake, river and coastal patrols using a range of assets that includes boats, motor vehicles, drones, bikes and quad vehicles. The total area (including islands) subject to these patrols varies between river basin districts (RBD), ranging from 8,000 square kilometres to 18,000 square kilometres.

In 2018 and 2019, IFI invested €3.5 million in a replacement fleet of 12 rigid inflatable boats (RIBs) for patrolling. However, recorded patrolling levels fell in 2019 due to revision of the requirements for qualified coxswains to lead patrols. This resulted in the number of qualified coxswains dropping sharply along with additional losses due to the retirement or departure of trained staff from the organisation. The capacity to undertake patrolling was gradually restored, through training of additional personnel. In 2023, the number of patrols per RIB undertaken represented an average of around 81% of the target set by IFI.

Prosecution of offences

IFI can initiate prosecutions for serious fisheries and environmental offences such as fish kills and water pollution.

Formal delegated sanction from the Board is required for IFI officers to initiate prosecutions. In March 2023, in response to a legal challenge in a prosecution case, IFI discovered that formal sanction of IFI staff was not in place. This discovery led to IFI withdrawing approximately 50 prosecution cases (initiated across the six RBDs). This has had a significant impact on IFI's ability to perform its protection function and has also exposed IFI to potential financial loss and legal costs.

Formal delegated sanction of IFI officers to prosecute cases was put in place in June 2023. Prosecutions have recommenced from that date.

Management of dormant accounts funding

Between 2019 and 2021, IFI received a total of €1.18 million from the Dormant Accounts Fund. An internal audit review in January 2022 reported a number of significant weakness in IFI's administration of this funding. In particular, it was not clear in some cases that expenditure was fully aligned with the purpose of the funding. This led to IFI refunding over €28,000 to the Dormant Accounts Fund in 2022.

A tender competition was carried out in 2019 for a novice angler activation programme with a contract value of €19,750, funded from the Dormant Accounts Fund. A subsequent legal review commissioned by the Board in July 2021 identified a number of shortcomings in the operation of the tender competition. In particular, the review noted that the evaluation panel made serious errors in the manner in which the tender submissions for the programme were evaluated. However, it concluded that the outcome of the tender competition should stand.

An internal audit review in relation to grant funding of €4,000 provided by IFI in March 2021 to Maugherow sea angling club was completed in March 2023. The audit identified significant weaknesses in IFI's governance framework, risk management and internal controls for the grant programme.

Management of Aasleagh Lodge and cottages

IFI owns a substantial period property called Aasleagh Lodge, built as a fishing lodge adjacent to the Errif river in Mayo. In addition to the lodge, the grounds of the property encompass two self-catering cottages and an IFI operations base. Until 2015, the lodge and cottages were staffed and operated as bed and breakfast/self-catering accommodation, specialising in catering for anglers. In April 2015, following a competitive procurement process, an external operator was appointed to operate the lodge and cottages. The contract was for a period of just under five years, but was terminated the following year when the external operator withdrew from the contract.

Subsequently, an arrangement was entered into with an IFI staff member to operate the cottages as tourism rentals on a profit-share basis. This arrangement continued to operate for five years, and was extended to include the lodge in 2021.

An internal audit review completed in January 2023 of the operation of Aasleagh Lodge and the cottages during the years 2014 to 2022 identified significant weaknesses in IFI's procurement, contract management and financial management practices.

The deficiencies in control identified by internal audit exposed IFI to financial risk and may not have resulted in optimal value for money outcomes.

Management of business expenses

IFI's headquarters are located in Citywest, Dublin. In November 2021, the CEO's work base was changed from Citywest to the IFI regional office in Ballyshannon. The change was made without authorisation by the Board, and there is no evidence of a business case having been prepared to support the change. In June 2023, the Section 18 appointees changed the CEO's base back to Citywest, with effect from February 2023 (i.e. from the date of their appointment).

Between late 2021 and June 2023, the CEO claimed subsistence payments totalling €7,972 related to periods when he was in Dublin for IFI business purposes. This included €1,041 paid after the Section 18 appointees took up their role, and which was subsequently refunded to IFI.

In 2020, IFI made 53 credit cards available to its staff for use, who spent a combined total of over €148,000 on the cards. By the end of 2024, IFI had reduced the number of credit cards in operation down to 17. Notwithstanding the reduction in the number of credit cards in operation, it remains excessive for an organisation of IFI's size.

Vehicle fleet management

During 2023, IFI staff had access to a total of 434 vehicles, of which 196 were owned by IFI and 43 were leased on a seasonal basis. Casual business hirings for short periods, and employee-owned vehicles accounted for the other vehicles used. Notwithstanding the nature of IFI's work, the number of vehicles used appears to be very high.

Uninsured vehicles

Following a road traffic accident in August 2021, IFI discovered that 15 of its hired vehicles, including the vehicle involved in the accident, had been uninsured for a period. All the uninsured vehicles had been hired between 1 June and 27 July 2021. IFI subsequently changed its insurance arrangements so that its vehicles no longer have to be insured on an individual basis.

The total costs incurred by IFI in relation to the August 2021 road traffic incident, including vehicle repair costs, totalled almost €230,000. IFI has stated that it does not anticipate any further legal action against it in respect of the accident.

Vehicle-related benefit-in-kind

Almost a quarter of the vehicles owned by IFI at the end of October 2023 were electric. Between 2019 and 2021, IFI installed electric vehicle charging points at seven of its employees' homes at a total cost of over €11,700. This was subsequently identified as being taxable as 'benefit-in-kind' (BIK) to the employees. IFI has confirmed that it has removed six of the charging points, which are currently warehoused at its offices in Citywest. The charging points are currently being assessed for reuse, or for sale or scrapping should reuse not be possible. The remaining charger was bought out by the IFI staff member.

IFI did not verify with the Office of the Revenue Commissioners (Revenue) in advance of installing the electric vehicle charging points whether BIK arose. Following an internal review, IFI made a payment of tax, including interest and penalties, to Revenue of over €17,600 in 2023.

Separately, in 2019, Revenue undertook a review of IFI's BIK compliance, particularly the circumstances where pool vehicles were being brought home by IFI staff. Revenue determined that IFI vehicles parked overnight at staff residences are liable to BIK. This resulted in IFI paying a settlement (including interest and penalties) of €278,000 to Revenue in 2019.

Agency staff and remuneration

For several years there has been extensive use of agency staff by IFI resulting in IFI consistently operating above its sanctioned staff numbers. The cost of hiring agency staff in 2021 was €743,000. This had increased to €882,000 for 2022.

Payments totalling over €11,000 were made in 2021 to two agency staff that had been employed for over two years with no break of service. This gave the employees an entitlement to statutory redundancy payments.

Separately, during 2021 and 2022, IFI made other settlement and redundancy payments totalling almost €99,000 to 12 employees.

**Governance, internal control and value
for money issues in Inland Fisheries
Ireland**

1 Introduction

- 1.1** Inland Fisheries Ireland (IFI) is the State agency responsible for the protection, management and conservation of Ireland's inland fisheries and sea angling resources. Ireland has over 74,000 kilometres of rivers and streams and 128,000 hectares of lakes, all within IFI's remit.
- 1.2** IFI was established in 2010 under the Inland Fisheries Act 2010 (the Act), amalgamating the former Central Fisheries Board and regional fisheries boards. IFI operates under the aegis of the Department of Climate, Energy and the Environment.¹
- 1.3** Section 6 of the Act provides for the establishment of a ten-person Board to carry out the statutory functions assigned to IFI.
- 1.4** In 2023, IFI's income totalled €40.49 million, the majority of which — €33.43 million — was funding directly from the Exchequer, via Vote 29 Environment, Climate and Communications. Total expenditure by IFI in 2023 amounted to €41.23 million.
- 1.5** IFI operates its business from its headquarters (also accommodating one of its regional offices) located in the Citywest Campus in Dublin and in six other regional offices located around Ireland (see Figure 1.1). Its organisational structure comprises
- an operations division made up of six river basin districts (RBDs)
 - a research and development division
 - a barriers and sustainability division
 - the office of the Chief Executive Officer (CEO)
 - human resources
 - ICT division
 - corporate services — incorporating compliance, finance, communications and marketing, field services, logistics and procurement, education and outreach and corporate governance.
- 1.6** The regular day-to-day management, control and direction of IFI are the responsibility of the CEO and the senior management team.

¹ The Department was named the Department of the Environment, Climate and Communications until 2 June 2025.

Figure 1.1 Inland Fisheries Ireland RBDs and regional offices



Source: Inland Fisheries Ireland

- Notes:
- a The Lough's Agency is responsible for the conservation, protection and management of the fisheries and marine resources within the Foyle and Carlingford catchment areas.
 - b For operational purposes, the Western RBD is divided into two subdistricts — Western Galway and Western Ballina.

Focus of this examination

- 1.7 The Board of a State body is responsible for ensuring that effective systems of internal control are instituted and implemented in that body. These include financial, operational and compliance controls and the system for risk management.
- 1.8 In 2022 and 2023, a number of disclosures were made to the Minister for the Environment, Climate and Communications and to the Comptroller and Auditor General that raised concerns around IFI's governance arrangements and the adequacy of its system of internal control.

- 1.9** Significant weaknesses in IFI's internal control systems were identified during the audits of IFI's financial statements for 2021 and 2022. The reports on the audits (issued in March 2023 and November 2023, respectively) drew attention to significant issues of concern, around governance, internal control issues, the regularity of transactions and value for money issues. This examination reviews those matters in more detail.

2 Governance of Inland Fisheries Ireland

- 2.1** The Board of a State body is the principal decision making body in relation to the organisation's strategic direction and oversees the performance of its functions. It is also responsible for ensuring the organisation has complied with the requirements of the *Code of Practice for the Governance of State Bodies* published by the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation (the Department of Public Expenditure).¹
- 2.2** The Board of IFI was established under Section 6 of the Act, and its functions are set out under Section 7 of the Act. The Board is accountable to the Minister for the Environment, Climate and Communications and is responsible for ensuring good governance and that the principal functions of the agency, as set out under the Act, are performed.
- 2.3** The Board comprises a Chairperson and nine ordinary members — seven non-executive members and two members from IFI's staff. The staff members are the CEO (*ex-officio*), and an elected staff nominee.
- 2.4** The Board has established and operates one standing (permanent) committee, along with a number of subcommittees as follows
- Audit and risk committee (standing)
 - Joint fish farm working group
 - Fish farm project steering group
 - Strategic human resources subcommittee
 - Property subcommittee
 - ICT subcommittee
 - Corporate plan steering group
 - Governance review steering group
 - Salmon policy working group.

Senior counsel review

- 2.5** In April 2022, the then Chairperson of the Board of IFI resigned. This was followed by a further resignation from the Board, also in April 2022.
- 2.6** An existing member of the Board was appointed Chairperson in May 2022.
- 2.7** In May 2022, under Section 18(3) of the Act, the Minister appointed a senior counsel to carry out an independent review of the operations of the Board of IFI, due to concerns the Minister had that the functions of IFI were not being performed in an effective manner following the resignations from the Board.

¹ The Department was named the Department of Public Expenditure, National Development Plan Delivery and Reform until 5 June 2025.

- 2.8** The independent reviewer's report was submitted to the Minister in July 2022 and subsequently published in November 2022.¹ The report concluded that "... *there is not a basis, from the alleged disclosures and the information and documentation which has been reviewed, for the Minister to be satisfied that the functions of IFI are not being performed in an effective manner such as to effect the removal of all members of the board of IFI from office*".

Section 18 appointees

- 2.9** There was a further resignation from the Board in October 2022. Subsequently, the then Chair of the Board and a further ordinary member resigned in January 2023, leaving just five members, which meant there were just enough members to achieve the quorum needed for a Board meeting.² In February 2023, in accordance with the provisions of Section 18 of the Act, the Minister for the Environment, Climate and Communications removed the remaining Board members on a 'no fault' basis.
- 2.10** In order to ensure that IFI was in a position to perform its functions effectively, the Minister appointed two persons under Section 18 (5) of the Act for a period of up to six months to perform the functions of the IFI Board, pending the reconstitution of the Board. The Section 18 appointees were also required to progress the handling of a number of disclosures received by IFI during 2022, and to initiate an external review of governance of the organisation. The duration of the appointments was extended to mid-January 2024.

External governance review

- 2.11** In July 2023, following Ministerial instruction, the Section 18 appointees engaged an external consultant to undertake a review of IFI's governance arrangements, including an examination of the respective roles of the IFI Board and the executive. The review found fundamental corporate governance weaknesses in relation to how IFI is structured and organised to provide necessary leadership and oversight of the organisation's strategy, objectives and funding arrangements.^{3,4}

- 2.12** The review made 11 recommendations to improve IFI's governance arrangements including

- that IFI should develop, in consultation with all stakeholders, a clear and coherent strategy setting out the agency's purpose, mission and values
- a realignment of Board and sub-committee structures and membership, including clear definition of the roles and functions of each
- a review of job descriptions and supporting roles for each member of the senior leadership team, together with clear definitions of expectations and required outputs
- specific measures to be put in place to support the CEO and Board Chair in creating and maintaining an effective relationship
- development and implementation of an effective and robust risk management framework.

1 A report titled *In the Matter of Section 18 (3) of the Inland Fisheries Act 2010* (July 2022) was published in November 2022 and can be found [here](#).

2 Section 20 (5) of the Inland Fisheries Act 2010 can be found [here](#).

3 *Inland Fisheries Ireland S.18. Governance Review* was published on 19 December 2023 and can be found [here](#).

4 The cost to the IFI of the external review was €56,056 (including VAT).

- 2.13** On 20 December 2023, the Minister appointed a new Board of IFI and their terms of office commenced on 16 January 2024.

3 Protection and enforcement issues

- 3.1 A key function of IFI is the protection and conservation of fisheries resources including both fish and their habitats, with responsibility extending to inland surface waters and inshore waters within 12 miles of the shore. As part of this function, IFI use a range of protection and enforcement measures.

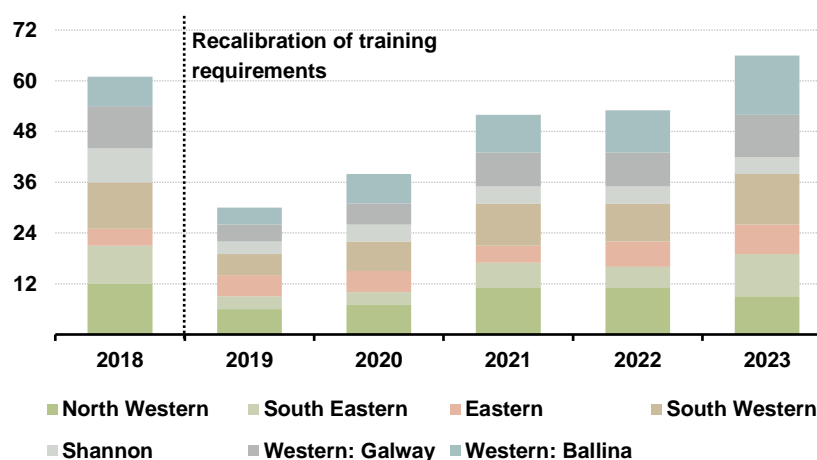
Protection patrols

- 3.2 IFI carries out protection patrols that include lake, river and coastal patrols using a range of assets that includes boats, motor vehicles, drones, bikes and quad vehicles. The total area (including islands) subject to these patrols varies between RBDs, ranging from 8,000 square kilometres to 18,000 square kilometres.

Rigid inflatable boats

- 3.3 IFI operates a fleet of rigid inflatable boats (RIBs) that are used to undertake lake, river, sea, coastal and estuary patrols in each of IFI's six operational RBDs.
- 3.4 In 2018 and 2019, IFI purchased 12 RIBs at a total cost of around €3.5 million — an average cost of €292,000 per RIB. The new RIBs were purchased to replace the ageing existing fleet which had commenced operations in 2006.
- 3.5 Fully qualified coxswains are needed to operate the RIBs. The average number of qualified coxswains available in IFI fell by half between 2018 and 2019. IFI has stated that this was due to a decrease in the number of staff being trained to advance coxswain standard because of a recalibration of IFI'S RIB training protocols and requirements along with the retirement and departure of trained staff from the organisation (see Figure 3.1). The number of qualified coxswains increased gradually thereafter, and had returned to above 2018 levels in 2023.

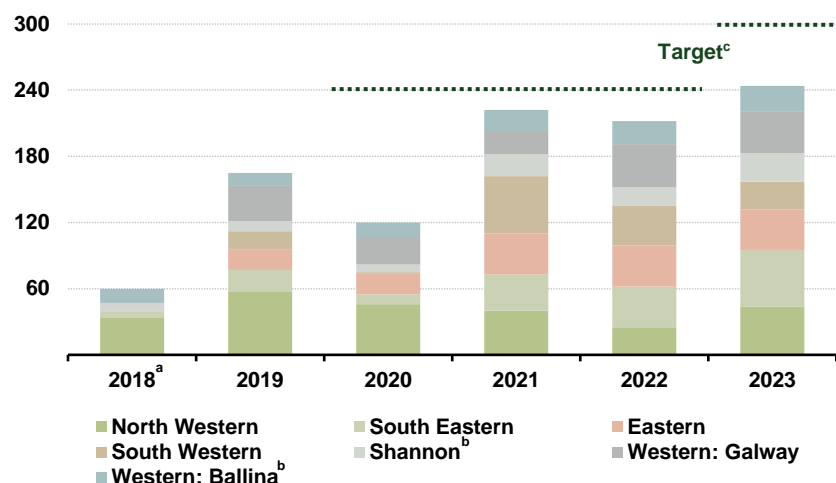
Figure 3.1 Average number of coxswains employed by RBD, 2018 – 2023



Source: Inland Fisheries Ireland

- 3.6** In 2023, IFI records indicate it carried out 244 RIB patrols (see Figure 3.2). This represented an average outturn of 81% of the overall target for patrols set for the year.

Figure 3.2 RIB patrols by RBD, 2018 – 2023



Source: Inland Fisheries Ireland

- Notes:
- a During 2018, three RBDs operated no RIB patrols — Western Galway, South Western and Eastern — due to operational constraints associated with the transition from the old to the new RIB fleet.
 - b Shannon and Western Ballina RBDs have only one available RIB for carrying out patrols. All other RBDs each have two RIBs.
 - c IFI's National Fisheries Protection Plans for 2020 to 2022 anticipated that each RIB would be sea going in the peak weeks of the arrival off the coast of the salmon run, and that each RIB would undertake at least 20 sea patrols in this period, weather conditions permitting. This was increased to 25 sea patrols in 2023.

Prosecutions

- 3.7** IFI can initiate prosecutions for more serious fisheries and environmental offences such as water pollution.¹ These prosecutions generally take some months to progress to a court hearing and therefore court hearings can often relate to offences which occurred in prior years. Successful prosecutions can result in fines and the awarding of costs against the defendants, together with the forfeiture of equipment. In some cases, a custodial sentence can also be imposed.
- 3.8** IFI engages a panel of solicitor firms to assist in these prosecution cases. Between 2018 and 2023 IFI has incurred legal fees totalling €1,280,177 in the prosecution of cases.

Delegated sanction for prosecutions

- 3.9** IFI officers are formally delegated by the Board to initiate prosecution cases. In March 2023, IFI discovered, on foot of a query from a solicitor, that delegated sanction for the prosecution of cases was not in place for the prosecuting officer in a specific case. IFI suspended the initiation of further prosecution cases and requested legal advice (including senior counsel advice) on the way forward.

¹ IFI is empowered to enforce the Fisheries Acts 1959 to 2010 and the Water Pollution Acts 1977 to 1990.

- 3.10** The legal advice received confirmed delegated authority to initiate prosecutions on behalf of IFI was not in place. The Section 18 Board appointees were informed and delegations were put in place on 12 June 2023. IFI began initiating prosecutions as normal from 12 June 2023.
- 3.11** In respect of live prosecution cases, IFI was advised that it should not proceed with prosecutions that had been initiated prior to March 2023 when the appropriate delegations were not in place.¹
- 3.12** This led to IFI withdrawing approximately 50 prosecution cases, initiated across six RBDs. Most of these related to single cases of illegal fishing or illegal items seized which are typically lower value fines. In these cases, IFI typically incur legal fees of around €4,000 and the courts award fines in the region of €400.
- 3.13** However, there is one large case outstanding. In this case, the court found the defendant to be responsible for a large fish kill. The matter is before the courts with the issue of costs yet to be finalised.

Conclusions

- 3.14** The main reason IFI exists is to secure the protection and conservation of fisheries resources, including both fish stocks and their habitats. Although IFI had invested in a substantial RIB fleet in 2018 and 2019, IFI's capacity to achieve this through active patrolling on Irish waters diminished in 2019, when the number of qualified coxswains to lead such patrols dropped sharply due to a decrease in the number of staff being trained to advance coxswain standard along with the retirement and departure of trained staff from the organisation. The capacity to undertake patrolling was gradually restored, through training of additional personnel and the purchase of RIBs.
- 3.15** In 2023, IFI carried out four times as many RIB patrols as it carried out in 2018. However, the level of patrolling in both the Shannon and Western: Ballina RBDs is significantly below the level in other RBDs because each has only one available RIB for carrying out patrols.
- 3.16** IFI has the statutory power to prosecute cases that result in harm to fish stocks and/or waters. Individual IFI officers must be formally delegated by the IFI Board to bring prosecution cases. However, the process for formal delegation of authority to prosecute cases failed for a number of years. This came to light in March 2023, and a number of prosecutions were abandoned as a result. This has had a significant impact on IFI's ability to perform its protection function and has also exposed IFI to potential financial loss and legal costs.

¹ The legal advice also noted that in regard to cases already concluded, appeals must be lodged within six months.

4 Dormant accounts funding issues

- 4.1** The Dormant Accounts Fund enables unclaimed funds from accounts in credit institutions in Ireland to be used to fund programmes which assist the development of persons who are economically or educationally disadvantaged, or those affected by a disability. In 2019 and 2020, IFI applied for dormant accounts funding for three initiatives.
- *Novice angling strategy* — the development of a novice/youth angling strategy and scheme to support events for disadvantaged groups, angling hubs and coaches to ensure a safe environment for youths and vulnerable adults.
 - *Angling for all* — a continuation of the novice angling strategy — to provide training and support for angling federations and clubs to improve their organisational governance by providing best practice guides, training workshops and support to ensure that anglers with additional needs can develop and benefit from angling.
 - *Go fishing novice angling initiative* — this project envisaged the appointment of five regional co-ordinators in major urban areas to work with angling organisations to increase the numbers engaging in angling across the regions.
- 4.2** IFI was allocated a total of €1.58 million for these initiatives and drew down around 75% of the allocation (see Figure 4.1). The funding not drawn down — just under €400,000 — has since been de-committed and is no longer available to IFI.
- 4.3** The dormant accounts funding IFI received was used to fund a range of expenditure under the three initiatives including permanent and temporary staff costs; the provision of grant funding to third parties; the procurement of third-party services and supplies; and the purchase of equipment for specific projects.

Figure 4.1 Dormant accounts funding awarded and drawdown by IFI, 2019 to 2021

	Funding awarded				Total drawdown
	2019	2020	2021	Total	
Initiative	€	€	€	€	€
Novice angling strategy/angling for all	70,000	200,000	200,000	470,000	230,533
Go fishing novice angling	323,250	380,315	405,850	1,109,415	949,720
Total	393,250	580,315	605,850	1,579,415	1,180,253

Source: Dormant Accounts Action Plans 2018 to 2021 and Inland Fisheries Ireland

- 4.4** In 2021, IFI's Audit and Risk Committee initiated an internal audit review following an allegation of the misuse of dormant accounts funds. The review focused on dormant account funds totalling €924,000 drawn down in 2019 and 2020 for the novice angling strategy and the go fishing novice angling initiative.
- 4.5** Internal audit examined how the funds were spent by outcome and by spend type; the volume and value of transactions undertaken with third parties including the procurement or grant awarding mechanisms used; and whether the projects and spend were consistent with the dormant accounts funding legislation.¹
- 4.6** Internal audit's January 2022 report highlighted a number of significant weakness in IFI's administration of dormant accounts funding. In particular, the report found it was not clear for some expenditure that it was fully aligned with the purpose of the dormant accounts funding and that there was no clear link to the target disadvantaged groups (see Figure 4.2).

Figure 4.2 Internal audit findings — dormant accounts funding

- While activities were undertaken which clearly benefitted dormant accounts funding targeted groups, there were shortcomings in IFI's approach which meant it was not always possible to demonstrate full alignment between every aspect of the expenditure incurred and dormant accounts fund targeted groups or to appropriately measure outcomes from the activities undertaken.
- Management explanations in relation to some expenditures were not convincing in respect of direct linkages to the dormant accounts funding target groups. Internal audit considered that those expenditures could, and perhaps should, have been funded through normal Exchequer funding. The report recommended that IFI consider reimbursing a proportion of these costs.
- Novice angling strategy — the strategy does not reference the dormant accounts funding target groups and is more generally focussed on increasing the numbers of people taking up the sport, including groups to be targeted by dormant accounts funding, rather than specifically targeting these groups.
- Go fishing — the job description for the education and outreach officers contracted to deliver this measure was general in nature and did not specifically mention the dormant accounts funding or the go fishing measure.
- Angling for all — the audit queried whether IFI has sufficient arrangements in place to ensure and to evidence that the benefits of this funding flow primarily to the target groups rather than the broader public.

Source: Internal Audit Report — Review of Dormant Accounts Funding (31 January 2022)

- 4.7** In light of the internal audit findings, IFI refunded dormant accounts funding totalling €28,280 (in 2022) — this was in respect of €17,129 allocated to the go fishing initiative in 2019 and €11,151 allocated to the novice angling strategy in 2020. The expenditure deemed ineligible for dormant accounts fund support related to
- Payment of €17,500 for membership of *Leave No Trace*, an education programme designed to promote responsible outdoor recreation.
 - Payment of €8,500 towards the costs associated with a Government of Ireland/IFI stand at the national ploughing championships.
 - Payment of €2,280 for membership of the *Visitor Safety Group* network. This network promotes good practice for managing visitor safety.

¹ [Dormant Accounts Act 2021](#).

Novice angler activation programme tender competition

- 4.8** IFI undertook a tender competition for a novice angler activation programme in 2019. The total value of the contract awarded to the successful tenderer was €19,750.
- 4.9** In July 2021, the Board of IFI obtained legal advice on the evaluation of tender submissions following receipt of a complaint from a third party in relation to the tender competition for the programme.
- 4.10** The review report noted that it appeared that the evaluation panel committed serious errors in the manner in which the evaluation of the tender submissions for the programme was conducted. It found that, while the request for tenders set out a comprehensive and prescriptive method by which tender applications would be assessed and the contract be awarded, the evaluation panel deviated in a number of respects from the evaluation methodology set out in the request for tender and appeared to have used undisclosed criteria in assessing the tender applications. However, while a number of failings in the decision making process were identified, the report noted that there was nothing in the documents reviewed to suggest that the decisions of the evaluation panel were made otherwise than in good faith.
- 4.11** The report concluded that the decision and outcome of the tender competition should be permitted to stand.

Maugherow sea angling club

- 4.12** In 2021, Maugherow (in Sligo) sea angling club applied for and was granted funding of €4,000 under the dormant accounts funded angling for all initiative. The funding was provided for training, personal protective equipment and fishing equipment.
- 4.13** The IFI Board requested internal audit to include in its 2022 audit programme a review of the funding provided to the Maugherow club, due to concerns raised that the club was not in existence at the time funding was provided, and that it did not have a bank account, which was a condition of funding.
- 4.14** The internal audit review was completed in March 2023. The report highlighted weaknesses in IFI's programme governance framework, risk management and internal controls. The main findings are summarised in Figure 4.3.

Figure 4.3 Internal audit findings — Maugherow sea angling club

- Maugherow sea angling club did not have a bank account to facilitate the payment of the grant award. An informal arrangement was entered into whereby a third-party organisation (Angling Council of Ireland, the national governing body for the sport) would purchase the required items, make the claim for reimbursement and, on receipt of the reimbursement, pass the items to the grantee. However, there was no formal agreement signed with the third party in respect of this payment arrangement and no formally documented risk assessment of the arrangement.
- Applicant organisations under the angling for all programme were required to confirm that they had a constitution/memorandum of association in place. The report concludes that the applicant was a new club, which did not have the appropriate governance and administrative structures in place, and on that basis would appear not to have been eligible to receive dormant accounts funding under the stated terms of the funded programme.

Source: Internal Audit Report — Review of Dormant Accounts Funding (28 March 2023)

Conclusions

- 4.15** There were a number of significant weakness in IFI's administration of dormant accounts funding between 2019 and 2022, including issues in relation to procedures for the allocation of the funding. Also, reviews completed at the request of the Board show that it was not always clear, in some cases, that expenditure was fully aligned with the purpose of the dormant accounts fund, resulting in the repayment of funding, by reduced drawdown, of over €28,000 to the Department of Climate, Energy and the Environment.

5 Management of Aasleagh Lodge and holiday cottages

- 5.1** Aasleagh Lodge is a period house built as a 'fishing lodge' on the Galway-Mayo border adjacent to the Errif river, a noted salmon and trout fishery. The current curtilage of the property encompasses wooded grounds of around 14.6 hectares, two self-catering cottages and IFI's Ballinakill operations base (see Figure 5.1).

Figure 5.1 Aasleagh Lodge and cottages



Source: Inland Fisheries Ireland

- 5.2** The lodge has been in State ownership since it was acquired in the early 1980s. The former Central Fisheries Board is currently recorded on the State property register as the registered owners of the property.
- 5.3** The net book value of the lodge and cottages at end 2023 was just over €541,358.¹

¹ Aasleagh Lodge and the cottages are recognised at cost incurred less accumulated depreciation (2% per annum) on IFI's balance sheet.

- 5.4** Prior to 2010, the lodge and cottages were operated as bed and breakfast/self-catering accommodation by IFI's predecessor, the Western Regional Fisheries Board. IFI took over these operations, along with operation of the Erriff fishery, on its establishment in 2010.
- 5.5** In 2022, the Board of IFI initiated an internal audit review of the operation of Aasleagh Lodge and of the cottages in order to obtain assurance regarding the robustness of arrangements for the optimal use of the property. The review covered the period 2014 to July 2022 and examined
- the use of the property during that period
 - the terms of the relevant leasing and other arrangements in relation to the use of the property and the basis on which such arrangements were agreed
 - the basis on which any lease or other contractual arrangement for the use of the property was awarded
 - the assessment of procedures for monitoring and reporting on the performance or otherwise of any such contracts or lease arrangements.
- 5.6** The internal auditors completed their review in July 2023 and reported significant weaknesses in IFI's procurement, contract management and financial management practices.
- 5.7** These significant control deficiencies exposed IFI to unnecessary financial risk and increased the likelihood that value for money has not been achieved in the operation and management of Aasleagh Lodge and the cottages.

Operation of the lodge and cottages 2010 to 2016

- 5.8** From the time IFI took over the lodge and cottages in 2010 until early 2015, IFI continued to operate the lodge and cottages as bed and breakfast/self-catering accommodation, specialising in catering for fishing activity. In April 2015, following a competitive procurement process, an external operator was appointed to operate the lodge and cottages. The contract was for a period of just under five years.
- 5.9** This contract was terminated the following year when the external operator withdrew from the contract due to lower than anticipated returns and citing the condition of the properties as a contributing factor. The 2015 and 2016 accounts for the lodge and cottages reported total operating losses of around €14,500 which were fully borne by IFI.
- 5.10** Internal audit's examination of the awarding of the 2015 competition for the operation of the lodge and cottages identified a number of significant weaknesses with the competitive process resulting in IFI breaching public procurement procedures (see Figure 5.2).

Figure 5.2 Internal audit findings — 2015 competition for operation of the lodge and cottages

- Tenderers were not advised that historic trading figures disclosed by IFI were effectively VAT inclusive suggesting tenderers did not have full information when preparing and submitting proposals.
- The 'invitation to tender' letter did not set out the criteria or weightings intended to be applied in assessing tender proposals received.
- The weightings used by IFI to score bids were altered after the initial assessment of proposals and bidder interviews had been completed. The change in weightings was approved by the Board's property subcommittee on the basis of it being a better return for IFI and ultimately the taxpayer.
- Had the weightings remained unchanged, a different bidder would have been successful in the competition.

Source: Internal Audit Report Review of Aasleagh Lodge and Cottages, 24 July 2023

Operation of the cottages 2017 to 2022

- 5.11** In early 2017, expressions of interest were sought from staff within IFI to operate the cottages (excluding the lodge) as short-term holiday lettings on a temporary basis, pending the cottages being put up for sale. A staff member was awarded a contract to operate the cottages. IFI could not locate the files to support the process of awarding this contract.
- 5.12** As can be seen in Figure 5.3, despite the limitation of scope, internal audit found a significant number of issues of concern about the awarding and management of the contract for the operation of the cottages in 2017.

Figure 5.3 Internal audit findings — 2017 contract for operation of the cottages

- Offering the contract solely to IFI staff when there had been previous external interest at the time of the 2015 procurement process was not sufficiently transparent or competitive.
- The initial contract was for a period of five months (May to September 2017) but the arrangement continued for a further four years until 2021 without any further competitive process taking place.
- When the initial contract expired, no further formal signed contract was put in place, although some contract terms were varied by the parties over the years.
- There was insufficient legal input in the drafting of the original contract — the contract omitted a number of standard clauses such as right of access to the cottages during the term of the contract, notice periods for any changes in the arrangement, or how disputes were to be resolved.
- There was no evidence that the staff member had public liability insurance in place in respect of the cottages or that they had provided a letter of indemnity to IFI in this regard as was required under the contract.

Source: Internal Audit Report Review of Aasleagh Lodge and Cottages, 24 July 2023

- 5.13** The contract for the operation of the cottages included provisions for the sharing of the rental income. Over the five years (2017 to 2021), the cottages generated total rental income of €77,375 — an average of €15,475 per year. IFI received €23,994 and the staff member received €53,381.
- 5.14** As can be seen in Figure 5.4, internal audit found a lack of segregation of duties and proper authorisation procedures over the processing of rental income transactions, a key internal control.

Figure 5.4 Internal audit findings — 2017 contract — rental income

- There were delays in the receipt and/or follow-up in respect of some rental payments during the arrangement due to internal staff changes within IFI and the impact of Covid-19 restrictions.
- Insufficient controls were in place to ensure segregation of duties around the processing of the rental income transactions.

Source: Internal Audit Report Review of Aasleagh Lodge and Cottages, 24 July 2023

- 5.15** In December 2021, IFI initiated a competitive procurement process seeking expressions of interest to lease the properties, but no submissions were received.
- 5.16** At a meeting in April 2022, the property subcommittee decided that IFI should approach holiday rental companies, local newspapers and letting agencies seeking an operator for the cottages on a short-term basis between June and December 2022.
- 5.17** There was one respondent who was awarded the contract to let the cottages for the 2022 season. The income to IFI was €5,000, similar to the average for the previous five years. This letting agreement finished as scheduled on 30 September 2022. Internal audit also found a number of weaknesses in the awarding of this contract (see Figure 5.5).

Figure 5.5 2022 contract for the operation of the cottages

- An advertisement was placed in only one western regional newspaper.
- No records are available of an evaluation/assessment of the proposal or on the method of arriving at the decision to accept the sole offer received.
- While there was earlier correspondence from the head of operations noting that three individuals had recently expressed an interest in the cottages, it was not clear they were contacted or made aware of the opportunity to operate the cottages.

Source: Internal Audit Report Review of Aasleagh Lodge and Cottages, 24 July 2023

Operation of Aasleagh Lodge 2017 to 2021

- 5.18** Following the cessation of the arrangement with the external operator in 2016, Aasleagh Lodge was not operated as rental accommodation for a period of six years (2016 to 2021). It was used by IFI for limited ad-hoc activities such as meetings during this time. Internal audit found that it was not clear what, if any, interim options were considered in respect of the use of the lodge during the time it was vacant.
- 5.19** In April 2021, the Board received an unsolicited offer from an external third party to rent the lodge for the summer of 2021. The offer also included undertaking some painting of the property. However, a contract to operate the lodge was given to the staff member who was operating the cottages at that time. As can be seen in Figure 5.6, internal audit found a number of significant weaknesses in the awarding of this contract for the lodge.

Figure 5.6 2021 contract for operation of the lodge

- Following the unsolicited offer to rent the lodge, the IFI staff member operating the cottages was approached and offered first refusal on also operating the lodge.
- Commercially sensitive details contained in the proposal from the external third party were shared (by e-mail) with the staff member operating the cottages at that time including the external third party's occupation, proposed arrangements for maintenance and the value of the offer.
- Further detail was requested from the external third party with a deadline for a response. Non-response by the deadline was to be taken that the external third party was no longer interested in the property.
- The Office of Government Procurement verbally advised IFI that a third bidder should be sought. A request was subsequently made to one other auctioneer. The auctioneer confirmed it had no suitable clients and no attempts were made by IFI to contact other parties for example those that had previously tendered for the operation of the lodge in 2015.
- The IFI staff member sought to operate the lodge in a similar manner to the cottages — rental income apportioned between IFI and the staff member — resulting in IFI potentially bearing more commercial risk than had been anticipated.
- Some significant changes to terms of the arrangement for the operation of the lodge compared to the arrangement in place for the cottages, were made following discussion between the CEO and the IFI staff member, that appeared to transfer more risk to IFI than under the arrangement for operating the cottages.
- IFI contemporaneously recognised that agreeing to the transfer of the additional risk was not in accordance with the offer made to the IFI staff member in terms of the lodge and that these changes could have resulted in the IFI staff member's invited proposal not being accepted. However, based on the final agreement for operation of the lodge, IFI ultimately accepted the IFI staff member's terms.
- The only contract in place for the operation of the lodge was a two-page document containing draft terms signed by the IFI staff member. IFI did not countersign this document.

Source: Internal Audit Report Review of Aasleagh Lodge and Cottages, 24 July 2023

Attempted sale of Aasleagh Lodge and cottages

- 5.20** *Circular 17/2016 Policy for Property Acquisition and for Disposal of Surplus Property* provides that where a State body intends disposing of surplus property, it must allow one month for expressions of interest from other State bodies before disposing of the surplus property to a non-State party.
- 5.21** In October 2017, Aasleagh Lodge and the cottages were added to the Office of Public Works surplus property register. No expressions of interest were received. In February 2018, the properties were put on the market for sale. Internal audit found that IFI's procedures for asset disposal do not include a requirement to prepare a business case or justification where assets are being disposed of.
- 5.22** The Board of IFI had considered a number of options in relation to the property, including various leasing arrangements and/or sale of part or all of the property. IFI then informed the Department of its preferred choice to sell the property and to retain the Erriff fishery in State ownership. Following an examination by the Department of the options presented, the Minister concurred with the Board's view and approved the proposed sale of the lodge and cottages in June 2017.
- 5.23** The lodge, together with around seven hectares of land, was offered with a guide price of €850,000, while the two cottages were guided at a combined price of €450,000. Between May 2018 and October 2020, three offers were received in relation to the properties, ranging between €800,000 and €850,000 for the lodge and land with a separate offer of €340,000 being made for the two cottages. No offer was accepted or progressed to sale agreed by the Board.
- 5.24** At a meeting in December 2020, the Board decided to take the property off the market, following consideration of a written submission made by the CEO recommending that a feasibility study be commissioned to examine possible alternative uses. The minutes record that the CEO stated at the meeting that funding of €250,000 had been secured to construct viewing platforms on the Erriff river which would further increase the amenity value of the property.
- 5.25** IFI has since confirmed that the Department of Rural and Community Development and the Gaeltacht approved this funding under the outdoor recreational infrastructure scheme.^{1,2}

1 The outdoor recreation infrastructure scheme (ORIS) provides funding for the development of new outdoor recreational infrastructure. It also provides support for the necessary repair, maintenance, enhancement or promotion of existing outdoor recreational infrastructure in rural areas across Ireland.

2 The Department was named the Department of Rural and Community Development until 2 June 2025.

Internal audit recommendations

- 5.26** Arising from the findings of its review, internal audit has made a total of 26 recommendations for IFI to address that include enhancements to IFI's tendering and contracting procedures and the provision of regular training and briefings to staff.
- 5.27** IFI has accepted the internal audit recommendations and noted that a procurement officer has been appointed and training has been provided to all staff involved in procurement. IFI has stated that several further enhancements and improvements to its systems and procedures have been introduced.

Feasibility study

- 5.28** In December 2020, the Board agreed to commission a feasibility study on alternative uses for the Aasleagh estate property. The findings were reported to the Board in December 2021.¹
- 5.29** The feasibility study concluded that, subject to public funding support, it is feasible to develop the Aasleagh estate and the Erriff river as a fisheries interpretative and research centre for public education and outreach, coupled with an enhanced IFI facility for fisheries research and training.

Lodge and cottages 2022 and 2023

- 5.30** Since September 2022, use of the complex has been restricted to the Erriff Fishery Office, a research office, a car charger, treatment plants and pumps and on an ad hoc basis for meetings. Between February and June 2023, one of the cottages was used as a base during the upgrade of an IFI operational base at Ballinakill.
- 5.31** In April 2022, and again in October 2022, IFI offered Aasleagh Lodge and cottages to the Department of Children, Disability and Equality for accommodation for international refugees.² IFI has stated that, during discussions with the Department, the remoteness of the location and lack of serviced accommodation at Aasleagh were given as reasons why the lodge and cottages may be unsuitable. There was correspondence in relation to this proposal between the Department and IFI, but the proposal was not progressed.
- 5.32** In September 2023, the Section 18 Board appointees requested that a proposal be prepared on the future use of Aasleagh Lodge and cottages. A proposal was prepared by the Head of Finance and Corporate Services and the CEO that recommends an upgrade and repurposing of Aasleagh Lodge as an international research hub and training and education centre for IFI and that the cottages be put up for sale. This proposal was approved by the Section 18 Board appointees in October 2023.

Conclusions

- 5.33** Aasleagh Lodge and the associated holiday rental cottages are substantial assets held by IFI. The Board is obliged to ensure that the value of the assets is protected, and that any potential use of, or economic surplus from, the assets accrues to IFI and/or the State.
- 5.34** The location and scale of the lodge and cottages, and the adjacent development of an active IFI operational base to service the Erriff fishery, limits the tourism/ rental income potential of the property.
- 5.35** Deficiencies in internal control in the letting and management of the lodge and cottages over a number of years exposed IFI to unnecessary financial risks.

¹ The cost to IFI of the feasibility study was around €36,800.

² The Department was named the Department of Children, Equality, Disability, Integration and Youth until 2 May 2025.

6 Other Inland Fisheries Ireland internal control issues

- 6.1 Concerns were also identified in relation to the effectiveness of controls in a number of other areas of operation of IFI.

Travel and business expenses

- 6.2 Expenses incurred by public bodies should be necessary for the purpose of the business they conduct. It is important that any travel and incidental expenses are directed to achieving the organisation's objectives and are authorised in advance, and that transactions using credit cards are kept to a minimum.

CEO's change of work location

- 6.3 As occurs in most public sector organisations, IFI policies and procedures on travel expenses define an employee's 'normal place of work' as the place where an employee normally performs the duties of his/her employment.
- 6.4 The CEO is employed under a five-year fixed-term contract which commenced in November 2020 and includes specific provisions in relation to location of work and travel (see Figure 6.1).

Figure 6.1 Extract from the CEO's fixed term contract — location

- 2.1 Your initial employment location(s) will be at 3044 Lake Drive, Citywest Business Campus, Dublin 24, D24 Y265.
- 2.2 The Agency reserves the right, at its discretion, to change these locations to any other place within Ireland. Where the post of CEO is so designated, you will be required to transfer, without compensation, to the new location.
- 2.3 You may be required to travel, within and/or outside Ireland, in performance of your duties.

Source: CEO's fixed term contract

- 6.5 In November 2021, the CEO's 'normal place of work' was changed from the IFI headquarters in Citywest (Dublin) to IFI's regional office in Ballyshannon (Donegal). There is no evidence that a business case was put forward for the work location change. There is also no contemporaneous written record of a proposal for the work location change or of its financial implications, or of a decision in that regard by the Board.

- 6.6** The only IFI record giving effect to this change is a copy of a letter to the CEO, dated 3 November 2021, signed by the Head of Human Resources (HR), confirming that the CEO's normal place of work was changed from Citywest to the Ballyshannon Office with immediate effect. This stated

"I wish to confirm that your normal place of work as specified in your five year fixed term contract as Chief Executive Officer is changing from the Citywest Business Campus to the Ballyshannon office effectively immediately. This arrangement is made in line with Section 2.2 and 2.3 of our contract."

- 6.7** Following the change of base, the CEO received subsistence payments in respect of trips undertaken to IFI's headquarters in Dublin. Claims in respect of these trips were signed off by the Chair of the Board at the relevant time.
- 6.8** IFI's 2021 financial statements disclosed that the re-location decision was based on the CEO spending more time in the Galway office than in Dublin. The distance from Ballyshannon to Galway (183 km) is less than Dublin to Galway (211 km). The 2021 financial statements also disclosed that given the introduction of remote working, it made economic sense and was better from a 'carbon footprint' perspective to change the CEO's base to the IFI base closest to his home.
- 6.9** The explanations provided in the 2021 financial statements are inadequate to explain the benefit to IFI of the change of work location for the CEO.
- 6.10** Following their appointment, the Section 18 appointees changed the CEO's normal place of work to Citywest, with effect from February 2023.

Cost associated with the location change

- 6.11** Mileage is not payable in respect of work-related travel undertaken by the CEO because he is provided with an IFI vehicle on a full-time basis along with a fuel card.
- 6.12** Apart from transport costs, work-related journeys away from the official base may result in payment of 'subsistence' to cover the costs of accommodation and meals. From his appointment in November 2020 to the end of 2023, the CEO claimed subsistence allowances totalling €37,666 (see Figure 6.2). Of this, payments totalling €7,972 were made in relation to subsistence claims related to journeys to IFI's base in Citywest.
- 6.13** Following the CEO's work base relocation to Citywest in 2023, IFI recouped subsistence payments totalling €1,041 (in respect of the period February 2023 to June 2023) from the CEO. The net subsistence payments to the CEO in respect of claims for travel from Ballyshannon to Dublin (from November 2021 to February 2023) was therefore €6,931.

Figure 6.2 Subsistence expenses claimed/incurred by the CEO, November 2020 to December 2023

Year	Total subsistence	Amount relating to change in work base
	€	€
Nov/Dec 2020	—	—
2021	7,872	1,414
2022	18,997	5,479
2023	10,797	1,079
Total	37,666	7,972

Source: Inland Fisheries Ireland

Use of credit cards

- 6.14** At the end of 2024, IFI had a total of 17 credit cards in operation — a reduction of 36 cards when compared to 2020 (see Figure 6.3). Notwithstanding this reduction in cards in use, the number of credit cards remains very high for an organisation of this size.
- 6.15** The CEO, all heads of function, RBD directors and certain other staff that have been nominated by their managers are issued with credit cards. The card credit limits for the CEO, five heads of function and six RBD directors are €5,000.
- 6.16** The remaining heads of function have a limit of €7,500. Staff that travel abroad regularly have cards with limits of €1,500 while all other cards are limited to €500.

Figure 6.3 IFI credit card allocation and expenditure, 2020 to 2024

Year	Number of credit cards	Total expenditure charged to credit cards	Average expenditure per credit card
		€	€
2020	53	148,522	2,802
2021	55	126,000	2,291
2022	49	131,230	2,678
2023	30	141,153	4,705
2024	17	100,741	5,926

Source: Inland Fisheries Ireland

Funding of third-level course fees

- 6.17** In June 2021, an IFI staff member requested funding for the completion of a two-year Executive Masters of Business Administration (MBA) at the University of Galway on the basis that it would be of assistance with the forthcoming organisation structural review and would enable them to apply for future positions on the senior leadership team. The employee's role and grade at the time was not a management role within IFI.
- 6.18** Full funding was approved by HR in September 2021 at a cost of €27,574 for the course. The employee subsequently secured sponsorship from the University of Galway reducing the final cost to €20,373. After the course funding was approved, IFI obtained quotes for similar courses and deemed the University of Galway course to be the most suitable.
- 6.19** On 1 September 2021, HR approval was given for the course, after a deposit of €500 had been paid and the purchase order for the course fees had been raised.
- 6.20** IFI noted that while spending on third level courses for employees between 2018 and 2023 totalled around €209,800 for 43 employees, no other employee within IFI has had fees paid for a similar third-level course.
- 6.21** IFI has stated that it is in the process of updating its further education policy including setting out criteria for the awarding of support for further education and ensuring that such awards of support are commensurate with an employee's role and experience. A list of approved training courses relevant to roles/grades will be included in this updated policy.

Vehicle fleet management

- 6.22** IFI activities are largely field-based and so its divisions require a range of vehicles to carry out its statutory functions. IFI adopts a hybrid fleet model whereby vehicles used across its divisions comprise
- Owned vehicles — this is IFI's core fleet largely operated by regional staff comprising cars, vans, SUVs, crew cabs and 4x4s. It also includes some special purpose vehicles such as tractors, excavators and load-alls. The vehicles are either assigned to managers or are pool vehicles used by IFI staff.
 - Seasonal leasing — vehicles for scientific research department staff. The field season typically operates between April and October each year.
 - Business hires — contract with a car hire company to provide vehicles to staff who do not ordinarily require a vehicle and do not have access to a pool vehicle in the course of their duties but avail of the service for scheduled events such as attending in-person meetings.
 - Grey fleet — personal vehicles which are used for business purposes. IFI has minimal usage of this fleet and vehicles are approved by managers on a needs basis.
- 6.23** At the end of October 2023, IFI owned a total fleet of 196 vehicles (see Figure 6.4). In addition, it utilised 238 other vehicles, which were mainly leased or hired.

6.24 The number of vehicles availed of appears to be very high. IFI has stated that this was due to the following

- Some senior administration staff that undertake significant travel have cars on which they pay benefit-in-kind (BIK), on the basis this is deemed more economical than paying mileage expenses.
- A number of older vehicles are used as pool cars for administrative staff, on the basis this is cheaper than paying mileage expenses. However, there is no evidence that a cost benefit analysis was completed in relation to this.
- Seasonal leased vehicles are required to cover additional staff employed in IFI's research and development division during the summer fieldwork season and in IFI's operations division during peak protection and development work. A total of 64 seasonal staff were employed by IFI in 2023.

Figure 6.4 Vehicles owned and rented by IFI during 2023

	2023
4x4	58
Electric (SUV and vans)	45
AWD/SUV	39
Commercial van	31
Domestic car	23
Total number of owned vehicles	196
Allocated as follows:	
<i>Assigned to individual managers</i>	74
<i>Pool vehicles</i>	122
Other vehicles	
Seasonal leased vehicles	43
Business hires ^a	172
'Grey' fleet	23
Total vehicles IFI staff had access to	434

Source: Inland Fisheries Ireland

Note: a Business hires comprise 151 vehicles hired for between one and five days, 17 vehicles hired for between six and ten days and four vehicles hired for between 11 and 15 days.

6.25 During 2023, IFI carried out an internal review of its fleet which resulted in a reduction in vehicle numbers. It concluded that the remaining vehicles in its fleet are necessary to ensure IFI can continue to carry out its statutory functions. The review also noted that as of October 2023, although almost a quarter of IFI's total owned fleet was electric, the transition to electric vehicles is challenging due to IFI's need for vehicles with towing and/or off-road capability and the limited available electric vehicle options.

Uninsured vehicles

- 6.26** On 10 August 2021, a vehicle that had been hired by IFI on 6 July 2021 was involved in a road traffic accident with two other vehicles. IFI reported the incident to its insurers on the day of the accident. The insurance company responded alerting IFI that it had no record of insurance cover for the vehicle. This was subsequently formally confirmed to IFI in a letter from the insurance company's solicitor on 16 November 2021.
- 6.27** Following the accident, IFI compared all vehicles that were on hire at that time to its fleet insurance policy, and discovered a further 14 vehicles hired between 1 June 2021 and 27 July 2021 that had been uninsured for between two and eleven weeks (depending on the date of hire). IFI requested the insurance company to add these vehicles to the fleet insurance policy.
- 6.28** The supplier of the leased vehicle advised IFI that it intended repairing the vehicle, at a cost of €24,418. This will be borne in full by IFI.
- 6.29** As of January 2025, the total costs incurred by IFI in relation to this incident, excluding the vehicle repair costs, are €204,945. IFI has stated that it does not anticipate that any further legal action will be taken against it in respect of the accident.
- 6.30** IFI has stated that a new fleet insurance policy was implemented following this incident to ensure that the use of all vehicles in the ownership of IFI, or hired or leased by IFI, are automatically insured. Between 2021 and 2023, the annual cost of insurance to IFI has increased by 35% from around €86,400 in 2021 to just over €116,500 in 2023.

Employee using IFI vehicle for personal use

- 6.31** During 2021, one employee had access to the use of an IFI pool car as part of the normal course of their work. A review of the vehicle logs over the course of that year found that one particular vehicle in the pool was driven by the employee on a daily basis.
- 6.32** Between 16 September 2021 and 22 December 2021, the employee claimed mileage expenses in respect of five trips between Galway and IFI headquarters in Citywest, Dublin totalling €1,312.
- 6.33** A review of the vehicle logs for the dates of these trips shows that the pool car, normally used by the employee, was not checked out of the pool on those dates.

Electric vehicle charging points

- 6.34** As of October 2023, almost a quarter of IFI's owned vehicle fleet is electric. In June 2019, IFI installed electric vehicle charging points at six of its employees' homes. In September 2021, one further charger was installed at an employee's home. The total cost of the seven units and installation was €11,746.

- 6.35** IFI has stated that it provided these charging points on the basis that
- There are limited public charging points available in many rural and peripheral areas in Ireland which are working areas of IFI.
 - The relevant employees had already been provided with assigned electric vehicles.
 - Time is saved by charging the vehicle at the employee's home instead of locating and waiting at a public charger.
 - Just over 70% of IFI's total energy demand comes from its vehicle fleet. The majority of IFI staff need to travel daily in order to deliver its statutory functions. Expanding the use of electric vehicles and the development of charging infrastructure contributes to IFI reducing its carbon emissions in line with the Climate Action Plan.
- 6.36** In addition to the installation of the chargers, IFI also pays a contribution towards the employees' home electricity bill for the cost of charging the electric vehicles. Since 2019, IFI has contributed a total of €8,468 towards employee's home electricity bills.
- 6.37** Prior to installing the electric vehicle charging points, IFI did not inquire with the Office of the Revenue Commissioners (Revenue) whether related BIK income tax liabilities arose. IFI has since been informed by Revenue that the installation of charging points at employees' homes is not exempt from BIK liabilities.
- 6.38** Following an internal review, IFI identified that BIK charges had not been calculated on the installation of electric vehicle charging points at the homes of seven employees. IFI subsequently made a settlement involving payment of tax, including interest and penalties, to Revenue of €17,614 in 2023.
- 6.39** In April 2022, IFI introduced policies and procedures for the allocation of home electric vehicle chargers. These include requirements that
- an application be made by the employee outlining the operational need for a home charger
 - the employee signs an allocation agreement agreeing that IFI can access and use the charging point for other electric vehicles for a minimum of three years.
- 6.40** IFI has now confirmed that no additional chargers have since been installed and employees are no longer provided with home chargers. Six of the previously installed home chargers have now been removed and are currently warehoused at its Citywest offices. The charging points are currently being assessed for reuse, or for sale or scrapping should reuse not be possible. One of the chargers was bought out by the IFI staff member.

Parking space rental

- 6.41** IFI have arrangements with several premises around the country for parking spaces. Most of the spaces are provided free of charge to IFI. For example, parking spaces are located for IFI vehicles in a Met Éireann observatory, a local authority depot, a fire station and in a number of church car parks. However, charges are in place for four parking spaces. In 2023, these spaces cost IFI €3,625.

- 6.42** The parking arrangements were put in place following a 2019 review by the Revenue Commissioners of IFI's BIK compliance, particularly the circumstances where pool vehicles were being brought home by IFI staff. Revenue determined that IFI vehicles parked overnight at home residences are liable to BIK. This resulted in IFI paying a settlement (including interest and penalties) of €278,000 to Revenue in 2019.

Using agency staff

- 6.43** Public bodies are allocated a staff complement in order to perform their statutory functions. In October 2019, the Department authorised IFI to fill vacancies through recruitment or promotion, subject to its remaining within a binding staff ceiling of 312 whole time equivalent (WTE) posts. As of December 2022, IFI directly employed 314 WTE staff.¹ The majority of these staff are deployed across IFI's research and protection functions with the remainder in administrative roles such as human resources, ICT and corporate services.
- 6.44** From time to time, public bodies may also need to use temporary agency staff, for example to fill a vacancy or provide cover for staff on statutory leave. However, they should remain within the authorised staff level. As the costs associated with the use of agency staff can be high, public bodies should seek to minimise use of agency staff over long periods of time. Failure to effectively manage agency contracts can also expose an organisation to unnecessary financial risks.
- 6.45** For several years, IFI has used agency staff on an ongoing basis, which has resulted in IFI consistently operating over its sanctioned staff numbers. The number of agency staff engaged was 14.5 WTE in 2021 and 12 WTE in 2022. For 2023 this reduced to six WTE.
- 6.46** In 2021, the cost to IFI for the hiring of agency staff was €743,000. For 2022, the total agency staff costs were €882,000.
- 6.47** In 2021, IFI had to make settlement payments to two agency staff who had been employed by IFI for in excess of two years. Because of the length of the contracts without a break in service, the employees became entitled to statutory redundancy payments totalling €11,076.
- 6.48** The majority of agency staff used by IFI were in administrative functions such as HR, ICT and communications and logistics. Following the submission of a business case to the Department setting out the need for additional posts, IFI received sanction for an additional eight posts in May 2023, increasing the staff ceiling to 320 WTE.

¹ This includes nine externally funded posts such as research contracts.

Other remuneration issues

- 6.49** In 2021 and 2022, IFI also made other settlement and redundancy payments totalling almost €99,000 to 12 employees as follows.
- Payments totalling €65,000 were made to six employees in relation to Workplace Relations Commission (WRC) claims around changes to employee entitlements and an unfair dismissal claim.
 - Redundancy payments totalling €33,732 were paid to a further six employees following IFI's decision to cease certain externally-funded projects.
- 6.50** In December 2023, the WRC issued an adjudication in relation to a case involving the suspension and subsequent dismissal of an employee. The WRC found that unfair dismissal had occurred and awarded the complainant €38,500.

Conclusions

- 6.51** There have been significant lapses in the system of controls operated in IFI over a number of years. Second line controls like internal audit and the Board's annual review of the effectiveness of controls did not identify these lapses.

CEO's change of work location

- 6.52** There is no evidence that a proper analysis was undertaken or that a formal business case was made for the change of work location of the CEO in November 2021. There is no evidence of the change of location having been discussed or approved by the IFI Board, which is responsible for setting the terms and conditions of the CEO.
- 6.53** The CEO's work location reverted to the originally specified IFI headquarters with effect from February 2023.

Use of credit cards

- 6.54** Notwithstanding the reduction in the number of credit cards in use, the number remains very high for an organisation of IFI's size and there does not appear to be a valid business justification for continuing to retain the current number of credit cards.

Vehicle fleet management

- 6.55** The vehicle fleet operated by IFI appears to have been excessive in scale when compared to the number of staff. This suggests an inefficient use of Exchequer funds.
- 6.56** The size of the fleet has now been reduced.
- 6.57** Issues in relation to BIK related to vehicle use by IFI staff resulted in it incurring expenditure of almost €296,000 in settlement costs with Revenue.

Uninsured vehicles

- 6.58** An administrative error resulted in some vehicles leased by IFI being uninsured for a period. The matter only came to light when one of the vehicles was involved in a road traffic accident and has exposed IFI to losses totalling almost €230,000. IFI does not anticipate further losses to arise in respect of this incident.