



An Roinn Gnóthaí Eachtracha agus Trádála
Department of Foreign Affairs and Trade

Ken Foxe

E-mail: kenfoxe@gmail.com

Our Ref: Fol/Req/2016/125

16th September 2016

Dear Mr. Foxe,

I refer to your recently submitted request for information, made under the terms of the Freedom of Information Act 2014, in which you requested the following:

The monthly rent paid for the residence of the Ambassador/Consul General/diplomatic head for each of the following locations: Brussels Embassy, Brussels PR-EU, Bucharest, Geneva, Helsinki, Holy See, New York CG, OSCE - Vienna, Paris, Singapore, Tallinn, Tokyo, Vienna and Warsaw.

A copy of the rental agreement for each of the above.

An address for each of the above.

Copies of any reports, memos, recommendations, ministerial submissions regarding value for money and the cost of diplomatic rental properties in period 1 Jan 2012 to the current date.

I have made a decision to grant two elements of your request in full and to refuse access to two elements.

- *The monthly rent paid for the residence of the Ambassador/Consul General/diplomatic head for each of the following locations: Brussels Embassy, Brussels PR-EU, Bucharest, Geneva, Helsinki, Holy See, New York CG, OSCE - Vienna, Paris, Singapore, Tallinn, Tokyo, Vienna and Warsaw.*
- *An address for each of the above.*

The table below contains the requested information. It should be noted in reviewing the costs associated with each official accommodation, that some of these locations are situated in cities which have high rental costs associated with them. This will account for the variance in monthly rent across the table.

| Location | Monthly Rent | Location |
|--|--------------|---|
| Official Accommodation\Brussels (Ambassador) | €7,250 | Avenue de l'Observatoire |
| Official Accommodation \Brussels (PR to EU) | €7,550 | Rue de Crayer |
| Official Accommodation \Bucharest (Ambassador) | €5,000 | Strada Buzesti |
| Official Accommodation \Geneva (Ambassador) | €15,925 | Rue de Moillebeau |
| Official Accommodation \Helsinki (Ambassador) | €10,333 | Tehtaankatu |
| Official Accommodation \Holy See (Ambassador) | €5,400 | 00186 Roma |
| Official Accommodation \New York (Consulate General) | €20,870 | UN Plaza |
| Official Accommodation \Vienna (OSCE) | €9,000 | Prinz Strasse |
| Official Accommodation \Paris (Ambassador) | State owned | Avenue Foch (Embassy & Residence located in same building) |
| Official Accommodation \Paris (OECD) | €6,931 | Rue de Varenne |
| Official Accommodation \Singapore (Ambassador) | €20,050 | Peirce Hill |
| Combined Chancery and Official Accommodation \Tallinn (Ambassador) | €11,925 | Rahukohtu (Embassy & Residence located in same building) |
| Official Accommodation \Tokyo (Ambassador) | €46,220 | Moto-Azabu |
| Official Accommodation \Vienna (Ambassador) | €8,964 | Theresianumgasse |
| Official Accommodation \Warsaw (Ambassador) | €10,000 | Plac Trzech Krzyzy |

- A copy of the rental agreement for each of the above

In my decision to refuse the copies of the rental agreements for the listed properties I have decided that as these records are commercial contracts, they come within the scope of Section 36(1)(c) of the Act "A head shall refuse to grant an FOI request if the record concerned contains information whose disclosure could prejudice the conduct or outcome of contractual or other negotiations of the person to whom the information relates. As lease agreements are commercial contracts we are not in a position to provide copies of the agreements.

- Copies of any reports, memos, recommendations, ministerial submissions regarding value for money and the cost of diplomatic rental properties in period 1 Jan 2012 to the current date.

Extracts from the Comprehensive Review of Expenditure for 2012 – 2014 and 2015 – 2017 have been released. Full document is available on the website of The Department of Public Expenditure and Reform (www.per.gov.ie)

It is a requirement that Heads of Missions actively engage with Landlords or Agents to seek savings before a rental agreement is renewed thus ensuring value for money. Recent savings are listed below:

- Tallinn. The move of the chancery to share the residence property during 2015 resulting in a 30% reduction in accommodation rental costs per month from €17,235 to €11,925.
- New York. The move to a new residence for the Consul General at the beginning of 2016 resulted in a 27% reduction in rent per month from €29,022 (in 2015) to €21,319 (in 2016).

The total cost of diplomatic (residences) rental properties in the period from 1 January 2012 is as follows:

2012 - €3,993,588
 2013 - €4,387,804
 2014 - €4,289,867
 2015 - €4,050,803

Our missions abroad perform a wide range of functions in support of Ireland's foreign policy interests. These include frontline consular and passport services to citizens overseas; engaging with and supporting Irish communities; representing and advancing government policies with other states and economic and cultural promotion. They work very closely with the state agencies in the promotion of exports, tourism and inward investment. Economic diplomacy and the promotion of Ireland's economic interests overseas is vital to the domestic economy and our network of diplomatic missions is uniquely placed to influence key decision-makers and opinion formers around the world. The Department is committed to using its full resources, including official accommodation, to promote Ireland's economic and trading interests, cultural profile and reputation internationally. The choice of suitable accommodation for a head of mission is subject to inspection and vetting with regard to its suitability, adequacy, value for money from a representational perspective and its capacity to host promotional and official events. Given business and promotional requirements associated with residences they need to be situated in secure areas and, in general, close to the city centre.

The complex international security environment in which we operate also requires that we ensure the protection of our staff, their families and visitors to the residences and is fundamental to the duty of care of this Department.

Right of Appeal

Should you wish to appeal this decision, you may do so in writing to the Freedom of Information Unit, Department of Foreign Affairs and Trade, 76-78 Harcourt Street, Dublin 2 or by email to foi@dfat.ie. A fee applies for an appeal for access to non-personal information; the level of this fee has been set at €30. For methods of payment, please contact FOI Unit at foi@dfat.ie, or 01-4082857.

You should make your appeal within 4 weeks (20 working days) from the date of this notification. However, the making of a late appeal may be permitted in appropriate circumstances. The appeal will involve a complete reconsideration of the matter by a more senior member of the staff of this Department.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Liz Finn', followed by a stylized flourish or arrow pointing to the right.

Liz Finn
Architectural Services
Department of Foreign Affairs & Trade

| SCHEDULE | | |
|--|------------------------------|---|
| Record Description | Granted/Part-Granted/Refused | Section exempted under: |
| 1. The monthly rent paid for the residence of the Ambassador/Consul General/diplomatic head for each of the following locations: Brussels Embassy, Brussels PR-EU, Bucharest, Geneva, Helsinki, Holy See, New York CG, OSCE - Vienna, Paris, Singapore, Tallinn, Tokyo, Vienna and Warsaw. | Granted | |
| 2. A copy of the rental agreement for each of the above. | Refused | S36(1)(c) A head shall refuse to grant an FOI request if the record is concerned contains (c) information whose disclosure could prejudice the conduct or outcome of contractual or other negotiations of the person to whom the information relates. |
| 3. An address for each of the above. | Granted | |
| 4. Copies of any reports, memos, recommendations, ministerial submissions regarding value for money and the cost of diplomatic rental properties in period 1 Jan 2012 to the current date. | Granted | |

Comprehensive Review of Expenditure 2015-2017

June 2014

Extracts

Procurement

Since 2008 the Department has actively managed its administrative expenditure and reduced it by €27.3million which clearly shows that considerable efforts have already been made to rein in discretionary procurement spend. The demand reduction effort has included, for example: downsizing of chancery/residential premises overseas including the sale of surplus premises in The Hague, Brussels and Canberra; renegotiation of rents on Mission premises; and extended renewal periods for official vehicles (at least 7 years). Since 2008 there have been numerous other demand-reduction measures (including in particular detailed new policies on official travel) all of which have helped contribute to reduced spending.

Premises

The official premises managed abroad by the Department are key platforms for providing services to our citizens and for promoting Ireland's interests and values abroad. The primary purpose of these premises, which include Embassy offices and official residences, is promotional and representative. They are used for core embassy and consular activities and, in addition, provide venues for hosting events that promote awareness of Ireland and the promotion of trade, economic and cultural opportunities. It is essential that our accommodation presents a positive image of Ireland and its potential as a business partner, investment location and tourism destination.

Ireland maintains in excess of 70 Diplomatic Missions overseas as well as its offices in Belfast and Armagh. Following the Government decision earlier this year to expand Ireland's diplomatic and consular network overseas, this will increase to 80 missions during the course of 2014. The Department manages a total of 138 owned and rented premises on behalf of the State.

Properties were purchased in locations where the Government considered that the State should be represented, where there was a clear advantage to owning rather than renting accommodation, and where the necessary funds were available. In such circumstances, the acquisition and maintenance of properties was deemed to be cost-effective as it saved rental and removal costs and protected the Exchequer against exposure to volatile and escalating local real estate markets.

The Department currently holds 35 properties on behalf of the State. It last purchased a property in 2008. Construction and refurbishment of properties is carried out as necessary to ensure that Irish Missions have the accommodation and promotional / representational capacity necessary to fulfil their responsibilities. There are particular features - public access requirements, security systems etc. - which inevitably result in additional costs that do not arise in the case of private properties.

The property portfolio is actively managed. Following a recent review of all the Department's properties, the decision was taken to dispose of surplus properties. Disposals included former office premises of the Permanent Representation of Ireland to the EU in Brussels (2010), the Embassy in The Hague (2010), the former residence of the Ambassador of Ireland to Belgium (2012) and a property in Canberra (2014). There are no other surplus properties for disposal. In addition, if current properties were to be disposed of, this would necessitate the Department entering into long term leases thereby incurring additional annual long term commitments on the administration budget which is currently under significant pressure.

Comprehensive Review of Expenditure 2012-2014

Extract

4.1 Property

The Department holds 36 properties which have been acquired on behalf of the State. These premises are situated in locations where the Government considers it necessary that Ireland should be represented and where there is a clear economic advantage to owning, rather than renting, accommodation. As a general criterion, purchase has been considered only where the price represents less than 15 years annual rental.

The Department last purchased a property in 2008 and investment in the maintenance and modernisation of existing properties is carried out in response to emerging needs.

The most recent full professional valuation was carried out in 2005. It reported a total value of €117m. Given property market trends in the meantime, there may in some cases be a considerable divergence between these estimates and their current market value. A significant proportion of the estimated value was accounted for by a handful of properties which provide prestigious promotional platforms in locations of priority economic and/or political interest to the State.

The property portfolio is actively managed. Disposals occur from time to time in accordance with changing needs and circumstances. The former office premises of the Permanent Representation to the EU in Brussels and the Embassy in The Hague were both sold last year.

The portfolio is kept under continuing review and further reconfiguration will be considered where a business rationale exists.

Any sales that might occur for wider budgetary reasons would leave the Department with the additional cost of providing replacement accommodation, which presumably would be rented, adding to the annual cost of running the mission network.

The consequence of the shortage of capital is that the refurbishments necessary to maintain the value of these properties are unavoidably being routinely deferred. The total amount of capital available for this purpose in 2011 is €2.2m.

Given the budgetary situation, consideration might be given to introducing an arrangement whereby a portion of any capital raised from the disposal of properties would be made available to the Department for investment in its remaining premises and in its ICT network. In addition, adequate provision would need to be made for suitable rented accommodation for the missions in question.