

Introduction

8.1 The finance secretariat of the Archdiocese deals with two main areas - finance and building. Bishop Desmond Williams was episcopal vicar for finance and pastoral development from 1972 until 1990. During most of that time, he was also head of finance. Fr Patrick Carroll worked with him from 1979 to 1987 and was head of finance from 1985 to 1987. For the bulk of the period under investigation by the Commission, Monsignor John Wilson worked in the finance secretariat. In 1988, he was appointed head of the finance secretariat. From September 1990 he succeeded Bishop Williams under the new title of financial administrator. He left that position in February 2005 and he became a parish priest in 2006. The current financial administrator and most of the staff of the finance secretariat are lay people.

8.2 Fr Carroll and Monsignor Wilson gave evidence to the Commission about those aspects of the finances of the Archdiocese which are relevant to the Commission's terms of reference. The Commission was particularly interested in how the Archdiocese financed the following:

- compensation awards to victims of child sexual abuse;
- support services for victims of child sexual abuse;
- income and other support for those priests who were laicised, dismissed or had their faculties removed as a result of complaints of clerical child sexual abuse.

Compensation to victims

8.3 The first compensation payment which was made directly to a victim of clerical child sexual abuse was made by the Archdiocese in 1998. The payment made to Andrew Madden in 1993 was made directly by Fr Payne with the help of a loan from the Archdiocese – this is described in Chapter 24. Prior to 1998, there were some payments made by individual priests and financed directly by them and not by the Archdiocese. The Archdiocese arranged insurance cover against such claims in the 1980s – the history of this cover is outlined in Chapter 9. As described there, the lump sums paid by the insurance company to the bishops of Ireland under the 1996 and 2001 agreements were placed in the Stewardship Trust. From 1998 until 2005, compensation payments by the Archdiocese to victims of clerical child sexual

abuse were paid from the Curial Trust and partial reimbursement of those payments was received from the Stewardship Trust. A small number of individual priests paid some or all of the compensation personally. Since 2005, the Archdiocese has funded all of such compensation from the Curial Trust unless the claims are covered by the 1996 insurance policy.

8.4 Compensation was paid to a total of 77 complainants in respect of 16 priests in the representative sample. (Of the total of 46 priests in the representative sample, 34 are priests of the Archdiocese, 11 are members of religious orders and one belongs to a UK diocese.) The total paid to the complainants up to July 2008 was just under €7 million. In addition, legal costs were just under €3 million. The net cost to the Archdiocese, taking account of contributions to, and reimbursements from, the Stewardship Trust, was €7 million.

The Stewardship Trust

8.5 The Stewardship Trust was established in 1996 utilising, in the first instance, the lump sum received from the insurance company under the 1996 agreement with the bishops, together with annual subscriptions from each of the dioceses. The proceeds of the 2001 agreement with the insurance company were also placed in the trust. The objects of the trust are:

- to fund and enable protection measures against child sexual abuse in the individual dioceses;
- to assist the health and wellbeing of people who have been the victims of child sexual abuse;
- to assist bishops with the liabilities incurred by their dioceses as a result of child sexual abuse.

8.6 The trustees of the fund are the four archbishops of Ireland.

The Stewardship Trust's interaction with the Archdiocese of Dublin

8.7 Claims by complainants were almost always made against the individual priest, the Archbishop personally and the Archdiocese. The handling of these claims was dealt with by the Archdiocese's solicitors. In the vast majority of cases, the individual priests had no assets with which to meet any claims. When a case was settled, the solicitors presented the case to the claims advisory committee of the trust. That committee then recommended to

the trustees of the Stewardship Trust whether or not to refund the Archdiocese. In every instance known to the Commission, the recommendation was positive. The Stewardship Trust had no role in determining whether or not compensation would be paid to the complainant or the amount of that compensation.

8.8 The Archdiocese of Dublin was both the largest contributor to, and beneficiary of, the Stewardship Trust. The contribution of each diocese to the trust was assessed on the basis of population. The Dublin Archdiocese has, by far, the largest population of any diocese. It also had the greatest number of claims related to child sexual abuse and was also, therefore, the greatest beneficiary of the Stewardship Trust. Between 1997 and 2005, the Archdiocese of Dublin made contributions of approximately €2.5 million to the Stewardship Trust. The Trust reimbursed the Archdiocese almost €5.5 million in order to pay compensation to the victims of child sexual abuse. In most of the cases, it appears that 90% of the compensation and the legal fees associated with individual cases came from the Stewardship Trust. All the money paid by the Archdiocese of Dublin into the Stewardship Trust came from the Curial Trust (see below). The balance of the compensation payments also came from the Curial Trust.

8.9 The existence of the Stewardship Trust did not in general become known to the public until the Archdiocese issued a press release in 2003. It would appear that the bishops were concerned that publicity about the existence of the trust would result in more claims against dioceses.

8.10 From December 2005, the Stewardship Trust ceased to provide financial support to dioceses with their compensation payments. The Archdiocese independently funds claims which arise unless they are covered by insurance (see Chapter 9). The compensation payments are made from the Curial Trust.

Support services for victims

8.11 The Child Protection Service of the Dublin Archdiocese was established in 2002. It is funded from the Pastoral Services Fund which in turn receives its funds through the Share collection. This is one of the collections taken up at Sunday masses throughout the Dublin Archdiocese.

In its first full year of operation, 2003/2004, the expenditure on the Child Protection Service was just over €164,000. It currently costs about €260,000 a year.

8.12 The Curial Trust funds payments for the treatment of victims of child sexual abuse. Between 1996 and 2008, almost €700,000 had been spent on such treatment. This includes the Archdiocese's contribution to Faoiseamh. Faoiseamh is an organisation which provides telephone counselling and a counselling and psychotherapy referral service for people who have been sexually, physically or emotionally abused by priests or religious. It is funded by the Conference of Religious of Ireland (CORI) and by a number of Catholic dioceses including the Archdiocese of Dublin.

Supports for priests

General Income of priests - the Common Fund

8.13 Priests who are working in the Archdiocese receive their individual income (called a common stipend) from the Common Fund. This is a central diocesan fund which was established in 1967 to:

- equalise the incomes of priests who are working in the parishes of the Archdiocese;
- pay priests who hold diocesan appointments but who are not attached to any particular parish;
- assist the Dublin Diocesan Clerical Fund Society which looks after sick and retired priests.

8.14 The fund receives its money from the collections which are made at weekend masses, from Christmas, Easter and other dues, from stole fees (that is, contributions at events such as weddings and funerals) and from other income generated in the parishes. Costs such as the support grant to the Clerical Fund Society, administration and the costs of private health insurance premiums for all the priests are taken into account. The amount which is paid to the individual priest is dependent on the income from all these sources less the costs. Priests are paid the same basic payment with an increment based on years of service. The standard stipend for a curate in 2008 was €27,000.

8.15 Priests are liable to pay tax and PRSI and are eligible for social welfare pensions such as the State Pension (Contributory) in the same way as other residents of Ireland.

Termination payments

8.16 A number of priests who have left the priesthood have received a lump sum termination payment from the Common Fund. At present (2009), the amount of the lump sum is calculated on the basis of a number of weeks' income per year of service; this is similar to the statutory redundancy payments scheme. Such payments are not confined to priests who leave for reasons associated with child sexual abuse.

8.17 Three priests in the representative sample (two of whom were convicted of clerical child sex abuse) received lump sums from the Common Fund. The Common Fund has been reimbursed from the Curial Trust in respect of the two convicted priests.

Dublin Diocesan Clerical Fund Society

8.18 The Dublin Diocesan Clerical Fund Society was established in 1861 to support priests who are unable to hold an appointment due to illness and priests who are retired. As already stated, it receives a support grant from the Common Fund and it also has income from some investments. It pays ill and retired priests a monthly grant which is equivalent to the stipend paid to curates in active service. As already noted, the Archdiocese also pays private health insurance premiums for its priests. Any priest who incurs medical costs of a significant nature not covered by private health insurance is supported by the Clerical Fund in meeting the costs involved.

8.19 The Clerical Fund Society has also supported priests who are accused of child sexual abuse. When such a priest was removed from office and/or was undergoing treatment, the income support payments to him were in general made from the Clerical Fund Society. The amount paid was broadly similar to the income of active priests.

8.20 The costs of treatment courses undertaken by priests who were accused or convicted of child sexual abuse were also paid by the Clerical

Fund Society. Eight priests in the representative sample are currently being supported by this fund; three of these are convicted child sexual abusers.

8.21 In November 2007, Archbishop Martin asked the management committee of this fund to examine the grants being given to priests who had been convicted of child sexual abuse or who had admitted to such behaviour. The committee expressed concern that priests in this category were receiving the same charitable grant as priests in good standing. It was agreed that such individuals would be approached by a competent assessor and someone who knew their child sexual abuse history to invite them to make a contribution to ameliorate the damage caused to the Archdiocese. If they had the means, the assessor could determine that a reduced amount should be paid to them in future.

The Curial Trust

8.22 The Curial Trust resulted from a merger in 1986 of the Archbishop McQuaid Curial Trust, the Archbishop McQuaid Charitable Trust, the Archbishop Walsh Charitable Trust, the General Charities Fund and the Education Fund. This trust receives funding from a number of sources, including from individual archbishops, but in the main is composed of bequests and donations which were or are given to the Church, not for a specified purpose, but for the general charitable purposes of the diocese and charitable purposes at the Archbishop's discretion.

8.23 The Archdiocesan contribution to the Stewardship Trust came from the Curial Trust. This trust also funded the part of the compensation payments to victims which was not financed by the Stewardship Trust. In addition, this trust was used to make payments to individual priests in order to enable them to reintegrate into society after laicisation. The Curial Trust also funded payments for the treatment of victims of child sexual abuse.

8.24 It was from this fund that the loan to Fr Payne was made in 1993 (see Chapter 24).

8.25 Two convicted clerical sex abusers are currently being supported from this fund.

The Poor of Dublin Fund

8.26 The Poor of Dublin Fund is a fund accumulated from bequests to Archbishops of Dublin for relief of the poor of the diocese. It was used to provide an income for Fr Ivan Payne when he was laicised in 2004. The fund has now been reimbursed from the Curial Trust – see Chapter 24 for details.

The Post Graduate Fund

8.27 The Post Graduate Fund was established for the purposes of paying the fees and expenses incurred by priests in undertaking further courses of study. It has been diocesan policy that, if it is considered likely to be beneficial, priests who resign from ministry are offered the possibility of the diocese paying the fees of courses that they may wish to undertake in order to prepare them for transition to lay life.

8.28 This policy has also been applied to priests accused of or convicted of child sexual abuse. Such opportunities are funded by the Post Graduate Fund.

8.29 Ten diocesan priests in the representative sample received money from the Post Graduate Trust. Most of the amounts were modest; the highest was just over €18,000 but most were between €1,000 and €3,000. One priest also received €10,000 from the Clerical Fund for educational purposes.

Legal fees

8.30 Priests who are accused of child sexual abuse have legal representation of their choice. Legal fees were paid on behalf of 16 diocesan priests by the Archdiocese. The total cost of this to July 2008 was just over €77,000. It is the policy of the Archdiocese that priests pay their own legal fees if they are charged with an offence. Some priests were granted criminal legal aid by the courts.

Treatment costs

8.31 The Archdiocese spent almost €564,000 on the treatment of diocesan priests. Up to July 2008, over €340,000 of this was spent on the 34 diocesan priests in the representative sample. In some cases where the Archdiocese referred priests for treatment, the Archdiocese did not receive bills – it could be that these were paid by way of private health insurance or were paid

directly by the priests themselves. The amount spent on each priest varied hugely. It is difficult to provide meaningful comparisons as the value of money changed considerably over the time period covered. The largest amount, in absolute terms, was the €85,000 spent on Fr Guido*⁴⁹ between 2003 and 2005. The largest, in real terms, was probably the £29,000 (€37,000) spent on Fr between 1981 and 1987.

Summary of current financial provisions for priests in the representative sample

There are 46 priests in the representative sample. The following is the position as of July 2008:

Eleven are or were members of religious orders; four of these are dead; the others are being supported by their orders. One priest belongs to a UK diocese.

Of the 34 priests from the Dublin Archdiocese:

- ten are dead;
- eight are supported by the Clerical Fund Society; three of these are convicted child sex abusers. One, Fr Naughton, is not being directly supported; a payment is made to St Patrick's Missionary Society in respect of him (see Chapter 29);
- two are supported by the Curial Trust; both have been laicised and both are convicted child sex abusers;
- nine are not supported by the Archdiocese and are not in ministry; five of these are laicised; two are convicted child abusers;
- five are supported by the Common Fund; four are in ministry in parishes and one is not in ministry.

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* Names marked with an asterisk are pseudonyms.