

Meeting of the Committee of Public Accounts

19<sup>th</sup> January 2012

Opening Statement by Mr. David J. O'Callaghan, Chairman,

Irish Red Cross



The Irish Red Cross is delighted to have been invited to this morning's hearing. We are very pleased to have the opportunity to come before you and address areas of concern relating to Corporate Governance that have been raised by the committee.

The Irish Red Cross is an independent, charitable organisation, with almost 5000 volunteers, that is very active in two different ways. We support the emergency relief work of the International Red Cross movement –through financial contributions and through the assignment of delegates to international operations. At home our 5000 volunteers provide ambulance, first-aid, emergency-aid and community support services through almost 140 branches nationwide. The Society forms an essential part of Ireland's major emergency network and is an enormous volunteer effort that is part of community life across the length and breadth of the country. Volunteers at all levels give freely of their time and effort to the good works of the Society and seek no remuneration or reward. We owe them a great debt of gratitude for the contribution they have made to our community for more than 70 years.

We have readily and publicly acknowledged that, for a time, the Irish Red Cross did not keep pace with standards of best practice in respect of governance and oversight. The Society has recognised that weakness and has responded to it in a very substantial and convincing manner. You will see from the Chairman's year-end report on developments through 2011 that huge strides have been made in developing the Society's governance and supervisory framework. For example I would draw your attention to:-

- The reform of the Society's Constitution and important Governance changes that come with it
- Codes of conduct and the introduction of a suite of policy documents and standards
- Establishment of an Audit Committee with external membership and expertise
- A Framework for control and oversight of our Branch Finances

This progress has been formally acknowledged by our own International Federation, by the C&AG in his report and also by the Minister of Defence in his correspondence to us.

Governance reform and development has been our central priority for the past twelve months. Great progress has also been made in developing the capacity of our Secretariat and in addressing the financial challenges that face all charities in the current climate. We have been working closely with our colleagues in Geneva to develop our Organisational strategy and to take many other steps that will ensure the Irish Red Cross is a vibrant and dynamic organisation that stands ready to respond effectively to people in crisis at home or abroad.

While all this work is underway, I will say that we have been disappointed to see some specific criticisms of the Society that are simply untrue. In particular, allegations that monies were diverted from the Haiti appeal of two years ago; that the Society is misrepresenting its property assets; or that there are irregularities in its accounts are simply without foundation. We are happy to go into any of these in detail but let me repeat again-these are simply untrue and without foundation.

Once again we are delighted for the opportunity to attend this Committee, to tell you about the great work that is done by Irish Red Cross Volunteers, to tell you about the great strides that have been made to develop best practice standards in Governance and Oversight and to reassure you that some other specific criticisms of the Society are simply make-believe.