

Opening Statement by Katherine Licken, Secretary General of the Department of Tourism,
Culture, Arts, Gaeltacht, Sport and Media
Committee of Public Accounts
12 October 2023

A Chathaoirligh agus a chomhaltaí den choiste, ba mhaith liom buíochas a ghabháil libh as an deis a thabhairt dom an ráiteas seo a dhéanamh inniu.

Chairperson and members of the Committee, thank you for the invitation to the meeting of the Committee today and for the opportunity to make this opening statement.

The Department previously attended the meeting of this Committee on the 29th June which considered the serious governance issues arising in RTÉ. Shortly after that meeting, on the 4th of July, with the agreement of Government colleagues, Minister Martin commissioned an independent examination of RTÉ. This examination includes two separate and parallel reviews of governance and culture and of contractor fees, human resources and other matters as well as an investigation by a forensic accountant, Mazars.

The Review of Governance and Culture is being overseen by a three-person Expert Advisory Committee, chaired by Professor Niamh Brennan. Its purpose is to assess whether RTÉ's governance framework and organisational culture is fit for purpose and is in line with best practice. Similarly, the Review of Contractor Fees, HR and Other Matters is overseen by a three-person Expert Advisory Committee, chaired by Brendan McGinty. This review is examining the oversight and mechanisms by which RTÉ engages presenters and contractors, issues arising from the use of short term employment contract at all levels, and employment terms and conditions.

The Expert Advisory Committees are being assisted by a consultancy firm, Crowe Advisory Ireland, and a Secretariat composed of officials from the Department. I understand that both Expert Advisory Committees have been making good progress and that RTÉ has been co-operating with information requests made to date. The Board of RTÉ has established two sub-Committees to facilitate the work of the Committees.

Following a procurement competition, on the 12th of July the Minister invoked her powers under section 109(7)(a) of the Broadcasting Act 2009 to appoint a forensic accountant, Mazars, to undertake an examination of the barter and any other off-balance sheet accounts

in RTÉ. The terms of reference of the examination specifically require the identification and examination all transactions made through the RTÉ barter account during the period 2017 – 2022.

An interim report from Mazars was shared with this Committee and was published by Minister Martin on the 25th of August. This report set out a factual overview of the accounting practices, financial processes and related records in respect of RTÉ's management of the barter account. The report identified a number of practices and procedures regarding the governance and management of the barter account that were wholly inadequate for a public body.

A second Mazars report is expected to be submitted to the Minister at the end of the November. This report will take account of the detailed examination of all transactions made through the barter account for the period 2017 – 2022 and will also identify and set out the purpose and governance of any other off-balance sheet accounts held by RTÉ.

Last week, Minister Martin announced, on foot of a request from the Expert Advisory Committee on Governance and Culture, that the terms of reference of Mazars review would be expanded to include an examination of the origins of the barter account and the role of the Executive Board and RTÉ's Board in the governance of the barter account. It will also examine the roles of the internal audit function, the Audit and Risk Committee of the RTÉ Board and RTÉ's external auditor as regards the barter account. The third Mazars report covering these matters will inform the deliberations of the Expert Advisory Committee on Governance and Culture and be published alongside the report of that Committee early next year.

The independent reviews commissioned by Minister Martin are intended provide an external assessment and set of recommendations that will address the serious issues that have arisen in RTÉ. In so doing, they will be critical to restoring public faith and trust in RTÉ.

As Minister Martin stated last week, public service broadcasting is too important for our society to not take this opportunity to ensure that it is fit for purpose.

Thank you again for the time given to me to make this statement. I am happy to answer any questions I can on this matter.