

Joint Oireachtas Committee on Tourism, Culture, Arts, Sport and Media

Governance structures and related reforms within Cycling Ireland:

Opening Statement by Tom Daly, Vice President, Board of Directors, Cycling Ireland

13 July 2022

INTRODUCTION

Good afternoon, my name is Tom Daly and I was appointed Vice President of the Board of Directors of Cycling Ireland last March as part of the formation of a new Board. My co-Vice President is Conor Campbell and in the absence of an elected President, I am representing the Board of Cycling Ireland here this afternoon.

I am joined by my fellow Board member, Helen Kerrane, who was also appointed earlier this year.

I would like to thank the Chair and Committee for this invitation: we look forward to providing you with an update on the organisation's affairs, and to answering your questions, as part of our commitment to transparency and accountability.

I would also like to thank the Committee for its patience with our previous postponement of this session. As we explained then, we were awaiting completion of a significant overdue report, which we felt would greatly help you to be more fully informed. We unfortunately have still not received this report as its finalization has been delayed by ongoing interventions by legal representatives of other parties.

CYCLING IRELAND - OVERVIEW

I would now like to provide you with a brief introduction to our organisation and its context.

Cycling Ireland is the national governing body for cycling across the island and has experienced significant growth recently with a membership now standing at over 25,000.

Cycling has also been listed as one of three priority sports in the National Sports Policy, with Government committing significant funds to the area.

Taken together, these developments represent both a once-in-a-generation-opportunity as well as a significant challenge for Cycling Ireland.

Our operations are very diverse: on the one hand we are working hard to give our high-performance athletes the best possible opportunities and, on the other, are delivering entry-level programmes to tens of thousands of children annually. In between, we expect to deliver over 1,100 events this year encompassing a very diverse range of cycling disciplines and interests for all ages.

In summary, we are working very hard to create an environment in which Irish cyclists of all ages and interests are provided with the opportunity to fulfill their personal aspirations and potential.

LEGACY GOVERNANCE ISSUES AND ONGOING REFORMS

I will now address some of the legacy governance issues and related reforms that we are dealing with.

One issue goes back to 2020, relating to a capital grant application that resulted in Cycling Ireland being deemed ineligible to receive capital funding for a 12-month period. This was restored in October 2021.

In parallel, Cycling Ireland was the subject of a governance audit commissioned by Sport Ireland - the KOSI Audit report. This was released in October 2021, revealing significant governance inadequacies and detailing 17 change recommendations.

We have already implemented, or are in the process of implementing, 14 of these and expect that all will be addressed in full by the end of September.

Another such governance lapse began to emerge in December 2021 regarding the proposed support for a development academy for young Irish riders through an already established professional cycling team, EvoPro Racing.

Based on the potentially high and ill-defined costs, along with other issues contained in a Heads of Agreement presented to the Board then, the Board subsequently attempted to agree a contract that would provide both parties with clarity on requirements and costs. This draft contract was produced to Evo-Pro Racing but was not signed by them.

This issue created an irreconcilable disagreement at Board level during the early part of this year and, as part of a resolution which was achieved with the help of Sport Ireland and the Presidents of Cycling Ireland's provincial bodies, the then-President and several directors voluntarily stood aside to enable a new Board to be formed.

Given the profound effects of the Evo-Pro issue on the organization, the Board commissioned BDO consultants in February 2022 to investigate the details of the proposed arrangement. This measure was felt necessary to protect our reputational integrity and to uncover any operational, administrative and cultural weaknesses that would need to be addressed as part of our organisational renewal.

Cycling Ireland has been most anxious to have this report finalized and believe it would justify the Board's concerns about the proposed arrangement and its subsequent decisions on the matter. However, as I have explained, its finalization has been delayed by ongoing legal representations.

During the course of their enquiries for this report, BDO did uncover, and reported to Cycling Ireland, a failing over a number of years in the UCI registration process for Irish-based professional cycling teams – the UCI being the world governing body for cycling. The current Board is in the process of remediating this issue with the relevant stakeholders.

LEADERSHIP

I will now refer to the leadership of the organization which is primarily our Board. This current Board is composed of exceptionally qualified Directors with proven domestic and international experience and with a range of relevant competencies. The Board has established strong sub-committees in the areas of People and Culture, Governance and Compliance, and Audit, Risk and Finance. We have now also achieved a 50/50 gender balanced of Directors.

At our first full meeting in March 2022 we also committed to a root and branch review of the operational structure of our organization, beginning with an extensive consultation process with members. This is well underway and will be ongoing until the Autumn.

CONCLUSION

In conclusion, we fully acknowledge and regret that serious mistakes were made in the past which were unbecoming of an organisation that receives public funds and fees from members. However, I also feel it important to stress that there was no personal gain for those involved; all acted primarily in good faith and motivated by a passion for the sport. In voluntarily stepping aside they have also contributed to the organisation's renewal of itself.

I finally wish to assure you that this new Board of Cycling Ireland is resolute in its commitment to effectively serve our members, to a culture of integrity, to provide value for public funds, and to adhere to robust principles of good governance.

I thank you for your time and we look forward to answering your questions.

ENDS