

## **The Joint Committee on Tourism, Culture, Arts, Sport and Media**

**To discuss:**

**A) Oversight of RTÉ's expenditure of public funds and governance issues; and**

**B) Plans for longer term support and funding for public service media.**

**Wednesday, 4th October at 13:30**

**Opening Statement by Catherine Martin T.D., Minister for Tourism, Culture, Arts,  
Gaeltacht, Sport and Media**

Gabhaim buíochas leis an gCathaoirleach agus le Baill an Choiste as an deis na mórcheisteanna cultúrtha, rialaithe agus rialachais atá tagtha chun solais in RTÉ le roinnt míonna anuas agus na céimeanna atá á nglacadh chun aghaidh a thabhairt ar na hábhair seo a phlé.

Thank you Cathaoirleach and Committee Members for the opportunity to discuss the serious cultural, control and governance issues that have come to light in RTÉ over the course of the past number of months and the steps that are being taken to address these matters.

At the outset I believe that it is worth noting again, the vital role that public service media plays in ensuring the wellbeing of our society and the health of our democracy. However, public service media must have the public interest at its core, and the public must have faith in their ethos and integrity, in what they say and even more importantly, in what they do.

As we all know, that trust was shattered and a priority for the RTÉ Board and senior management is now to rebuild trust, not only with the public, but importantly also with their own staff.

Under the Chair, Siún Ni Raghallaigh, and Director General, Kevin Bakhurst, this process is underway. A number of positive actions have been taken by the Board and DG over the past number of weeks which are designed to change the way in which RTE operates, and will lead to a more transparent and properly functioning public service broadcaster.

This is just a start and there is much yet to be done. However, it is important that we now focus on solutions, on charting a way forward. These solutions, the rebuilding process, will be informed and directed by independent interrogation, analysis and recommendations.

The work of both this Committee and the PAC is contributing to this process, seeking greater transparency and enabling the public to gain a fuller understanding of what has occurred, and why.

The independent reviews and examinations which I have put in place are key central planks in the overall response to this crisis. Not only to informing our understanding of how RTE carried out its business in the past, but also in shaping a better RTE for the future.

The two expert advisory committees are continuing their work in examining the inadequacy or failures of internal processes, procedures, controls and oversight. They will also enable us to understand the culture that has developed within the organisation, or parts of the organisation, and how that culture may have contributed to the control and governance failings.

More importantly, their recommendations will underpin a new framework to ensure best practice in corporate governance control and oversight. They will also help in renewing RTÉ's culture to ensure that it has service to the public at its core.

The work of the forensic accountants which I appointed in July has already set out some detail about the operation of the barter account, and is continuing so that we can have full transparency about the use of the barter accounts to access goods and services by RTE.

As I informed the Chair of this Committee yesterday, the Expert Advisory Committee on Governance and Culture have requested an expansion in the terms of the reference of the work of the forensic accountants to feed into their own work. The additional terms will focus on:

- whether appropriate processes and procedures were followed in relation to the approval and operation of the barter account when it was established in 2012;
- the role of the Executive Board and Board of RTÉ as regards the governance of the barter account in the period 2017 to 2022; and

- whether, and if not why not, the internal audit function in RTÉ, the Audit and Risk Committee of the Board of RTÉ, and RTÉ's external auditor examined or queried the barter account in the period 2017 to 2022.

These new terms of reference will inform the deliberations of the Expert Advisory Committee and will be published alongside their final report after it has been submitted to me and considered by Government.

The comprehensive and far reaching examinations I have initiated, together with the reviews commissioned by the Board itself and the work of Oireachtas Committees, may be unprecedented, but are vital. While public service broadcasting is and should always be independent, it must also be accountable, transparent and trustworthy.

I remain committed to supporting an independent, but accountable, public service broadcasting sector that meets its public service objects – which is necessary to ensure that the Irish public continue to have access to high-quality, public service media content. What is also required is an appropriate and sustainable funding model.

With regard to the longer term funding of public service media in general, and RTÉ in particular, I remain committed to the reform of the TV licence system. The technical working group which we set up last year, has completed its work examining the options for reform of the current system. However, it was necessary that we pause the consideration of the matter until we could gain a fuller understanding of the issues which have dominated the past few months; and importantly until we could see that RTÉ had committed to reform, to rebuilding trust, to becoming the public service broadcaster which the public has the right to expect.

I will continue to discuss this matter with Cabinet colleagues and will bring forward the Technical Working Group report to Cabinet in due course. But first, we must focus on interim funding.

While the Future of Media Commission had set out a recommended public funding level for RTÉ, the broadcasters own assessment was submitted to me earlier this year and sought, as has been reported, a total of €34.5m in additional funding for next year. This was prior to the recent downturn in the number of licence fees issued. All of this had to be properly interrogated by NewERA.

NewERA have completed their assessment and last week I received their report, which will help inform discussions with Cabinet colleagues on the levels of necessary interim funding for RTÉ. Obviously I cannot disclose the detail of that report in advance of discussions with Cabinet colleagues. However, what I will say is that even in the midst of this controversy, we do need to ensure that RTÉ can continue to meet its statutory obligations, and for this interim funding will be required.

However, this will not simply be a question of increasing public funding for RTÉ. Already the Director General has announced a number of measures aimed at reducing costs this year. This is to be welcomed, however, I expect that in developing their new strategic plan, a serious commitment to reducing costs and achieving value for money will need to be evident.

This new strategy will also need to set out a vision for RTÉ's future in light of all that has happened and in the context of the competitive and changed media landscape in which it operates. This vision needs to chart a positive way forward so that RTÉ can become the public service broadcaster which the Irish public expect and deserve.

We have all been shocked and outraged at what has transpired since the end of June, but while we seek the full facts, so too must we look to the future. To look not only for the answers to our questions, but also to seek the solutions to the problem, to look for the ways in which we can all help shape a public service broadcaster of which we can be proud. My focus is firmly on putting in place a plan that will do this.

Tá craolachán seirbhíse poiblí ríthábhachtach dár sochaí agus mar sin caitear an deis seo a thapú lena chinntiú go bhfuil sé oiriúnach don fheidhm.

[Public service broadcasting is too important for our society to not take this opportunity to ensure that it is fit for purpose.]