

## **Opening Remarks by Cian Ó Lionáin, Assistant Secretary**

**Joint Committee on Tourism, Culture, Arts, Sport and Media meeting to discuss Football Association of Ireland's Facility Investment Vision and Strategy, and also recently reported governance issues.**

**Wednesday 13 December 2023**

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A Chathaoirligh, go raibh maith agat as ucht an gcuireadh agus fáiltím an deis aghaidh a thabhairt faoin ábhar tábhachtach seo.

At the outset, I can assure the Committee that the Department and our Ministers, Catherine Martin and Thomas Byrne, recognise the importance of investment in football as one of the key participation sports in Ireland.

### **FAI Facility Investment Vision and Strategy**

With regard to the FAI's Facility Investment Vision and Strategy, while the level of capital funding sought from the Exchequer is very ambitious, in the context of current funding levels, the Department is strongly committed to sustained investment in the necessary facilities for all sports.

Indeed, we look forward to engaging with the Department of Public Expenditure in the coming period, in the context of a review of the National Development Plan, regarding the longer-term capital funding needs of the wider sports ecosystem. The FAI's Strategy is a useful input to that wider consideration.

The FAI Strategy outlines a proposed total investment of €863 million with €517 million of this coming from central Government and €173 million coming from local government, educational bodies and local health authorities. Over the 15 years of the Strategy, this works out at €46 million in total Government support each year. It should be noted that the central Government "ask" alone of €34.46 million equates almost exactly to the entire annual Sports Capital and Equipment Programme budget, currently €34.535 million.

## **Sports Capital and Equipment Programme (SCEP)**

The Sports Capital and Equipment Programme (SCEP) is the primary vehicle for Government support for the development of sports and recreation facilities and the purchase of non-personal sports equipment throughout the country. The final allocations under the 2020 round were announced last year and the total allocation of €166.6 million represented the highest-level of allocations ever made under the Programme.

It is heartening to note strong engagement by the FAI in terms of encouraging its clubs to apply for SCEP funding. Soccer projects alone received over €25 million under the 2020 round compared to €6.6 million under the previous 2017 round. In terms of amount allocated versus amount applied for, that percentage grew from 28% in 2017 to 81% in 2020, with every valid soccer capital application under the 2020 round receiving a grant offer.

The latest, 2023, round of the SCEP closed for applications on Friday 8 September. A preliminary examination of the submitted applications shows that the Programme has again generated a large number of applications and that the total number will exceed the previous record of 3,106 applications submitted under the 2020 round.

Work is now underway on finalising the "Scoring System and Assessment Manual" for the 2023 round. It is hoped to assess the "equipment-only" applications first and to announce these grants in early 2024. Work will then commence on assessing the capital applications with the allocations likely to be announced later in 2024.

Based on a preliminary comparison of applications submitted under the 2023 round against the 2020 round, it is clear that soccer applications for SCEP are continuing to trend upwards across several areas as we note an 11% increase in the number of applications from soccer clubs and a 116% increase in the overall amount sought. Soccer now accounts for nearly 20% of the total amount sought across all applications.

## **Large Scale Sport Infrastructure Fund ('LSSIF').**

The Department also administers the Large Scale Sport Infrastructure Fund ('LSSIF'). The aim of the fund is to provide support for larger sports facilities where the Exchequer investment is greater than the maximum amount available under the SCEP.

The first allocations under the LSSIF were announced in January 2020 with €86.4 million awarded to 33 different projects. A number of soccer related projects received funding under the first round of the LSSIF such as:

- Dalymount Park Redevelopment (€918,750 for design only)
- Finn Harps – Donegal Community Stadium (€3,991,009)
- Munster Centre of Excellence project in Glanmire (€2,025,699)

Additional LSSIF allocations totalling €37.6 million were announced by my Ministers last week with 27 of the existing LSSIF projects benefitting, bringing the total awarded to date to LSSIF projects to €124 million. The additional funding for projects, secured following engagement with the Department of Public Expenditure, NDP Delivery and Reform, is being provided to assist project delivery, in response to delays experienced by grantees arising from the pandemic and construction inflation.

The FAI, as project promoter for the Finn Harps project, received an additional allocation of €693,550, giving a total grant of €4,684,559 for the project.

With regard to a possible new round of the LSSIF, the Ministers have announced that a new round will open for applications in the first half of 2024. I would expect that a strong range of soccer related applications under the SCEP and the LSSIF will help in addressing the long-term infrastructural needs of soccer in Ireland.

## **MOU 35 – CEO salary**

Turning to the recently reported governance issues, specifically the issue relating to the salary of the FAI CEO, the MOU between the Government and the FAI stipulates, inter alia, that the remuneration of the CEO will be in line with government

pay guidelines. That is, no greater than the remuneration of officers in the grade of Secretary General. This is identified as MOU condition no. 35.

KOSI's Audit Report, commissioned by Sport Ireland, was received in the Department on 5 October 2023 and was subsequently reviewed and considered.

Following detailed consideration, the Department replied to Sport Ireland on 20 October, noting that it agreed with the findings of the KOSI Audit and outlining our expectation that the FAI would fully implement the KOSI audit findings. On foot of a subsequent briefing by Sport Ireland to Minister Byrne regarding the response from the FAI which set out the FAI's willingness to implement the recommendations, Minister Byrne asked Sport Ireland to seek additional information from the FAI in order to have full assurance regarding implementation of the recommendations.

The additional information was received in the Department on 20 November. Based on the information provided, Sport Ireland has stated that it is adequately assured that MOU 35 is now fully implemented in the FAI and that the associated KOSI audit findings and recommendations have been satisfactorily implemented by the FAI. On this basis, on 30 November the Department informed Sport Ireland that it could release the 2022 and 2023 funding to the FAI which it had previously delayed.

In relation to other commitments under the MOU, the Department notes that good progress has been made by the FAI on its governance and financial reforms, with 97% of the recommended reforms now implemented.

The Ministers have asked Sport Ireland to prepare a full report on the FAI's compliance with the MOU for 2020 - 2023, for publication in the coming period.

### **Gender balance on FAI Board**

Finally, with regard to gender balance on the board on the FAI, the Government has set a target for all National Governing Bodies of Sport and Local Sports Partnerships to achieve a minimum of 40% gender representation balance on their boards by the end of 2023. We welcome the outcome of last weekend's FAI EGM which should enable it to reach the 40% target without delay.

Go raibh maith agaibh.