

DÁIL ÉIREANN

AN COMHCHOISTE UM IOMPAR, TURASÓIREACHT AGUS SPÓRT

JOINT COMMITTEE ON TRANSPORT, TOURISM AND SPORT

Dé hAoine, 18 Lúnasa 2017

Friday, 18 August 2017

Tháinig an Comhchoiste le chéile ag 9 a.m.

The Joint Committee met at 9 a.m.

Comhaltaí a bhí i láthair/Members present:

Teachtaí Dála/Deputies	Seanadóirí/Senators
Mick Barry,	Frank Feighan,
Imelda Munster,	John O'Mahony.
Kevin O'Keeffe,	
Robert Troy.	

I láthair/In attendance: Deputy Aindrias Moynihan and Senator Terry Leyden.

Teachta/Deputy Fergus O'Dowd sa Chathaoir/in the Chair.

Report into Ticketing at Rio Olympic Games: Discussion (Resumed)

Chairman: I have received apologies from Seanadóir Ó Céidigh, who will not be here today. He has provided a letter regarding some issues. I will raise it later as it is not germane to our debate this morning.

The purpose of this morning's meeting is to resume our consideration of the report of Mr. Justice Moran into the receipt, distribution and sale of tickets at the Rio Olympic Games and related matters. This review was ordered by the Minister for Transport, Tourism and Sport, Deputy Ross, and the report was published on Monday.

Members will be fully aware of the circumstances in which we adjourned our meeting yesterday and in this regard I would like to wish our clerk a speedy recovery and thank all the members and the Ministers and their officials for their co-operation in scheduling this meeting. Accordingly, I welcome again the Minister for Transport, Tourism and Sport, Deputy Shane Ross, and the Minister of State at the Department of Transport, Tourism and Sport, Deputy Brendan Griffin, and officials from that Department. They are very welcome.

Deputy O'Keeffe was asking questions of the Minister yesterday when we adjourned, so I propose that the Deputy continues his questioning and then the Minister can respond to the issues raised by Deputies Troy and O'Keeffe before we move on to other matters.

Under section 17(2)(l) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of their evidence to the committee. However, if they are directed by the committee to cease giving evidence on a particular matter and they continue to so do, they are entitled thereafter only to a qualified privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable.

Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the House or an official either by name or in such a way as to make him or her identifiable.

Deputy Kevin O'Keeffe: Yesterday, I focused on the Minister's activities while he was in Brazil. To conclude on that, have the Brazilian authorities - namely, the prosecutor's office - been in contact with those in this jurisdiction to seek further information on the individual involved in the case?

Finally, the big issue here, seemingly, is about governance. How often has the Minister met the OCI over the past 12 months? Has he met it on a regular basis in order that he might be kept up to date? How often has he met it?

Minister for Transport, Tourism and Sport. (Deputy Shane Ross): Is the Deputy finished?

Deputy Kevin O'Keeffe: Yes.

Deputy Shane Ross: Perhaps I could deal with Deputy Troy's issues, which I remember fairly clearly, first. While I remember it, I will address one issue that Deputy Troy mentioned in his first question. He referred to how sad a reflection it is that it took a trip to Brazil and the

Olympics to unveil what happened and how things were run in this case. I suppose that is true in some ways. It is always fortunate and unfortunate when things of this nature are discovered. It was partly our responsibility that we discovered it as well, because many of the facts that we now have on what happened in Brazil emanated from the Moran report. It is obviously not our responsibility to police what happens in Brazil, nor to look for criminal activity out there. However, it is our responsibility to look at any of the underlying facts and at the administration or corporate governance of the bodies involved. That is what we are doing. As a result of the events in Brazil, the investigation was prompted.

I should correct Deputy Troy on one matter. He referred to the initiative that was taken in Brazil to resolve this problem. There was a reference in my opening statement to meetings with Mr. Kieran Mulvey, who was basically acting as an intermediary between Mr. Pat Hickey and me when we were looking for the independent member of the investigating panel. Deputy Troy said that I requested Mr. Mulvey to do that. I did not request Mr. Mulvey to do that. It may have been a slip of the tongue, but I think it is important. This did not-----

Deputy Robert Troy: Did Mr. Mulvey just take it on off his own bat-----

Deputy Shane Ross: The Deputy will have to ask Mr. Mulvey that when he comes in, if he is interested. I think-----

Deputy Robert Troy: He engaged with the process.

Deputy Shane Ross: I think he probably did take it on off his own bat-----

Chairman: I ask members to ensure that their phones are in aeroplane mode or switched off, please.

Deputy Robert Troy: Someone can only act as an intermediary if both parties are engaging with that person.

Deputy Shane Ross: I was engaging with him. Let me make it quite clear. The Deputy said that I requested Mr. Mulvey to do it. I did not request Mr. Mulvey to do it. It is not a big issue but it is important in terms of the narrative being correct. He actually approached me and I think he did so of his own volition. I am not sure what the problems-----

Deputy Robert Troy: He engaged with the process.

Deputy Shane Ross: That is how it actually developed. As I said in the report, I had looked for, and initially preferred, a retired judge. That was my preference when I met Mr. Hickey and when I spoke to Mr. Mulvey. We eventually agreed that we would be happy as long as we had a significant presence on that independent inquiry who would be there to ensure that nothing was done in any way to disguise the truth and also to see to it that the pursuit of the truth was absolute and could be achieved. That was what we agreed at the time. I would have been happy as long as we had that presence there. However, it had to be someone who was utterly independent and had absolutely no connection with the OCI. The important thing was that the OCI would not be investigating itself, which is what Mr. Hickey had originally sought. Yesterday, I asked the committee to again consider the consequences of allowing that to go forward. If the only investigating body looking into the controversy arising from the sale of tickets in Brazil had been an internal OCI investigating body, as that organisation envisaged, we would not have got a report in the same vein as the Moran report.

Deputy Troy was somewhat critical about the extent to which we had asked the committee about the course we should take and he may have been fair in doing so, although I do not recall the exact chronology. We did contact the committee but we were minded all along to proceed with a non-statutory body. We took on board much of what was said by other people and that is what we are doing today. It is sometimes difficult at committee meetings when one is asked what one intends to do. We say we want to discuss it and hear people's views but matters arise from this report in respect of which we have not yet made decisions. Those decisions will be influenced by what members say today, as well as other factors. We will not rush to judgment in the first week but we will make decisions and we will do so promptly.

I will now address the question of whether the inquiry was to have been statutory or non-statutory. The criticisms are that most of the significant bodies, people or entities involved have not contributed to the compilation of the report because they abstained from the inquiry. It has been stated that only one key stakeholder was involved, implying that if there had been a statutory body, all the other stakeholders would have given evidence. I have no reason to believe that is the case. My guess is that if we had opted for a statutory body, we would be in no better a place today and that we might be in a much worse place. The process would have been bogged down in legal problems and we would have been in and out of the High Court with a large number of the bodies in question, which would have been claiming, perhaps rightly, that self-incrimination was a danger for them. We may or may not have got sympathetic hearings in these cases.

It is easy to say we should have compelled witnesses to come in but I am not sure we could have compelled any witnesses. Everybody in this committee and the Committee of Public Accounts is well aware of the difficulties involved in compelling witnesses. I was on the Committee of Public Accounts for many years and we tried to compel witnesses many times without being able to get them to come in. My guess is that we would not have produced a report if we had gone down the statutory route and we would certainly have taken on vast expense without much in the way of a result, a situation which might also have gone on for a long time. I do not know the answer to the Deputy's question but, in hindsight, I believe we made the right decision. A large number of the people to whom we are referring are based abroad and it is difficult to compel such people to give evidence to this committee. The judge was given the right to recommend a statutory committee if he thought there should be one, and he made it absolutely clear in his report that he did not think there should be such a committee. It would be wrong to second-guess the judge on this because he is in the best position to make a judgment on that issue. We could go with a statutory commission now but we are not going to do that. We are very largely led by the judge's conclusions because he is in the best position to make that decision and recommendation.

Deputy Troy stated that the judge said the failure of people to appear was a major impediment to the inquiry. He used the word "impediment". It was a major impediment to finding out certain things, particularly the provenance and destination of the tickets. That is absolutely clear. It is my very strong view that the judge overcame the major impediment.

There is absolutely no doubt about the invaluable new evidence that we have in this inquiry. That tends to be ignored. The emails are the centre of all the ticketing activity into which we were looking. Those emails, which are authentic, unchallenged, documented and independent, tell us a large amount about what was happening between the OCI and those parties that did not give evidence. They have not been challenged and I doubt that they will because they are the real McCoy. They indicate what was going on. They tell us about the relationship between Pat

Hickey and Marcus Evans. It was continuing to go on. The emails are the basis of the judge's conclusion - reached with absolute authority - that Pro10 was a company set up as a cover or front. The evidence we got was powerful from the start. We did not succeed in getting Pat Hickey to give evidence but all his lieutenants did so. I could name them for the members. Mr. Hickey's staff gave evidence and they confirmed a lot of points in the emails and allowed us to reach conclusions that are perfectly evidence based.

Not only did we get the evidence in the emails, we also got the evidence of the people involved who saw what was going on. There was a tendency to ignore this. We got evidence from Sport Ireland also. It is easy to say that certain individuals or entities did not participate but people should look at the report.

Deputy Robert Troy: It is being factual to say that the key stakeholders did not participate-----

Deputy Shane Ross: Of course it is factual to say so but it is easy to dismiss-----

Deputy Robert Troy: -----despite the fact that the Minister gave us a guarantee that they would do so.

Chairman: I have no problem with questions and responses but people should not talk over each other. When the Minister finishes, Deputy Troy will be welcome to come back in.

Deputy Shane Ross: Deputy Troy should not be inaccurate. I did not give any guarantee. That is the second inaccuracy. I said what the individuals in question said; they said they would come and give evidence. I did not give a guarantee.

Deputy Robert Troy: On what basis did the Minister say that to us?

Deputy Shane Ross: I said that because they made that absolutely public themselves. The Deputy's memory is as good as mine. They said it. I did not give the guarantee mentioned. The Deputy should not mislead people by saying I did. I believed those concerned and, quite rightly, took their statement at face value. The judge, who also took it at face value, considered it worthwhile to continue this investigation because of the powerful evidence he was getting. I fully support that. This is in the documentation for the Deputy to read. It is not responsible to discredit him.

Deputy Robert Troy: Is the Minister insinuating that I am discrediting the judge and his work? I am certainly not.

Deputy Shane Ross: I am glad to hear that. That is good.

On the question of whether Mr. Hickey should return to his former position, that is really a matter for other people. It is not up to me. I will not be speaking about that or having any influence on it.

On the question on when I knew the contract between THG Sports and OCI had been extended, I only knew in the last week.

I am obviously not going to answer the question on extradition, which was completely off the wall and out of bounds.

The Deputy asked me about the ODCE. We will consider a large number of options in the

coming weeks regarding where we go with this report. The report itself is extremely powerful and has achieved a huge amount in terms of what it has exposed and the changes taking place. The ODCE is certainly one of the options we will consider but I do not want to say any more about it because I do not want to point the finger at anybody or at any particular reasons. If we think it is a sensible course to take, we will ask it to look at it. It is up to a large number of State bodies to look at it. I do not have to send it to them for them to read it. They can certainly look at it and take the initiative themselves in respect of this report. If they think there is a matter to be investigated, I am sure they can do that. We will certainly refer it to the IOC ethics committee, which will shortly be chaired by Ban Ki-moon. People of stature are on this committee. We will send it to the president, Thomas Bach, who has an interest in it. Obviously, we will take an intense interest in OCI governance in the coming weeks and months as a result of this report, which has some very strong things to say about it. As a funder of the OCI in the past and, hopefully, in the future, that is something in which we must take a serious interest.

Ticket-touting legislation is due to be introduced. It is certainly on the agenda and we will look to accelerate it. The committee should not ask me to take immediate decisions. I am just telling it that those are the areas we are considering and will continue to consider seriously. If the committee has any suggestions about where we should go, we are very happy to hear them. I would like this to be considered in a non-political way as far as possible because no athlete flies the Fianna Fáil or Independent Alliance flag when he or she goes to the Olympics. Athletes are there to represent the nation and it is my job and, to some extent, everybody's job to see that the reputation of the nation is enhanced by the athletes and not denigrated, reduced or in any way sullied by the OCI or the IOC.

Deputy O'Keeffe said there was hearsay during the London Olympics. I think we started with that. There were many stories and rumours about what was going on at the time. I was not aware of that but I accept what Deputy O'Keeffe said. I never saw any evidence of any sort for it. It was long before my time but if there was any evidence of wrongdoing of that sort or any malpractice, I guess it would have been investigated very thoroughly. I would add what I hope is a reasonable reservation regarding what Deputy O'Keeffe said. This area and all these high-profile areas are full of innuendo, gossip and rumour all the time, some of which is probably true and some of which is undoubtedly false. I did not hear it but in answer to the Deputy's question, had I been there or if the same thing happened, I could not possibly have acted on hearsay otherwise I would be running around day and night. What we need is hard evidence when it comes to acting on issues of this sort. The moment we received any hard evidence at all, or there was even controversy, we acted on it very quickly and that was last year.

The Deputy mentioned the Grant Thornton report. That was stopped by the OCI because of the threat of an injunction. That is why it did not go ahead. There was a threat of an injunction from one of the parties involved and that was why it was stopped.

On the next question, I think the Deputy mentioned illegality and what was illegal. We are not alleging illegality at any stage.

Deputy Kevin O'Keeffe: I also mentioned the Deloitte report with regard to governance in that same question about Grant Thornton.

Deputy Shane Ross: Grant Thornton, yes.

Deputy Kevin O'Keeffe: Deloitte was also commissioned.

Deputy Shane Ross: I was going to come to that, but I will come to it now. I will clear up the matter of illegality. I know the Deputy mentioned illegality. There was no suggestion on our part that we were in search of illegality at all. That was not our job and it was not the judge's job. My guess is that if there was anything like that, it would be referred elsewhere or picked up elsewhere. The Deloitte report contained 25 recommendations on corporate governance. It has been embraced by the OCI. I think this is one of the unrecognised benefits of this report and maybe it should be recognised. It has said that it will implement all 25 of those recommendations. That is a pretty good commitment. The fact that they had to be made is a very stark indictment of the way the OCI was being run. That the organisation has accepted the recommendations should be recognised since it is prepared to put the past behind it. The Deloitte report is very radical. I think members all have a copy of it now. It specifically addresses the problems that arose in the OCI.

Have I confidence in the IOC? I do not really have a great deal of experience of it. My dealings with it were restricted to meeting Mr. de Kepper in Brazil. He seemed to be efficient, on top of things, reasonable and prepared. He was very happy to meet and talk to us about the independence of the inquiry that we intended to establish one way or the other. He was sympathetic with it. I thought we made progress when we met him, having met a brick wall with Mr. Hickey on the issue of independence. I thought he was looking to progress the matter. There is now an ethics committee of which Mr. Ban Ki-moon is a member. It is certainly symbolically important at the moment, but hopefully practically important as well.

The Deputy suggested the possibility - he can correct me if I am wrong because I am talking from memory of what was said yesterday - that it may be a time to stand back and just let things happen; in other words, not to have an inquiry at all.

Deputy Kevin O'Keeffe: Since the OCI had committed to the Deloitte and Grant Thornton reports before the committee of inquiry was set up, I was asking whether we could have stood back and waited for those. We could not do anything about the ticket-touting in Brazil. Why rush into this? The Moran report recommends that the OCI absorb the recommendations of the Deloitte report. Why did we have to pay €300,000 to get that here today? In fairness, the current president of the OCI has committed to the implementation. These reports were commissioned before the inquiry.

Chairman: I think one of them was stopped on legal advice provided to the OCI. The organisation decided not to proceed with it.

Deputy Shane Ross: I will answer that question. Neither report was commissioned before the Moran inquiry.

Deputy Kevin O'Keeffe: Is the Minister sure?

Deputy Shane Ross: I am certain. I do not think that is the case. Of course the Deloitte inquiry is a very important part of this jigsaw, but it was not the only thing paid for from that €300,000, which was spent over a year.

Chairman: Other members wish to come in here. Are they happy with these answers?

Deputy Robert Troy: I wish to come back on a couple of points.

Chairman: Okay, we will do that and then I will call Deputies Munster and Barry. The process is usually in that order.

Deputy Kevin O’Keeffe: There are still a number of questions outstanding.

Chairman: I accept that. I just want people to be aware of that order. The Minister said that he might be under time pressure this morning and I want to ensure everyone gets an opportunity to address questions to him.

Deputy Robert Troy: I accept the Minister is as appalled as the rest of us about how the OCI failed in its corporate governance and failed the athletes, the very people it is supposed to represent, but the Government’s decision to withhold further funding from the OCI means the people who will be penalised are the athletes. The current board is reforming at an accelerated pace and the Minister acknowledged this. What decisions has the Minister taken or will he take to ensure Mr. Hickey and the cronies he associated with, the people who facilitated Mr. Hickey’s actions for several years, pay the price, and that there are consequences for them and not the athletes, by withholding future funding?

Yesterday, I asked two specific questions in that context. Is the Minister happy that a previous board member who served under Mr. Hickey continues to serve as a board member of the OCI? How much has the OCI paid in legal fees for Mr. Hickey since this began? The Minister referred to other committees and the power of compellability. I was never on the Committee of Public Accounts, but my understanding from looking at other committees is that sometimes the threat of compellability is enough to make people come in and answer questions put by elected people. Mr. Hickey could have come in and could be compelled to do so, to answer questions relating to his running of the OCI since he became its president. That would not be a case of him incriminating himself on what is under investigation in Rio because they are not interested in how the OCI was run, but we are. We might get to the bottom of how the OCI signed a contract up to 2026 with THG. We can all come in here and be appalled, and criticise what happened in the past, but what most people watching this want to know is what the consequences will be for the people who have been identified, who acted in an inappropriate manner when they were in pivotal positions.

Deputy Shane Ross: I think we are on the same side here. There is no problem with that. The idea that we should give funding to a body which has not set its house in order is unacceptable. My only interest, and that of the Government, is that the money should be used properly, which means in the interest of the athletes, their families and supporters. The problem we have identified is that the organisation was not being run in the interests of the athletes at all. It would be wrong of us to give money to any body until we are absolutely satisfied that its corporate governance is in order because that is what will guarantee the interests of the athletes and others. The corporate governance was junk. It must be reformed. If I were to say today that I intended to restore funding to the OCI, without first having determined that the reforms had been implemented or were at least well under way, the Deputy would be critical of me, and rightly so. The reforms are in the interests of the athletes. Their purpose is to redress the balance between the interests of naked commercialism and those of the competitors which, as identified in the report, was so wrong. It is for this reason that the funding is being withheld by Sport Ireland. We are anxious to have it restored, to see the athletes’ sores healed and to ensure spectators and everybody else will be the number one priority. That is what we are attempting to do and it is the reason the funding is not yet being provided. We are anxious that the process be accelerated. Let there be no doubt - I said this yesterday - that the OCI is kicking an open door in that regard. We want to provide it with funding. I would love to be able to tell the committee next week that the Department is in the process of providing funding for the OCI through Sport Ireland because it has been reformed, that the athletes will be the chief beneficiaries and

that the reputation of Ireland has been restored, but we are not there yet. We are monitoring the position on a weekly basis, with intense interest and I can guarantee the Deputy that this will continue.

Deputy Robert Troy: If the Minister is monitoring the position on a weekly basis, how is it that he only became aware this week that the THG had been given the contract up to 2026 when it has been public knowledge for five or six weeks?

Deputy Shane Ross: As far as I know, it was not public knowledge. It is stated in the report that there were proposals to that effect. I refer the Deputy to where it is repeated several times in the report that there were proposals to that effect. There is nothing in it to the effect that a contract had been signed.

Chairman: That is an important and key point. Questioning is hugely important, but as the Minister is under time pressure and I am sure his colleague, the Minister of State, Deputy Brendan Griffin, would also like to speak, I ask that they give brief responses only to ensure all members will have an opportunity to put questions.

Deputy Shane Ross: I apologise.

Chairman: This is an important debate and it is hugely beneficial to the public that the issues are being teased out in an open and transparent manner. I would, therefore, like to ensure all members will have an opportunity to engage with the Minister.

Deputy Shane Ross: May I respond to a question yesterday from Deputy Kevin O’Keeffe?

Chairman: Yes; I do not wish to rush the Minister.

Deputy Shane Ross: I should leave at 10 a.m., but I will try to stay longer. In response to Deputy Kevin O’Keeffe’s question about whether the prosecutor’s office had been in touch, the answer is no.

Deputy Kevin O’Keeffe: I asked a more important question yesterday.

Chairman: To be fair, I need to allow Deputies Imelda Munster and Mick Barry to put their questions now.

Deputy Kevin O’Keeffe: In fairness, yesterday I asked the Minister why, on the morning the individual in question had been arrested, he had requested a meeting with Mr. Donovan Ferreti, ticketing director of the Rio Organising Committee of the Olympic Games, ROCOG, in Brazil and then rushed home? The first thing he did when he got here was ring the Taoiseach. He could have telephoned him from Rio de Janeiro. If he had done so, the Taoiseach might have told him to remain there to get to the bottom of the issue. Most of the questions today will be about governance. The issue arose because of what happened in Brazil. Given that the Minister had requested a meeting with Mr. Ferreti, why did he not wait to meet him? What did he achieve by coming home? Given that the president of the OCI had been locked up, does he believe his rushing home undermined the confidence of the athletes?

Deputy Shane Ross: May I respond to that question?

Chairman: Yes. I will then take questions from other members. I will also allow the Minister of State, Deputy Brendan Griffin, to comment if he wishes. I am conscious that there are many members who wish to ask questions.

Deputy Mick Barry: On the timeline of the meeting, it was said initially that it was a priority that Deputy Imelda Munster and I be allowed to speak in addition to Fianna Fáil members.

Chairman: That is still the case.

Deputy Kevin O’Keeffe: What about Fine Gael members?

Deputy Mick Barry: I do not want to deny anyone time to contribute, but I want to clarify if the Minister will be able to remain to take questions from the other two Deputies.

Chairman: He has already confirmed that he will.

Deputy Shane Ross: Let me try to accommodate Deputy Mick Barry in that regard. That is perfectly fair and I have no problem with it. I said to the Chairman yesterday when there were negotiations on the duration of today’s meeting that I would only be able to stay until 10 a.m. I can stay a little longer and will do so for a reasonable period. I may, however, have to leave to make a telephone call, for which I hope members will forgive me, but I will stay for a reasonable amount of time to answer all members’ questions.

Chairman: That is fine.

Deputy Shane Ross: I guarantee that I have no intention of leaving without answering all members’ questions.

Mr. Ferreti has not replied to the request. To answer the question about why I came home, it was a case of deciding where I would be more useful in accelerating the fact-finding process and, presumably, setting up an inquiry. In respect of the agreement which we seemed to be on the verge of making the night before Mr. Hickey was arrested, it was not certain that we had an agreement as Mr. Hickey said he had to consult his executive. That was overtaken by events. Once he was arrested, all bets were off in that regard. I was in touch with the Attorney General and my Minister of State at the time, Deputy Patrick O’Donovan, and strongly advised that Dublin was the best place in which to make a decision and that I should come home. I also thought Dublin was a fairly sensible place for me to be because it was a matter of great public importance at the time that a decision be made in the interests of protecting Ireland’s reputation. I would have preferred to stay in Brazil until the Olympic Games were over, but it was very important that we made decisions and were seen to be making the right ones in the interests of the OCI and the people.

Deputy Kevin O’Keeffe: Was the Minister afraid that he might be asked to hand up his passport?

Deputy Shane Ross: I am sorry, but will the Deputy repeat the question?

Deputy Kevin O’Keeffe: Was the Minister afraid that he might be asked to hand up his passport, as some other officials were?

Deputy Shane Ross: Not in the slightest.

Chairman: I call the Minister of State, Deputy Brendan Griffin, who will be followed by Deputies Imelda Munster and Mick Barry.

Minister of State at the Department of Transport, Tourism and Sport (Deputy Brendan Griffin): In response to Deputy Kevin O’Keeffe’s question about meetings with the OCI, I

have been in the job for eight weeks, during which time I have tried to meet as many heads of governing bodies as I can. I met Ms Sarah Keane on the same day I attended the launch of the Para Swimming European Championships Dublin 2018 in the National Aquatic Centre.

More importantly, I have also met the members of the re-established athletes commission. A very important outcome of this entire saga is that the commission is now receiving far more attention than previously. As Minister of State, I have given a commitment to engage regularly with the commission because it is a huge resource, not just for the OCI but also for the Government from a policy point of view because the members of the commission which is chaired by Mr. David Gillick have hundreds of years of experience as athletes who have performed or are performing at elite level. It is a very positive development which can hugely benefit the OCI and the Government in future policy making. Athletes on the front line are the main beneficiaries of the commission in being encouraged and facilitated to do its work. I want a good working relationship with it to continue into the future. I want to prioritise it in my role to ensure the commission will have the ears of the Government. The commission is also valued by the OCI.

Deputy Kevin O’Keeffe: Did Ms Keane raise any issue with the THG contract with the Minister, the Minister of State, his predecessor or officials?

Deputy Brendan Griffin: She did not raise an issue with me.

Chairman: We will now take questions from the two Deputies who have not yet contributed.

Deputy Imelda Munster: When the ticket controversy or scandal first came to light, the Minister flew to Rio de Janeiro to meet the president of the Olympic Council of Ireland, Mr. Pat Hickey. I understand Mr. Hickey refused point-blank a request by the Minister to have an independent figure appointed to the OCI’s investigative panel. Did this refusal not cause alarm bells to ring for the Minister? It should be borne in mind that the meeting between Mr. Hickey and the Minister took place prior to the arrests and, as such, self-incrimination was not a factor. Surely Mr. Hickey’s refusal to accede to the Minister’s request was an indication of the unwillingness, reluctance and perhaps even resistance the Minister would face subsequently.

With this in mind, it should be noted that the Minister opted to establish a non-statutory inquiry and spurned requests from me and others to establish a statutory inquiry. The reasons he cited for establishing a non-statutory inquiry were that it would take 12 weeks to complete and generate less cost for taxpayers. He also expressed confidence that all parties would engage with the inquiry. None of these assumptions proved correct. The 12-week timeframe turned into nine months, only one of the six parties engaged with the inquiry and the investigation cost taxpayers more than €300,000.

I mean no disrespect to Mr. Justice Moran, but his report delivered very little that was additional to what we already knew regarding the events in Rio de Janeiro. The Deloitte report which preceded Mr. Justice Moran’s report stated there was serious dysfunction in the Olympic Council of Ireland, including a lack of good governance and ethics. Mr. Justice Moran’s report referred to poor record-keeping, particularly of payments. We have two reports, but we are back to square one because no progress has been made and the inquiry did not deliver what we had hoped it would. The main reason, according to Mr. Justice Moran, was the failure of witnesses to engage voluntarily which presented a major impediment to his inquiry. He added that this failure substantially undermined the ability of the inquiry to acquire a comprehensive understanding of the facts. With all of this in mind, does the Minister accept that the report

provides a basis for further investigation?

One would expect any organisation in receipt of State funding to be subject to basic oversight. What oversight does the Department have of organisations in receipt of State funding, including the Olympic Council of Ireland?

The events we are discussing took place in 2016. The Minister expressed confidence in the new board of the OCI, which is fair enough, given that we all want the organisation to be completely reformed and overhauled. However, I am cautious in that regard, given that the Minister's confidence that the relevant parties would engage with the inquiry proved to be misplaced. While the Minister can express confidence, is it not more a case of hope that reform will be delivered? Did the Minister ask the Olympic Council of Ireland for a timeframe for delivering that reform or did the council suggest a timeframe? Has a timeframe been given?

Again, the question comes back to this inquiry. I know the Minister has been scathing in his condemnation of the lack of oversight and accountability within the OCI, and rightly so. It comes back to this inquiry. This inquiry did not even have the means to discover that The Hospitality Group still had the contract to 2026. That in itself shows us just how limited the scope of the inquiry was. Are we back to square one now? If the contract cannot be overturned legally, that culture will still exist. I realise the council is seeking legal advice at the moment. Does the Minister believe it is plausible to say that no one on the executive knew that contract was in place, that no one asked whether a second signature was required and that no one was informed? How is it plausible to say that the only person who knew about it and who engaged in it was Pat Hickey? Does the Minister have any information on that?

Deputy Shane Ross: Let me answer the last question first, before I forget. I just do not know the answer to that question. Quite obviously I do not know the answer to who knew what about this. Deputy Munster can ask the OCI representatives that question when they come in later. I do not know who knew about it.

We know that much of the activity in that area within the OCI, including the whole ticketing area, was exclusively negotiated by Mr. Hickey. We know that from the report - that is another useful finding of the report, by the way. Deputy Munster should ask the OCI representatives later because I do not know the answer, but obviously they will know.

Let me get back to the first question. Deputy Munster asked when we met Mr. Hickey in Rio and he said he was not going to have an independent on the investigating panel - I think that is what it was called - and whether it set off the alarm bells. The alarm bells were set off long before that. There were indications some days earlier that he was not going to have an independent on the panel. However, I was determined to ask him that, not to set the alarm bells going but to ensure that was the position and to decide what to do as a result. Let us be absolutely straight about it: that is why we went to see Mr. de Kepper. It was in case Mr. Hickey said "No", which he did - he said there would absolutely be no independent. I had arranged beforehand, in anticipation of that position, that we would seek out Mr. de Kepper to ask him to intervene, in effect to ensure that there was an independent on the panel. The alarm bells certainly were set off about the consequences - we were kind of ready for that.

It was more than an indication of reluctance; it was a straightforward refusal. There was no equivocation at that meeting. When I said to him that we needed an independent on the panel and that we needed to ensure it would be independent, there was no equivocation. The answer was "No" and that the panel was not going to have an independent.

Deputy Imelda Munster: The Minister has said it was an outright refusal.

Deputy Shane Ross: Yes.

Deputy Imelda Munster: On that basis, the Minister would have known the resistance he was likely to face in respect of Mr. Hickey engaging with any inquiry.

Deputy Shane Ross: Absolutely.

Deputy Imelda Munster: My point was that the Minister still opted for the non-statutory inquiry knowing of and having seen the resistance and unwillingness. The Minister knew that was not going to change and this was prior to any arrest. The Minister still opted for the non-statutory inquiry knowing fine well that the chances of Pat Hickey ever engaging were slim or none.

Deputy Shane Ross: No, I did not.

Deputy Imelda Munster: The Minister has said-----

Deputy Shane Ross: I knew that he was not going to have an independent on his own inquiry team. I certainly did not not know what his response would be to having a judge-led inquiry.

Deputy Imelda Munster: The Minister had a fair idea.

Deputy Shane Ross: I did not. The Deputy cannot tell me if I had or not.

Deputy Imelda Munster: The Minister should have had.

Deputy Shane Ross: Perhaps I should have had, but I did not. That is the Deputy's judgment, but I did not have any idea. If the Deputy wishes, I will again go through the reasons for having a statutory as opposed to a non-statutory inquiry, but I have already gone through them this morning.

Deputy Imelda Munster: Fair enough.

Deputy Shane Ross: The Deputy is quite right that the 12-week period became nine months, but there was a reason for it. Part of it was the reluctance of people to appear and part of it was the fact that there were difficulties which had not been anticipated. It did go on too long and it was a pity that it went on for as long as it did. We received frequent requests from the judge for an extension, which was irritating because we wanted an early result. However, as we did get an absolutely excellent result in the end, it was worth the time. We have rehearsed the issue of only one out of six being engaged. We know how many gave evidence and the value of that evidence. The Deputy is repeating what others are saying when she says there is very little new information in the report. There is very new, good, valuable stuff in it, which is why we are where we are now. The report has exposed stuff which neither the Deputy nor I knew this time last year, about which there is no doubt. Had the Deputy read the emails? She had not. Did she know that it was certain Pro10 was a front? She did not; nor did I. We might have suspected it, but the report confirms it. There is new stuff in it. There is new, concrete evidence which gives us a firm basis on which to move forward. The argument between having a statutory and a non-statutory inquiry is now hypothetical. The Deputy might suggest having a statutory inquiry would have been better - perhaps it might have been - but it would have been more expensive, taken longer, have had lawyers crawling all over it day and night and we would

have been in and out of the High Court. On top of that, there would have been no guarantee that we would have a report.

Deputy Imelda Munster: We might have established the facts, which form the basis for any inquiry. In this State we have seen too many inquiries which have led nowhere.

Deputy Shane Ross: We have established very pertinent facts. That is beyond dispute.

Deputy Imelda Munster: I will again quote Mr. Justice Moran.

Chairman: To be clear, the Minister is answering questions which the Deputy has every right to ask, but I want to ensure we will have time for each person to make his or her contribution without interrupting each other. That is only fair.

Deputy Imelda Munster: That is fine.

In response to what the Minister said, I will quote Mr. Justice Moran who said: “The inquiry was barred direct access to the details of individual ticket sales which has substantially undermined the ability of the Inquiry to acquire a comprehensive understanding of the facts.” That contradicts what the Minister has just said. That is the argument.

Deputy Shane Ross: Mr. Justice Moran went on to say that that was why he did not investigate events surrounding the London Olympics and other games. It was an impediment in certain areas, on which he is correct. However, it did not stop him addressing the key issues and making findings which are absolutely invaluable and about which none of us knew. The fact that he was impeded in certain areas does not mean that the sensible and powerful findings he has made should be discredited. He decided to abandon the investigation of events surrounding the London Olympics because of the lack of co-operation, but what was happening in the OCI when he was reporting was addressed. That was the kernel of the investigation and it will be remedied as a result.

The Deputy asked about basic oversight of the OCI. I want to outline what the oversight arrangements are.

Deputy Imelda Munster: Okay.

Deputy Shane Ross: Oversight is mostly carried out through Sport Ireland which is the funding vehicle. The OCI supplies Sport Ireland with audited accounts annually. The OCI provides AGM minute notes annually. It provides a mid-year report on activities. It provides a mid-year update on programme costs. It provides a tax clearance certificate to Sport Ireland. It provides an operational agreement which was in place with the OCI for the period 2013 to 2016 and which was signed by Mr. John Treacy on 8 January 2014 and by Mr. Pat Hickey on 27 January 2014. In 2016, there were technical meetings involving Sport Ireland, Sport Northern Ireland, the Sport Ireland Institute and the OCI. There were two meetings in 2016 and three in 2015. There was a continual kind of trail as Sport Ireland monitored what was going on at that time. The annual accounts were audited by Mazars. The 2014 accounts were received, I think, in September 2015. There is a very routine procedure in place. However, it is fair to say that in the future it is going to have to be monitored even more tightly. I suspect the reform in this regard is not so much in the monitoring of the accounts but in the monitoring of the corporate governance. That is where the flaw is and that is where we are going to reform it.

Chairman: I wish to make a point. In his opening statement, the Minister said that the OCI

has not yet signed the governance code for community and voluntary organisations. He also said that, of all the bodies that have been asked to sign it since 2013, only 11 have done so to date and that a further 42 have yet to sign. In fairness to Deputy Munster, that goes to the heart of her questioning of the Minister. It is about the governance and the failure on the part of all of these organisations, including the OCI, to sign up to the code. Notwithstanding what the Minister has been saying, there is still a huge gap in terms of credibility regarding the governance of our sports right across the board.

Deputy Shane Ross: The Chairman makes a very good point. The OCI has committed to signing up.

Chairman: But it has not signed.

Deputy Shane Ross: No, it has not signed yet. The Chairman will have to ask the OCI about that today. We are putting the maximum amount of pressure on the OCI to do that as soon as possible.

Chairman: I accept that. I do not doubt the Minister's integrity. However, the point is that the OCI has not signed.

Deputy Shane Ross: I agree.

Chairman: It is not good enough.

Deputy Shane Ross: The Chairman should ask the OCI today how long it is going to take and what its programme is for that.

Chairman: I will.

Deputy Shane Ross: Until the OCI satisfies us that its governance is in order, and that includes signing up to the code, its prospects for funding will not be good. If it does sign up, those prospects will obviously be massively improved. Sport Ireland is engaging with the 42 bodies that have yet to sign up to the code. All of them are committed to looking at it. I am not sure that they are all going to sign up. However, every one of them is committed to looking at that code and to adopting it.

Chairman: Is that what the Minister said in his statement? He said that he will implement further measures to get them to sign up. Since the Minister raised that issue, I believe we should have a further meeting on it because it is about the compliance, governance and credibility of all of these sports. It is about the taxpayer providing funding to them.

I apologise to Deputy Munster for interrupting her questions.

Deputy Imelda Munster: That is okay. Did the Minister give me a response on the timeframe relating to the OCI? Did the OCI provide a timeframe in which the reforms will be in place? Did the Minister request a timeframe?

Deputy Shane Ross: No, it did not. We made it absolutely clear to the OCI that we want this done as soon as possible. Obviously, funding is a material matter. One is conditional on the other.

Deputy Imelda Munster: Does the Minister agree that, on foot of this report, there is a basis for further investigation? Surely the Minister is not satisfied with matters as they stand.

Deputy Shane Ross: I think I have answered that question already. I do not see any grounds for a statutory investigation or a further investigation of that sort. That is quite clearly what I have said and it is clearly what the judge said. Therefore, I do not think that is the case. However, there are still questions to be answered. We do not know-----

Deputy Imelda Munster: What about a Part 2 inquiry under section 18? We received legal advice yesterday to the effect that, in the judicial system, little weight would be attached to the fact that witnesses had engaged with the inquiry because the committee could not make findings of fact. We received advice that in a Part 2 inquiry under section 18, somebody cannot claim privilege on the grounds of self-incrimination so would the Minister consider such an inquiry?

Deputy Shane Ross: Did the Deputy say they cannot claim privilege on the grounds of self-incrimination?

Deputy Imelda Munster: Yes. They would not be able to refuse to answer questions.

Deputy Shane Ross: The Deputy has bounced that onto me so I will not give her a direct answer - I will have to come back to her later on the matter. I do not see any merit in, or need for, another report at this moment. This report has given us a large number of answers, although not all the answers. It has told us things we did not know and has given us the basis for reform of the OCI, which is going to happen. That is the benefit of the report and I do not see any virtue in a statutory report, or another report of this sort, at this moment as things are going on in other places which should be allowed to take their course.

Chairman: The committee will form a view on those issues separately from the Minister and I will have a question for him on the subject later.

Deputy Mick Barry: My first question is on the issue of State funding for the OCI. The OCI used to rely on Sport Ireland for approximately 30% of its funding. This was taxpayers' money and is currently being withheld, and rightly so. It begs the question, however, of what precisely needs to be done to restart the flow of State funding, not so much for the OCI as for the athletes. There is a possible ambiguity in some of the conditions set down by the Minister today. Yesterday, I understood the Minister to say that the contract with THG for Olympic ticketing up to 2026, which the OCI states is legally watertight, must become history and be sorted out before State funding can come back onto the agenda. Today, however, the Minister has been a bit more general and said the reforms need to be implemented before State funding can recommence. There is not necessarily a contradiction between the two positions but there may be one so can the Minister clarify precisely what conditions the OCI must satisfy before State funding can resume?

My second question is on a detail, although not an unimportant one. Deputy O'Keeffe raised the question of the London games and the Minister said he was not prepared to comment on innuendo, rumour or gossip. However, there are facts in the Moran report about the London games. It states there was a payment of \$60,000 - I think it was in US dollars - into the OCI accounts. The report indicates the board felt this was what was described as a reconciliation payment, or some kind of settling up of accounts between THG and the OCI in the aftermath of the London games regarding tickets. The judge seems to raise a question mark over the figure of \$60,000 in that it is a round figure rather than \$60,000.05 or \$60,000.50, for example. It is exactly \$60,000. This poses a question. More significantly, perhaps, it seems from the report that members of the board are unclear as to whether it was a matter of reconciliation after the London games or some kind of downpayment *vis-à-vis* the deal for Rio 2016. That seems to in-

dicating there are far-from-insignificant sums of money potentially at issue regarding the London games, let alone the Rio games. I would like the Minister to comment on these points.

On the substantive issue being debated, the Minister states the emails are the X factor and that they reveal a lot. I agree with him in significant measure. The emails are very significant. Is it the case, however, that we would not have got the emails if the inquiry had not been put in place? Had the inquiry not been put in place in the fashion it was, would the OCI have handed over the emails in any case? Was it necessary to spend €312,000 to get those emails, which I agree are significant? If the answer is “Yes”, which implies we would have got the emails in any case, the report is a damp squib. Five of the six key actors refused to be interviewed and a report that was due to be on the table after 12 weeks practically took a full year to produce. As has been mentioned, the inquiry cost more than €300,000 in taxpayers’ money. I would like the Minister to clarify and give his opinion on whether we would or could have got the emails without the inquiry, as established.

I have three other brief points. Could the Minister give his opinion on the idea that the judge should be asked to look into the detail of the arrangement entered into with THG for Olympic ticketing up to 2026 and produce a report on it? We have some details on it. We hope to get more when the OCI representatives come in at 11 a.m. Unless our information on this is greatly enhanced today, there will still be many questions about the arrangement.

I will add my voice to the voices heard at this meeting to indicate I believe there is a serious case for examining the idea of this committee attempting to compel witnesses to attend, although perhaps not the Rio organising committee and the representatives of the IOC. I have an open mind on that but I accept the Minister’s point that it is difficult to get witnesses in from abroad. There is, however, a case for compelling Mr. Pat Hickey to come in here and answer questions. It is outrageous that he has not had to answer questions other than through interviews he has granted in this country. There are important questions to be asked and valuable information to be gleaned if Mr. Hickey can be compelled to appear before this committee. It is not an easy process. Deputy Munster raised the question of a Part 2 inquiry. There is a possibility or even the likelihood of court action before we would get the man in here. Is it impossible? It is far from impossible and is something that should be seriously explored. I will leave that point aside. I would like to hear the Minister’s comments on that. I know he has already commented but I would like him to comment on the question of the Houses of the Oireachtas taking that step.

Mr. Justice Moran said that the honorarium was €60,000 a year from 2010 to 2015 so it is a period of six years. The report indicates that the moneys were drawn down in full. That would be €360,000. It was taxed. I think the tax deducted was €184,000, which would leave a lump sum of €176,000. In his statement yesterday, the Minister was quite hard-hitting on this issue. He said that the circumstances of the honorarium to the president also raised serious concerns and that the amount paid to Mr Hickey - €60,000 per annum - was far in excess of what might reasonably have been considered an honorarium, a statement with which I agree. The Minister also said that “indeed, Mr. Justice Moran notes that the payment may have been in breach of the Olympic Council of Ireland’s memorandum and articles of association.” More light needs to be shone on the question of this honorarium and a few more questions about it need to be asked. Has the Minister any further comments to make about it?

Chairman: In addition to the second-last point made by Deputy Barry, I raised the issue with the Minister yesterday because it is hugely important and goes to the heart of the issue. In the brief he received, Mr. Justice Moran was not asked to look at future Olympic deals and

nobody expected that he would have to. The report involved looking back to Rio and London. Even though he had the powers to inquire into other issues, Mr. Justice Moran was not asked to look at any future deals that might have been done. On page 210 of the report, he comments that there was evidence of a possibility of further deals but he did not know that there were and we did not know until this week. I am not asking the Minister to give an answer today because it requires reflection by the Minister and Department but the point I would make is that if Mr. Justice Moran was asked to produce a new module solely relating to the 2016 agreement about future Olympic Games, which was commented on by the OCI during the week, and to come back with a report on that, the Government would have to change the terms of reference of the inquiry because he was not asked to look at future deals that might have been done at that time. The benefit to all of us here and the whole country is that we could then bring in witnesses to discuss that report and it would mean that we would not have to go through convoluted legal processes relating to compellability of witnesses or anything like that because there are no criminal issues relating to this issue, there is no criminal investigation in any jurisdiction and it would provide closure. The key thing here is to get closure regarding the issues that have arisen to allow the Minister and Department to fund the OCI into the future, provided it signs up to all the agreements. We need to restore credibility to the process. What we really need to look at is the future of sport, future athletes and how we support them. We must separate the two things. The Minister and Department can support them if this issue is finally put to bed and if Mr. Hickey is here as a witness. Not only this committee but the whole country wants to hear his answers about an issue to which no criminal legal issues attach. That is the most important decision we could make because we would then have closure in a public forum regarding these issues and the Minister, the OCI and Sport Ireland could move on.

Deputy Shane Ross: I thank the Chairman. I want to be measured. I have a great deal of sympathy for what he and Deputy Mick Barry are saying. As a principle, Mr. Hickey should come here. There is absolutely no doubt that he should be here to answer questions. While I understand the plea about not self-incriminating, I find it very difficult to reconcile it with going to the media and giving interviews. If he can do one, he should be able to come here. *Prima facie*, yes, it is absolutely right that he should be here and it would be very helpful to the committee if it were to happen. I do not want to speculate on what the chances would be of Mr. Hickey appearing if the committee or the judge wanted to have an inquiry into the contract which binds the OCI until 2026. I can see Deputy Imelda Munster coming back to me and asking if I knew that he would not come. There is always a danger that that argument will be made, but, *prima facie*, I think we are all on the same side.

Chairman: I ask the Minister to consider the proposal.

Deputy Shane Ross: I certainly will not dismiss it today because I think it would be unreasonable to do so, but it would have many implications down the line. I suggest, therefore, that the committee wait and see what comes out of the proceedings, but I am not passing up the proposal. The committee is to talk to the OCI this afternoon and will hear what it has to state about it. It has a legal problem, on which everybody seems to have a view, but it seems that it could be solvable. It seems that we are in a fairly absurd situation with the contract binding to 2026, but it could be sorted out. *Prima facie*, yes, I think the committee should certainly be looking for Mr. Hickey to come here to discuss all matters relevant to it, particularly if there are areas where he would not self-incriminate.

On the honorarium, it is a pretty strange, peculiar payment. It was far over the minimum wage, as Deputy Mick Barry would know. An honorarium, as defined by the judge, is really a

token recognition of voluntary work. It is a very worrying element of what was going on and indicates how the place was run, if that is the most benign interpretation. It is also - I want to hammer the point home - a very useful part of the report, as we found that the president was getting €60,000 a year. I do not know whether this was unique, but I suggest it might have been and it is certainly concerning.

Deputy Mick Barry mentioned the London games. I am getting worried because I agree with so much of what he is saying, but I am sure it would worry him more than it would me. On the reconciliation accounts, the Deputy mentioned a €60,000 payment. The judge mentions that it is peculiar that it is such an exact figure, that it is unexplained and that there are no reconciliation payments. I would be concerned about that and we really have to find out about it. All sorts of parties, including the auditors, might be asked about it. If there are unexplained reconciliation payments and they occurred in Rio de Janeiro and London, we will have to be satisfied that they can be reconciled and find out what was actually happening before we give the go-ahead for future payments. We will have to be happy that everything is in order, both in the past and at present. I do not know the answer as to whether the emails would have been handed over. I cannot tell.

Deputy Mick Barry: Surely they would?

Deputy Shane Ross: Maybe they would. There is a combination of two things here. The events, including the inquiry precipitated the movement and the reforms in the OCI. Maybe the fact there was an inquiry precipitated the hand over of the payments. Would it have done that without the inquiry? I do not know. I do not know if it would have cleaned up its act without the inquiry, but I do not think it would. I do not know whether Mr. Pat Hickey would still be there had these events not happened. If we had had the panel investigation that it was looking for, I do not think the emails would have been handed over. I do not want to go any further down that road but it is unlikely that they would have been handed over in that case. They would have been kept to an internal inquiry within the OCI, when it would have had access to its own emails.

I disagree with the Deputy using expressions such as “the report would then be a damp squib”. Remember, the emails were important, as the Deputy rightly said. They were vital and they justify the report in themselves because they are such important evidence but there was more than just emails. I do not want to pretend it was just emails. The athletes and people who complained were interviewed. The public complaints came to the fore and they were shocking. It is not just a situation where issues of money and the distribution of tickets was shocking, but the treatment of the public and individuals was shocking and that came to light because of the report. One of the recommendations made by the judge in his report was very sensible, and it was a recognition of the fact that people looking for tickets were so desperate. They did not have a voice. It was one of the iniquitous things about what was happening. They did not have a voice, they were all individuals who felt helpless and vulnerable. He has advised them to get together in future so that there is a voice for athletes and the people looking for tickets and that this cannot happen again. These people have a voice in the report and because of the judge they could tell us what happened. We suspected this but we did not know it; he got enough evidence for it. Therefore, the report is not just emails.

Deputy Mick Barry: If someone had just set up a Facebook page, it would not have cost €300,000.

Deputy Shane Ross: He is suggesting doing that now. That is what is in the report, he said

let us use social media so that it probably will not happen again.

We have dealt with the London games and the reconciliation of accounts. I think we have dealt with everything.

Deputy Mick Barry: What about conditions for State funding resuming?

Deputy Shane Ross: They have been general and particular. I prefer to be general. They are not irreconcilable. The Deputy asked me specific questions about THG and should we sort it out first. Yes, obviously that comes under the general-----

Deputy Mick Barry: Is that a condition?

Deputy Shane Ross: I do not want to give huge hostages to fortune because they could be open to strange interpretations. I am saying that normal corporate governance rules must be in place or we must be satisfied that they will be in place before funding is given to OCI.

Deputy Robert Troy: On that point, Sports Ireland has said repeatedly that it is confident that the money it allocated to the OCI was used in an appropriate fashion and that any of the money that was used in an inappropriate fashion was money derived through corporate sponsorship. Is the Minister now saying he has evidence or concerns that taxpayers' money paid to Sports Ireland through his Department is not being used appropriately? What I am getting from the Minister here is that despite Sport Ireland's assurances, he has a major concern about the money. We will have an opportunity to tease it out later. I would welcome the Minister's opinion on whether the funding provided through Sport Ireland for the past number of years was, as confirmed by the CEO, used for its intended purpose and for the benefit of the athletes.

Deputy Shane Ross: I am not saying that. Sport Ireland funding is for administration and programmes. What I am saying is that I do not believe funding should be given to an organisation that is behaving in a way that is ethically unacceptable.

Chairman: That point of view is hugely important. It goes to the heart of what we now have to do.

I thank the Minister and Minister of State for being here today. This has been a hugely beneficial exercise for all of us. In terms of transparency and accountability, the Minister, the Department and all of us, with our different political hats and none, are on the same page. We are all agreed that Team Ireland comes first. We must ensure that all of our athletes and their supporters have clarity and confidence in our sporting bodies into the future. There is a spirit of co-operation in terms of our engagement on this issue, which is extremely important. Prior to our next meeting, and notwithstanding our different roles, we will discuss the further steps we should take together.

Sitting suspended at 10.45 a.m. and resumed at 11.10 a.m.

Chairman: We will continue our consideration of the report of Mr. Justice Moran into the receipt, distribution and sale of tickets at the Rio Olympic Games and related matters.

I welcome Ms Sarah Keane, president of the Olympic Council of Ireland, and Ms Sarah O'Shea, honorary general secretary of the Olympic Council of Ireland. I also welcome Mr. John Treacy, chief executive of Sport Ireland, and Mr. Kieran Mulvey, chairman of Sport Ireland.

Before we continue I will go through the standard process. In accordance with procedure I am required to notify the meeting that by virtue of section 17(2)(l) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of the evidence they give to the committee. However, if they are directed by the committee to cease giving evidence on a particular matter and they continue to so do, they are entitled thereafter only to a qualified privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable.

Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the Houses or an official either by name or in such a way as to make him or her identifiable.

I will invite Sarah Keane to speak but first I wish to congratulate her on her election as president of the OCI. I wish to acknowledge the comments made by Mr. Justice Moran in his report on the significant changes that are occurring in the organisation. The openness and transparency that he refers to represent a welcome change.

Ms Sarah Keane: I am the president of the Olympic Council of Ireland and I am accompanied by Sarah O'Shea, who is the organisation's honorary general secretary. We are here today to address the committee, at its invitation, and we thank it for this, particularly as the new board of the OCI believes strongly in transparency and the need to address the issues that face us as openly as possible. We were both elected to the positions we hold in February of this year, together with ten other members of the new board. The chair of our new athletes commission recently joined the board, which brings our number to 13. We have had numerous meetings already and we have a fully functioning board united in our pursuit of a reformed OCI and also a love and passion for Irish Olympic sport.

The OCI is the Olympic representative body for the island of Ireland. As the national Olympic committee, of which there are 206 in the world, we adhere to the International Olympic Charter, which aims to promote the spirit of Olympism, develop high-performance sport, train sport administrators, assist in the fight against doping and work in partnership with the International Olympic Committee, IOC, and others, such as Sport Ireland, to further develop Olympic sport in Ireland. The IOC funds approximately 70% of our activities annually.

Our remit is much wider than the role of a "travel agent". We are responsible for managing and seeking to enhance the performance of Team Ireland at Olympic Games, both winter and summer, and at approximately six other European and world youth games during a four-year cycle, while at the same time developing the Olympic movement in Ireland. There is a small team of four employees at the OCI who work hard in the implementation of all that.

The new OCI board has been working hard since its election six months ago to drive a much needed rigorous reform agenda at the OCI. The board is committed to root-and-branch reform of the organisation, making it more athlete-centred and putting the highest governance standards in place. We are committed to the true values of the Olympic movement and we are determined to rebuild the reputation of the OCI in the eyes of both athletes and the Irish sporting public. That reputation has taken a hammering over the past 12 months. The fallout from Rio has been reputationally and financially damaging for the organisation and its members, but we are determined to work hard to rebuild the OCI as an Olympic representative body of the highest standard.

We unreservedly apologise to Irish Olympians, coaches, families, member federations and others for the issues that arose in Rio and, indeed, for circumstances in which this detracted from the fantastic performances, both then and now, of many Irish athletes.

Following the election of the new OCI board in February, I, together with the officers of the OCI board, met the president and senior officials of the IOC to discuss the reform programme currently under way in the OCI. The IOC gave us its full support and is keen to see us rebuild the reputation of the organisation following a turbulent 12 months. We also met the European Olympic Committee, which is equally supportive of our future plans. Both bodies recognise the strong mandate given to the new board by our member federations in the February elections and again at our recent AGM. The new board also has a strong and positive working relationship with Sport Ireland and officials in the Department of Transport, Tourism and Sport. We have been keeping them updated on progress with regard to our reform agenda.

The OCI board welcomed the publication of Mr. Justice Moran's report earlier this week. I wish to make it clear that the new board of the OCI and its staff fully co-operated with the Moran inquiry and passed all documentation requested to it. I attended the inquiry on several occasions. We accept Mr. Justice Moran's findings, and we will consider the report and its recommendations in full at our next board meeting later this month. The board at its next and following meetings will have to consider numerous matters of detail arising out of the report. I do not, in this statement or in response to any questions later, want to pre-empt the board's discussions and decisions on these matters. For obvious reasons, this is of particular importance in this case. It is also important to state that we operate as a board and that I, as the current OCI president, am but one member of this board. However, today we would like to make the following points in respect of particular matters addressed in the Moran report. On the issue of governance and the Deloitte report, of the 25 Deloitte recommendations - a copy of the Deloitte report was circulated to the members - 15 have been completed, two are implemented in part and the remaining eight are under review for our planned extraordinary general meeting later this year. These include term limits for the board, and we will put proposals to our members for approval in order to bring about implementation of the final Deloitte recommendations.

In terms of the constitution, at our AGM on 22 June 2017, our members passed a significant number of changes to our constitution to bring it in line with the Companies Act 2014 and Revenue Commissioner requirements, and to implement the Deloitte recommendations. All of these changes were discussed with the OCI and approved by it.

With regard to structural reforms, we have also established various sub-committees, including in respect of governance, commercial and finance, audit and risk, and a new athletes commission chaired by former Olympian, Mr. David Gillick. We have a fantastic group of Irish Olympians who are part of this new athletes commission and it will play a key role in the further development of OCI policy regarding athletes, coaches and the Olympic Games. We have overhauled the internal financial administration and appointed an external financial accountant to oversee the new system.

The board has adopted and committed to the implementation of the voluntary code of governance. This is important because it involves a more comprehensive approach to organisational reform at the OCI than that covered in the Deloitte report, which was confined to particular areas of the organisation. Standing orders for the way in which the board operates have been adopted and are operational, and codes of business conduct and conflict of interest statements have been agreed and signed by our board members. A 2017 business plan and a strategic review have been agreed with a view to publication by year-end following appropriate consulta-

tion with members and partners. That is all currently under way.

A summary of international Olympic committee solidarity programmes, which are about funding support for specific programmes, has been prepared with a view to increasing transparency around such programmes and increasing awareness of their existence amongst member federations. We are also working on a transparent funding policy in respect of how we, the OCI, provide funding to our member federations.

We accept Mr. Justice Moran's findings regarding the unsatisfactory ticketing arrangements at the Rio Olympic Games, particularly the criticism to the effect that it appeared that the appointment of Pro10 as the authorised ticket reseller, ATR, for Rio was, in fact, as the report stated "to disguise the continuing involvement of Marcus Evans and T.H.G. in the sale of tickets in Ireland for the Rio Olympic Games, notwithstanding the rejection of T.H.G. by R.O.C.O.G." The new board of the OCI takes these allegations very seriously. Mr. Justice Moran also made it clear that board members were not aware of the decision of the Rio local organising committee to reject THG as Ireland's ATR for 2016 nor of the subsequent incorporation and appointment of Pro10. The board was not privy to this information at the time. There is a clear inference in the report that there was lack of transparency involved on the part of several individuals and, with hindsight, it is difficult to reconcile statements certain individuals made publicly with some of the documentation that has recently been uncovered.

Following its election in February 2017, the new board was concerned with the ticketing arrangements in place for the upcoming Olympic Winter Games in Pyeongchang in February 2018. On 19 July 2017, the PyeongChang Organising Committee for the Olympic Games, POCOG, formally wrote to THG terminating its contractual relationship with THG under the THG PyeongChang 2018 ticketing agreement. I understand that POCOG did so on the basis that THG had breached the IOC code of conduct.

The OCI fully respects the decision of POCOG, the Winter Games organising committee, to withdraw its approval of THG for the 2018 Games and to terminate its contractual relationship with THG. We at the OCI are committed to ensuring that this does not affect the needs of its athletes and the Irish public who wish to attend these Games. With the PyeongChang 2018 Games approaching, we are currently liaising with the organising committee with a view to making alternative ticketing arrangements at the Games and it has advised that it will support us in our ticketing arrangements in this regard. It is anticipated that the number of ticket requests will be small given the small size of the anticipated Irish team - between five and ten athletes - that will compete at the 2018 Winter Games.

As regards any apparent future contractual arrangements with THG or the Marcus Evans Group, I wish to update the committee on the following. As the committee will appreciate, we are legally constrained in what we can say at this time. However, we are happy to provide the following information to the committee. First, it is evident that there were significant decisions taken with regard to future ticketing arrangements that were not brought before the OCI board. Over the past number of months we have been committed to trying to establish with our legal advisors the status of the ticketing arrangements that had been put in place with THG. This has not been a straightforward process as the OCI's files did not contain any executed agreements for any Olympic Games subsequent to 2018.

It was not until recently that our legal advisers were provided with a copy of two agreements covering the 2020, 2022, 2024, and 2026 games by lawyers for THG. The OCI has not seen original copies of these agreements. We are currently taking legal advice on the validity of

these documents and the OCI fully reserves its position in this regard. We are therefore unable to discuss the contents of these documents and are advised by our legal advisers that it would be inappropriate to comment further at this time. I hope members will appreciate that we are trying to be as transparent and forthcoming with information as possible, but we consider it appropriate from a legal and governance perspective that the new board should have a chance to review these documents, consider appropriate legal advice and discuss same at the upcoming board meeting later this month.

As the new board has been elected following the events in Rio in August 2016, and will be *in situ* for the upcoming Olympic Games in PyeongChang and Tokyo, it is only appropriate that this board should be entrusted with making decisions relevant to those games. However, I assure members that the OCI is committed to evaluating all agreements for future Olympic Games, including the screening and selection process of prospective authorised ticket resellers, ATRs, in light of the recommendations contained in the report of the Moran inquiry.

I will now discuss reconciliations. We understand that Pro10 owe the OCI moneys as part of the rights fee to be paid under the contractual agreement for the Rio 2016 Olympic Games and we have recently issued a request for payment of these moneys. We are advised that it would be inappropriate to comment further on this matter at this time. We note that the report makes recommendations in respect of ticket reconciliations for London 2012 and Rio 2016 and we are committed to considering this further at the upcoming board meeting. It may mean that we look to Grant Thornton for further clarification on this matter. Having said that, we are focused on the future and the ticketing process that lies ahead for the winter and summer games in 2018 and 2020 and we are committed to a much clearer and more transparent process in this regard with a much improved service to be delivered to athletes, parents, spectators, etc.

Performance accreditations are always a priority for the OCI and will continue to be so. The OCI will work closely with performance directors, CEOs and member federations to deliver the best possible support under the games regulations. The Moran report makes it clear that the area of accreditations is complex and that we need to do a better job at ensuring the process is understood and is as clear and transparent as possible. We do not expect accreditations to be an issue for the upcoming winter games and we have time to prepare for Tokyo. We have already begun to address this issue by organising a joint engagement day, which took place on 26 May 2017 in collaboration with Sport Ireland. We intend to strengthen our existing partnership agreement with Sport Ireland in this Olympic cycle.

We are currently in a period of significant change and reform at the OCI. We are confident that these changes will make the OCI a much better, stronger, more transparent and more strategic organisation that will deliver better results for Irish Olympians and its member federations. The past year has been very difficult for all involved, including the staff who have worked under difficult circumstances. However, we are confident of moving forward together with our member federations to deliver the best for Irish Olympic sport, athletes and the sporting public.

Changes in how the OCI operates are already happening, as outlined earlier, and change will continue until we have best practice governance systems in place. We are putting particular focus on listening to our athletes and our members and to deliver the organisation they deserve. We are very proud of Team Ireland's performances at the recent European Youth Olympic Festival, returning with six medals from six young, female athletes, and many great individual performances, as well as the other fantastic performances of Irish athletes competing around the world in various sporting events. The fallout from Rio must not take away from the hard work of the many athletes, coaches, performance support personnel, volunteers, contributors

and member federations who do a great job for Irish Olympic sport. We recognise the work of Mr. Justice Moran on completing the report.

Chairman: I call Mr. John Treacy, CEO of Sport Ireland, to address the committee. I acknowledge his tremendous work in sport and his personal commitment. I acknowledge his integrity and that of his organisation and its chairman, Mr. Kieran Mulvey. Our objective today in moving forward, notwithstanding the questions we will have to ask, is to get the result everybody wants for Team Ireland. We are all working together in this regard. The changes to be made are profound and necessary. We must move forward in a constructive manner.

Mr. John Treacy: I thank the Chairman. I am joined by Mr. Kieran Mulvey, chair of Sport Ireland. Both of us were pleased to accept the invitation to attend today.

Sport Ireland welcomes the publication of the Moran report into the circumstances and facts following events at the Summer Olympic Games in Rio de Janeiro in 2016. Sport Ireland was happy to co-operate fully with Mr. Justice Carroll Moran throughout the course of the inquiry and provided a detailed submission to the inquiry on its relationship with the Olympic Council of Ireland.

The report highlighted the challenges the inquiry encountered, in particular with regard to key individuals and agencies declining to participate in the process. We must respect the legal process in Brazil and the decisions of individuals and organisations in this regard. Notwithstanding that, the report is detailed and sheds significant light on the matter it was charged to investigate. Sport Ireland endorses the findings and recommendations of Mr. Justice Carroll Moran. It will provide support to the Olympic Council of Ireland as it works to improve the organisation's governance and will support it with the implementation of the recommendations contained in the report.

Mr. Justice Moran stated the relationship between Sport Ireland and the Olympic Council of Ireland is often quite difficult. As outlined in the report, however, operational agreements were in place between Sport Ireland and the Olympic Council of Ireland for both the Rio and London Olympic cycles. The parameters of both organisations working together were set out in these agreements. Sport Ireland is currently working with the Olympic Council of Ireland on an operational agreement covering the Tokyo Olympic cycle. As acknowledged in the Moran report, adherence to these operational agreements went a long way towards removing the potential for dispute that existed in the past.

As highlighted in the report, the Olympic Council of Ireland had a specific sensitivity around its independence and autonomy. Mr. Justice Moran sums it up very well on page 194:

The Olympic principle of autonomy is a strong value in the culture of the O.C.I. Sometimes it is applied inappropriately and in a manner not conducive to good governance. It can be used as an obstacle to forming more effective relationships with the Government and with Sport Ireland.

One member of the Executive Committee stated:

It is a principle of the Olympic Charter that there can be no political interference in how the national Olympic committees or how the International Olympic Committee works.

The member also said, "I think it is used as a weapon to say: We cannot talk to them, we can-

not listen to them, we can't cooperate with them, we can't do anything with them because that would be letting them interfere and tell us what to do, and that is against the Olympic Charter." That is a very powerful piece by Mr. Justice Moran. The council protected its independence vigorously.

The Olympic Council of Ireland has a unique status, and this is recognised in the Sydney review, which we conducted in 2000. Notwithstanding this and repeated assurances that the then Irish Sports Council did not wish to subsume the Olympic Council of Ireland, this remained as an issue until the operational agreement was in force.

The Moran inquiry dealt primarily with matters relating to ticketing and accreditation at the 2016 Rio Olympic Games. While Sport Ireland welcomes and encourages the efforts of funded bodies to pursue commercial opportunities, it does not have, or seek, a role in the commercial operations of independent sports organisations. The specific matters referred to in the Moran report do not fall within Sport Ireland's area of authority. Sport Ireland's remit and interest in working with the Olympic Council of Ireland over many years has simply been in ensuring the best possible opportunity for Irish athletes to perform at their best at the Olympic Games. Sport Ireland invests significant amounts of public money in the development and preparation of Irish athletes for the Olympic Games. It is important that the two agencies work together to ensure Ireland will reach its potential.

The funding process for the Olympic Council of Ireland is documented in the Moran report. It is noted that the funding process for the Olympic Council of Ireland differs from that for other sports organisations. The difference is mainly in how the Olympic Council of Ireland accounts for money allocated through vouched expenditure. Sport Ireland has always monitored the usage of its funding to the Olympic Council of Ireland, knowing exactly where the money is spent. We also receive a letter from the OCI external auditor which verifies the expenditure. We only pay out money for vouched expenditure. Sometimes we allocated more money in the course of a year than was given because the level of vouched expenditure did not come up to the amount we had allocated.

The Olympic Council of Ireland received €1.7 million in the Rio cycle. The details are available to the committee today. In 2016, €520,000 was allocated to the Olympic Council of Ireland, of which some €390,000 was paid. As everyone knows, the final 25% has not been drawn down to date. Funding for the Olympic Council of Ireland in 2017 has not been considered by the board of Sport Ireland and the matter is under consideration by the Minister.

The report addresses the issue of governance within the Olympic Council of Ireland, an area of interest to Sport Ireland. In a wider sense, Sport Ireland focuses on the governance of sports bodies, which is not an abstract concept as poor governance leads to poor outcomes. The report makes for interesting reading. Clearly, the decision-making process in this case led to bad outcomes for everyone involved and these matters have yet to be resolved. The Moran report makes specific reference to governance concerns within the Olympic Council of Ireland and Sport Ireland welcomes the report's consideration of the community and voluntary code of governance with regard to what we have put in place for governing bodies of sport.

Sport Ireland was given the opportunity to appear before the committee in January this year to discuss the topic of governance within funded bodies. In 2016 the then Minister of State with responsibility for tourism and sport, Deputy Patrick O'Donovan, identified corporate governance as a key priority for Sport Ireland funded bodies. To this end, the Minister addressed the national governing bodies of sport in November and highlighted that implementation of

the community and voluntary code of governance would become a condition of the receipt of funding. This will make it mandatory for all Sport Ireland funded bodies to start the process of adopting the code during 2017, on a comply or explain basis, to be completed by 2020. Sport Ireland welcomes the strong commitment of the newly elected executive committee of the Olympic Council of Ireland to governance reforms and furthering its objectives. The executive committee of the OCI has led a number of governance reforms within the OCI which were highlighted when the former Minister of State, Deputy Patrick O'Donovan, and Sport Ireland met the committee earlier this year. Sport Ireland notes that the Olympic Council of Ireland is also on the journey to adopt the community and voluntary code of governance.

On the 2020 Olympic Games in Tokyo, the other specific area of interest to Sport Ireland is performance. Earlier this year it published The Rio Review, which was designed with the purpose of providing a fair assessment of Ireland's Rio Olympics and Paralympics campaign and producing independent evidence-based recommendations which would be essential in improving the high-performance system. The key aspect of the review is that the individual sports took a greater level of control over the debrief process, which was a welcome and positive development.

Notwithstanding the significant national and international attention on the Olympic Council of Ireland and the documented issues surrounding the ticketing process, it did not emerge as a performance barrier for our athletes in Rio de Janeiro. However, the unhappiness of those involved in the Games at the situation was expressed in The Rio Review.

Looking ahead to the Tokyo 2020 Olympic Games, Sport Ireland is developing an operational agreement in conjunction with the Olympic Council of Ireland which dictates the relationship between agencies in the lead-up to and at the games. From a high-performance perspective, The Rio Review provides a blueprint for the Tokyo campaign. Sport Ireland is fully supportive of the OCI's new executive committee, and looks forward to working with the organisation in the lead-up to the Tokyo Games.

Sport Ireland's areas of interest are performance and governance. Notwithstanding the limitations of the Moran report, the inquiry was extremely worthwhile and clearly highlights the issues which existed within the OCI and shows that athletes were not at the forefront of the organisation's decision making. No matter which way the report is viewed, it does not show Irish sport in good light. As a result, Ireland has unarguably suffered reputational damage. The report highlights the clear and unambiguous need for good governance. The findings and recommendations of the report will help ensure that such circumstances do not arise again in the future.

Mr. Kieran Mulvey: In light of statements made earlier by the Minister, there is some additional information I want to add. Both Mr. John Treacy and I travelled to Rio on 12 August last year. We flew economy class in line with Government policy on these matters to the effect that we should not sit at the front of the bus when our athletes and performers are at the back. I was aware before we left that there was considerable controversy regarding the ticketing arrangements for the athletes' family and friends, a matter that was raised on phone-ins to various programmes and by the Minister of State, Deputy O'Donovan, during his trip to Rio.

On the evening of 13 August of last year, John and I met officials of the OCI at a dinner on an informal basis and raised with them the specific issue of the availability of tickets for families and the difficulties they seemed to be encountering in getting them. I was not that familiar with THG or Pro10 and the issues relating to them were not in my ken at that stage, but we did

raise the matter with the OCI officials. Mr. Justice Moran adequately describes the situation in paragraphs 4.6 to 4.11 on pages 55 to 60, inclusive, of his report. When we raised the availability of tickets and having a central point at which athletes and their families could obtain tickets, either through the Olympic village or somewhere else - for example, a hotel that they could go to - we did get what Mr. Justice Moran describes in the report, namely, information on arrangements that had been made prior to the departure for Rio for athletes and their families. At the end of the conversation, I was totally confused as to how anyone could access tickets at that stage. That is why the report mirrors the confusion about what arrangements had been made and the contradictory statements that seem to have been made between families of the athletes and officers of the OCI as to what briefings, knowledge or information had been available. The Minister of State, Deputy O'Donovan, had raised the matter with us so we also took the opportunity to raise it but, alas, we did not make any progress on it.

For clarity, Mr. Treacy and I received one accreditation each. We received no other tickets for anyone, family or otherwise. No arrangement was in place for that. We received the accreditation in the context of our roles as chairman and chief executive. This was an improvement on London, incidentally, where we shared half an accreditation each. I went for one week and Mr. Treacy, being familiar with the Olympic cycle, went for the second week when all the medals were won. I said to him "The next time we go, we will go on an equal basis so that I can watch some of the medalling too."

We then had the arrest of an Irish citizen, Mr. Kevin Mallon, and the international headlines that created. There was considerable discussion back in Ireland and concerns expressed which were reported to us through various channels and by the Minister on his arrival in Rio. There was his futile meeting with Mr. Pat Hickey at that point regarding some kind of investigation, inquiry or whatever term was used. This created further difficulties and a stand-off followed. Donning my professional hat, having been previously involved in mediation and conciliation, I contacted the assistant secretary with responsibility for sport and tourism, Mr. Ken Spratt, and Mr. Willie O'Brien, the first vice president, and met them to see if we could thrash out some arrangement to which the Minister and the president of the OCI would be agreeable. This process took place on the 15th and 16th, with an agreement being concluded on the afternoon of the 16th which I remember well because it occurred just before Annalise Murphy won her glorious silver medal such that we were then available to attend the award ceremony to congratulate her on her success. The process took a considerable amount of time and a great deal of toing and froing because of the issues at stake in terms of the Minister's need to respond to concerns on behalf of the Government and the public in Ireland about what was happening with the ticketing arrangements and from the point of view of the Olympic Council of Ireland in terms of its independence.

As alluded to by Mr. Treacy and Mr. Justice Moran in his report, there had been constant tension over a considerable timeframe - for decades - between the former Irish Sports Council and then Sport Ireland and the various manifestations. With the assistance of Mr. Spratt and Mr. Willie O'Brien, on the afternoon of the 16th we managed to reach an arrangement to which the Minister and Mr. Hickey agreed. Later that evening, with Mr. Treacy, I attended a reception at the Italian Embassy, where we met officers of the Olympic Council of Ireland, the Minister and the assistant secretary. On that occasion, I pressed the Minister to formally give his agreement to what he had agreed privately with me, namely, that an independent person be appointed. I think the Minister referenced at the time the appointment of a retired High Court judge, but my memory in that regard is not absolute, given what was going on. The Minister contacted me twice that evening about the agreement such that we would be able to at least say peace had

reigned and that there would be an investigation. I received a telephone call at 6 a.m. or 7 a.m. the next day from Mr. Treacy during which he told me about the shock news of the arrest such that the agreement that had been reached was moot. Other incidents and activities took place in that regard.

On my appointment as chairman of Sport Ireland a number of years ago it became clear to me from briefings I received at that stage that there was a history of conflict, or perceived conflict, between the Olympic Council of Ireland and the then Irish Sports Council in regard to the Olympic Games and the arrangements between them and that I was to endeavour to ensure this would not continue and that a new *modus operandi* and a mutual peace would break out. I put in a lot of effort for a number years, in the case of the OCI, into ensuring there would be no incidents at international level that would bring us into disrepute. It was not the first time this happened. It had happened at other Olympic Games, with some Ministers being subjected to questioning or arguments about accreditation, as alluded to by Deputy Kevin O’Keeffe. There were also other incidents, in respect of which the independent status of the OCI was at issue. This also arose with the establishment of the Irish Sports Council. There is a history in that regard to which Mr. Justice Moran alludes in the report without going into detail. It is important to make that point.

For a number of years Sport Ireland has put a lot of effort into its engagement with the OCI on the transitional and implementation arrangements and agreements for Olympic cycles and this work continues. As a result, relationships improved immensely and have since been cop-fastened following our meeting on 6 April with officers of the Olympic Council of Ireland which the Minister of State with responsibility for sport, Deputy Patrick O’Donovan, attended, at which Ms Keane and her colleagues outlined to us the steps they had taken and would be taking to implement reforms within the OCI.

We outlined our expectation of working with the OCI regarding those reforms and assisting in any way we could without interfering in the organisation directly in that regard but bearing in mind our concerns about the voluntary code it has adopted and also the concerns of the Minister. A significant amount of work has been going on in the undergrowth while this report was in progress because the Olympic Council of Ireland is vitally important to this country. It is the representative body of the International Olympic Committee, which sanctions, charters and authorises our participation in the Olympics and the participation of our athletes through the international federations and the rules and regulations. We are co-partners in that endeavour and in all we do. For example, over the four-year cycle of the Rio Olympics €31 million of taxpayers’ money was expended in terms of assisting our federations nationally and through the international federations to compete at European, world and Olympic levels. Athletes received direct funding of a further €6.5 million in that period. That was done against a background of a €10 million deficit in our funding since 2008. Like all State agencies, we have had to take the hit. Our athlete and Olympic funding for Rio 2016 operated on the same basis as for London 2012 and we are endeavouring to increase Government funding for the Tokyo Olympics, which is only three years away this month.

Sport Ireland, its board and executive take its funding obligations, authority and other obligations seriously. We rigorously assess the arrangements for all funding. We fund over 60 organisations on an annual basis, ranging from the smallest of voluntary sports activity with little or no full-time executive to the highest level organisations in terms of field sports such as the GAA, the FAI and the IRFU, along with the Paralympics and the OCI. In a sense, we have a broad church to service, with broad levels of expertise, competence, ability, funding and so

on. I would like to put on record that the London Olympics was Ireland's best performance but the performance in Rio was also exceptional in terms of what our athletes achieved such as personal bests and other achievements. Irish athletes won medals in two new sports. Disappointment obviously arose in regard to boxing. Thomas Barr was one micro second away from a bronze Olympic medal. We have to build on that. As Ms Keane indicated, that is already happening through our participation in sports.

The issue of governance, be it in the voluntary sector or otherwise, is always difficult. That has been seen in the charity and education sectors and is no less an issue in the sporting sector. However, in so far as we can, we keep a tight rein on the money we are allocated and the stewardship that organisations must provide for that and which we must oversee. The second issue in that regard is we have to draw and tread a fine line between the autonomy of those organisations, be that international or domestic autonomy, and the necessity for us to have oversight and sometimes intrude upon organisations, as evidenced recently in the disputes we had with the Irish Amateur Boxing Association when this year we had to take a strong stance on the code and the governance of the code. That is not always welcome, appreciated or understood but we make such decisions with due deliberation at board level and with all available evidence but not before long periods in which we have engaged with the organisations.

We do not have, would never be allowed to have and do not desire a role in the ticketing and commercial arrangements that any organisation enters into. That would not be within our brief nor in the legislation pertaining to Sport Ireland and it would draw us into a panoply of activity for which we are not funded, resourced or capable of performing. We leave that sphere of activity to the organisations themselves to carry out in accordance with company legislation requirements, the law, and, hopefully, the voluntary code we have decided to adopt and bring about in each organisation. We are trying to work with each organisation to have them adapt, operate and monitor the code themselves, while we provide for external monitoring.

Sport Ireland welcomes the course taken by Ms Keane, her colleagues and officers in the Olympic Council of Ireland, which marks a new departure. We are all well aware of the council's history. Having digested and analysed this issue and seen what has happened, I would like to think we have collectively engaged in a new departure. What we need to do now is move towards the Tokyo Olympics which are three short years away and ensure our athletes who are making commitments to the Tokyo programme will be funded, respected, cosseted and developed. Facilities are being provided under the aegis of the Government through the national indoor arena and a commitment has been given to develop a second phase of the arena. We are putting in place structures and, I hope, concurrent funding which will give athletes a surety of our commitment that if they qualify, structures, funding and so forth will be in place for them. That is the message we need to give on behalf of Sport Ireland.

I would also like the message from these sessions of the joint committee to be that the athletes who did wonderfully well did us proud and that the things that happened were beyond their control. It is up to us to rectify these matters and ensure they will not recur. We must not have circumstances where knowledge is not forthcoming, due diligence does not apply or appropriate oversight is not provided for.

Chairman: Mr. Mulvey commented on issues that arose earlier and we do not have a copy of his statement. Is it correct that funding to the Olympic Council of Ireland was €1.7 million in the Rio cycle? Mr. Mulvey has stated Sport Ireland does not have nor does it seek a role in the commercial operations of independent sports organisations and that specific matters raised in Mr. Justice Moran's report do not fall within its area of authority. It seems Sport Ireland is

getting absolutely no return on the €1.7 million it provides for the OCI in terms of assurances to Olympians and their families that they will receive tickets to events or be accredited properly and that the father of a participant will not have to pay the fare on a public bus to get to a competition. I respect in every sense Mr. Mulvey's professionalism and integrity, but Sport Ireland has got a bad deal.

Members will address the issue of corporate governance, which is of great importance. The Minister has indicated that the Olympic Council of Ireland has not signed up for this and it is important that we have clarity on this matter and other issues.

Sport Ireland provided €1.7 million in funding for the Olympic Council of Ireland when it was under a different administration. Tickets which should not have been sold were available for sale and tickets found in the OCI's safe should not have been for sale. The abuse of ticketing was appalling. Did anyone from the Olympic Council of Ireland or Sport Ireland attend the opening or closing ceremony in Rio de Janeiro? It seems as if a mafia was in control of the tickets and that people could not get any of them. There was no transparency or accountability and we do not know who bought the tickets or at what price. We must deal with all of these issues, including the 2016 agreement for future Olympic Games before we will be able to move on. Perhaps there might be room for a parallel process.

I note Mr. Mulvey's comments about funding and the issues regarding no increase in funding. In the interim, is there some way Sport Ireland could fund sports or individual athletes in a different way without necessarily having to fund the OCI? Is there a way around this? Is there a parallel process? Can we put on our thinking caps and move forward together? I acknowledge the absolute commitment to change but we have to deal with those outstanding issues.

We operate with a process of rotation, so I will call the Fine Gael members first, then the Fianna Fáil members, then Sinn Féin and then the Independents. Members may wish to put questions to either of the organisations represented.

Senator John O'Mahony: I thank all the representatives from Sport Ireland and the OCI for coming before the committee and for their presentations. This is the first time Sarah Keane has been before us as president of the OCI. I am unsure as to whether I should congratulate or sympathise with her on the onerous task for which she assumed responsibility in February. In any event, I wish her well in the reforms and I note the many efforts she has made to introduce those reforms. I wish her well in dealing with those issues.

I have many questions to ask. In the interests of efficiency, I will go through them now rather than commenting. Then, if I have to come back in later, I will do so.

The Moran report makes reference to the two executives - the previous iteration and the current one. Am I correct in stating that four members on the current executive were on the previous one as well? This seems to be the case from the list of names that has resurfaced. There were three resignations from the OCI in the early stages of these events unfolding. The people involved were John Delaney, Kevin Kilty and Ciaran Ó Catháin. What reasons did they give for resigning from the executive? Had there been a history of anyone resigning from the OCI previously? Given what we know now, following the Moran report and other reports, why were concerns not raised prior to this controversy about lack of information and transparency within the executive? It seems Ms Keane and others did not know what was going on.

Some details have emerged in recent days regarding a meeting between Sarah Keane and

her predecessor, Pat Hickey, on 4 April. Can we get some history on that meeting please? Who requested it? What issues were discussed? Who was present at the meeting?

My next question relates to the news emerging about future ticketing arrangements up to 2026 with THG. When did the president of the OCI become aware of the deal to 2026? How can that operate when the organising committee for the Winter Olympics in 2018 has withdrawn permission for THG to sell tickets on behalf of Ireland?

The next question relates to the honorarium, which, if I am correct, was approved in 2015. Who mooted this honorarium? Was it suggested in a committee report and, if so, on what basis? The honorarium was paid retrospectively from 2010 and the total amount involved was €360,000. Despite lack of governance and all the rest of it, was it not an exceptional decision to make it retrospective? In an interview this week, it was suggested by Mr. Pat Hickey that he hopes to resume his international Olympic duties. It was indicated that would allow him onto the OCI board or committee. Is that true, and can the witness comment on that?

What has been the effect of this controversy on the OCI in terms of funding and sponsorship? We are all aware that funding has been withheld by the Government and Sport Ireland, and I understand that many, if not all, of the sponsors of the organisation have been lost. How is the OCI going to be funded into the future? The Chairman raised the issue of the restoration of funding, which the Minister spoke about earlier. Why did the OCI not sign up to the governance code of community and volunteer organisations immediately, or is there some reason that has to go through a process?

How do other countries handle their ticket allocations? They seem to be able to do it without controversy.

Does any member of the staff of the OCI, in particular the CEO, Mr. Stephen Martin, know who introduced Mr. Pat Hickey to THG originally back in 2009? Can the witness confirm there were issues with tickets during the London Olympics or in previous Olympic Games?

Does the Chairman wish me to ask questions of Sport Ireland now as well?

Chairman: If the Senator wishes.

Senator John O'Mahony: I will be very quick.

Chairman: I am in the Senator's hands. For the record, the way we have been conducting this until now is that each party is asked questions. I have no issue with that.

Senator John O'Mahony: I have far fewer questions for Sport Ireland anyway.

I understand that Sport Ireland audits the accounts of the OCI every year. Considering that, why were some issues not raised in advance of this controversy? Were any concerns ever raised within Sport Ireland on how the OCI was being run? Mr. Treacy and Mr. Mulvey previously appeared here with Mr. Pat Hickey, the previous president, and while there were many platitudes, there also seemed to be tension there, and I would appreciate comments on that.

Is there a better working relationship with the present OCI than there was with the previous body under the former president?

Senator Frank Feighan: It has been an interesting few days. As politicians we get used to never being amazed, but this is absolutely amazing. I want to be positive in the first instance.

I want to congratulate Ms Keane, Mr. Treacy, Mr. Mulvey and Ms O'Shea, the OCI and Sport Ireland, for being upbeat, upfront and for trying to bring what is a very sad chapter in sport in Ireland to a close and to make it much more amenable. I wish them well. Today is a great starting point. Much work has been done.

This would make a great film, because it has been going on for 17 or 18 years. I think it was Mr. Treacy who said that in 2000, the president of the OCI had the power to contact the Australian immigration authorities or the Australian embassy. It sent word back to say that it was Mr. Pat Hickey who decided who got the accreditation or something like that. It shows the power and the abuse of power that went on for 17 years. When I was growing up, I was involved in football organisations. Unless an organisation has terms of reference or whatever, sometimes people abuse that power. A number of years ago, the Genesis report was published following an investigation into funding and so on in the FAI.

I note that there were three leadership challenges against Mr. Pat Hickey. However, I note also that this is not just an Irish issue. The IOC's charter states that it is a not-for-profit organisation made up of volunteers but nothing could be further from the truth. What has happened in Ireland and with the tickets is symptomatic of what is happening in most of the countries. It is probably an issue in eastern Europe and around the world. Is the IOC very aware of what is going on? It is quite obvious. People say Leinster House holds the corridors of power. To me, the corridors of power were in the IOC or the OCI.

I would like to congratulate Ms Keane on moving from business class and going economy. I have always had an issue with that. It is the way forward for organisations. Since 2011, Ministers travelling on St. Patrick's Day have gone economy class. I want to put that on record because I think it goes unnoticed. It sends out the signal that we cannot be extravagant with taxpayers' money.

There is an issue with how Mr. Hickey managed to change from THG to Pro10 for the ticketing arrangements. It is obvious that there are people in other Olympic councils or in the IOC who work *quid pro quo* or who say, "You scratch my back and I scratch yours". If we are shining a light here in Ireland, are we effectively swimming against the tide if the same issues exist in other organisations around the world?

I have a few questions that I wish to ask. Mr. Treacy said he had various disputes. Could he give us a flavour of some of the disputes? Were they petty or huge? I always remember an anecdote told in Leinster House. Any Minister who went to see the president of the OCI was reminded by him that he or she was his 11th sports Minister, 12th sports Minister and so on. It was more or less to say Ministers would come and go but he would be there much longer.

I understand that Pro10 owes the OCI moneys as part of the rights fees to be paid under contracted agreement for the 2016 Rio Olympic Games. Can Ms Keane give the committee a ballpark figure of how much that is? Is it €5,000 or €500,000? I do not know.

We need to look at Sochi and the London Olympics as well. Obviously, this went on. I cannot understand how it did not reach the radar of members of the OCI or others because it is quite obvious that this went on before Rio.

The real victims here are the athletes and their families. It is harrowing to hear what happened. What do the witnesses intend to do to change that? Is there a supporters' club? Is there a timeline in which there will be a bit more, I will not say compassion, but help, for supporters

and families? It is a huge honour for an athlete to have family members or friends going to the Olympics. Is there anything there in that regard? It could be a way forward.

We have gone to see the Sport Ireland, OCI and FAI facilities at Blanchardstown and they are absolutely magnificent. The delegates can tell us about everything that has happened, but one only appreciates them when one goes to see them. We were blown away by the professionalism, dedication and commitment of every organisation. I encourage everyone to take a trip around the campus and wish the organisations every success in the future.

Ms Sarah Keane: I will attempt to answer the questions as openly and transparently as I can.

In answer to Senator John O'Mahony, there are four members who were part of the previous executive, three of whom had been members for just under two years at the time of the Rio games. The other person had been a member for substantially longer. All of them were elected properly by the membership at the EGM in February. All 13 members of the board are fully united on the reform agenda.

The Senator will have to ask the relevant individuals about their resignations. They would have had to resign in writing and would have had to send their letters to the acting president of the time. I suspect their reasons were varied. I stayed on the board and will explain the reason in one minute. I am not aware of a history of people resigning, but as I have been on the board for a very limited time, I do not know much of the detail in that regard.

Senator John O'Mahony: When the people about whom I asked resigned, they had to send a letter to the president, rather than the secretary. Were the reasons for their resignations not discussed at subsequent board meetings?

Ms Sarah Keane: Under the articles people were required to resign in writing. Therefore, most resignations were made outside board meetings and people had their own discussions about them. It was a very contentious time and a difficult time for all board members. If there was a lack of discussion at the time, in the six months after the Rio games there was nothing but robust discussion and debate at the table of the board.

I was also asked why we were not concerned about earlier issues. I have made reference to this matter previously, but I will take a little time to go into it in further detail.

At the time of the Rio games I had been a member of the board for just less than two years. I was one of 13 board members and attended about nine meetings in that period. The average time served by officers of the board at the time was 19 years. When I became involved, I knew that people felt change was needed at the Olympic Council of Ireland, particularly as the same people had been involved for a long time. There was concern that there was not enough of a partnership with the governing bodies and there was a lot of dictatorial stuff going on at Olympic events. I also knew that seeking change from the outside had not been successful over the years. Furthermore, I knew that change was unlikely to come easily or quickly, but, with others, I was determined to try and wanted to work with others to drive change from the inside. As Mr. Justice Moran concluded, the board did not have a questioning culture and culture is not something that is easy to change. Governance is not a tick-the-box exercise but about culture and behaviours, day in and day out. It is not easy to change something that has been in existence for a long time.

When I first joined the board, I did what most new board members do, that is, I listened,

observed and sought to understand the organisation and its workings in order to form my own opinions from the inside. There were board meetings and agendas and information was circulated. Some discussions took place at the board table and, in time, I began to see things that concerned me, as did other board members, such as the partial attendance of the chief executive and the incomplete nature of the financial reporting, in respect of which the honorarium came to my attention. There was some questioning by me and others. One of the things that became very clear in time was the operational nature of the board and, specifically, its officers. To a large extent, I can understand why this was the case. The OCI is a small organisation. With less than two years to go to the games, a huge amount of cover was required in terms of logistics, selection, kit and all of the factors that come with such a big event. There are only four staff members. We have compared the council to other European national Olympic councils and concluded we are completely under-resourced and understaffed. The average number of staff at other European national committees is 13. There was no doubt that several officers of the board were very operational. One of the officers was a *chef de mission*, while others were liaising directly with the national governing bodies on standards. Everybody was aware of this.

I know a lot about how boards work and felt the board should be less operational and more strategic. My own board, at Swim Ireland, was the first of all Irish sports organisations to adopt the voluntary code of governance. I understand change takes time. With less than two years to go to an Olympic Games, with everyone talking about the athletes, the priority of the organisation at the time was delivering for them, coaches and members. We had had no indication of any issue with ticketing. Besides, I knew that within a period of time, the president was going to stand down after the Rio games. I did feel there would be an opportunity for further change and that this might perhaps mean change could be accelerated. Several new board members were appointed in my time and I felt other new board directors might be appointed after the Rio games and that this would help to change the culture. I had to work with others to influence change in my organisation. Most of this does not happen fast, unless, of course, there is a crisis which is an opportunity for change. If, however, one is serious about reform, one has to stick with it. I was and remain completely committed to reform.

On ticketing contracts, I completely understand why members might want to ask about the matter. For me, the answer is quite simple. Ticketing is not new to the Olympic Games or the OCI and has been a function of the organisation for many years. I was not aware of any particular issue in London. There was nothing during my two-year tenure to give me and, perhaps, most of the board members any idea that there was something about which we should be concerned and, therefore, raise questions. Like many other board members, I suspect, I became aware of the significant issues concerning ticketing for the 2016 games only during the games. We are now becoming aware of other ticketing contracts, none of which was advised to us as board members.

I said previously and must restate I became aware before the games of some issues concerning swimming tickets because of my own sport. We have had challenges previously because swimming is one of the most popular sports at the Olympic Games. It is one of the sports that uses smaller venues; therefore, ticketing is always a challenge. I was not aware, however, that there was any particular significant issue concerning ticketing, which is what I suspect most of the board members will say also. I am speaking for myself.

I would like to clarify that I was not afraid to speak up during my time on the board. People who know me well know that I am pretty direct. When the issue of the ticketing arrangements started to be raised in Rio de Janeiro and the former president was arrested, there were clear red

flags. At the time, there were most definitely decisions being taken without the knowledge of the board as a whole. Most of us had no indication whatsoever that the discussions were taking place between the Minister, Mr. Kieran Mulvey, the International Olympic Committee and the former president. We were not aware that those discussions were taking place. We had asked for information, but we did not know what was happening in those chaotic hours and days after the arrest of the former president and were not informed about or involved in the statements being made on behalf of the council. Therefore, we did take action. I personally had to insist on a board meeting being held in order that the board could be informed of what was going on and that the board as a whole could make relevant and appropriate decisions. I was backed by many other board members who felt the same. It took quite some effort by us collectively to have a board meeting because a certain number of board members had to agree to a meeting before it could be held. When it finally happened, the board set up the crisis sub-committee to help lead the response of the board to the unfolding situation. I was one of the three members of the three-person crisis sub-committee.

On the question of what the crisis sub-committee did, the first thing we did was to immediately secure the OCI database in order that all OCI data would be kept secure for future review. One will have heard the Minister say this morning - Mr. Justice Moran has also said it - that without these data, we would not have the report. It would not be available to us to talk about it today.

We commissioned Grant Thornton to carry out an independent review of what has happened and we may well now go back to Grant Thornton to see if it can shed some further light on other things that have come to hand. We commissioned the Deloitte report and the review of governance. That is why we were a long way down the road before this report was issued. We have been working on that since it came out in November 2016. We ensured, together with other members of the board, that, as much as possible, appropriate actions were taken. Having said that, I can tell the committee that the new board of which I am president has a very different culture. This board operates as a team. It is committed to high governance standards and is extremely united in its pursuit of a better and more athlete-focused organisation.

We are setting out very clearly the roles and responsibilities of board members and staff. That is vital to ensure that this sort of stuff does not happen again, so that people do not go off and sign agreements that nobody else knows anything about. We are completely committed to term limits, which means that there is an opportunity for different cultures within organisations and change to happen. We are not going to say that we know it all as a board. We have already had board training. We are committed to annual board training and we will allow ourselves, as a board, to be independently evaluated in the context of our performance. We are working on a clear strategy, in respect of which we are in consultation with our members, Sport Ireland and various stakeholders, regarding the way in which we should move forward as an organisation. We have a clear financial policy which sets out how contracts and other things are entered into, what due diligence should take place, who authorises what limits with regard to money and all the type of things that one would expect for good governance on the financial side. Our board members have all signed a code of business conduct which deals with many of the issues that we have already heard about.

There is not going to be any hiding place or opportunities for people to do solo runs because the relevant checks and balances will be in place. This is why the voluntary code of governance is particularly important. It is not enough just to implement the Deloitte report, one has to go wider in order to ensure that one is dealing with all the types of issues that are raised by the

voluntary code. It has five primary principles and approximately 55 actions, so it takes time for it to be implemented, particularly if one wants it to be something that is part of the culture, not something that is forced but something that people believe in, adopt and make sure happens day in, day out.

One of the biggest and most fundamentally important things for me and this new board is that we have a functioning athletes commission in place. We have people who have been there, who have done it, have spent their lives pursuing it and want to leave their own legacy behind for future Olympians. We have to hear what they are saying. They have to be key in ensuring that athletes are centre to the decision-making of this organisation. The OCI and Sport Ireland are working together because the latter has also said that it wants to hear what this athletes commission has to say. I think that is extremely important. We are putting everything in place that needs to be put in place.

On another of the questions that was asked, we adopted the voluntary code of governance-----

Ms Sarah O'Shea: On 17 February.

Ms Sarah Keane: -----earlier in 2017. That was one of the first actions of the new board. I speak for the full board when I say that we are confident that we are going to continue on that journey.

I met the former president of the OCI. I looked for and instigated the meeting. The board members of the Olympic Council were aware of this and they were also debriefed afterwards at a meeting. The meeting with my predecessor was a courtesy meeting between us as the new and former presidents of the OCI. He wished me well in my role. He offered his support. I asked him about his health and his family. There were three main things we talked about at the meeting. It is the only meeting we have had. I asked him about THG and whether there was an agreement in place for future games. I specifically mentioned 2020, which was the one on my radar. I will explain why I asked and hopefully that may also help the committee to understand the ticketing arrangements more clearly.

Shortly after the election of the new board, we asked our solicitors to review the contractual ticketing arrangements and agreements that were in place. It is complex stuff and we want to try to understand it. As part of the documentation found by the staff on a search of the office, we became aware of two contracts, which we also provided to Mr. Justice Moran. One was a contract signed in 2010, which was well before my time as a board member. This contract appointed THG as the authorised ticket reseller for London and Sochi, the 2012 and 2014 Summer and Winter Olympic Games. It also had options to enter into agreements in respect of Rio and the 2018 Games. This contract was approved by the board according to minutes that I have seen since then and that Mr. Justice Moran has also seen. It was approved by the board in 2010.

In my view, it is appropriate that a board should approve a contract of that nature.

A second contract was entered into in 2012. That is obviously before my time. This contract exercised the option in the 2010 contract and appointed THG as the authorised ticket reseller for Rio 2016 and for the winter games in PyeongChang in 2018. It also gave options for the summer games 2020 and the winter games in 2022. From everything we have seen, it does not appear that this contract was board approved or brought to the attention of the board. Mr. Justice Moran said that in his report. Again, this was all before my time.

We went looking for more emails and paperwork to see what happened in relation to these

options and if there were further agreements which had been entered into post-2018, because there were options in the 2012 agreement around them. We saw emails and paperwork that seemed to say that further agreements were in place. However, we had nothing definitive and no agreements and that is why I asked the former president about what was in place. I received an open response. He said he was pretty sure we were signed up for 2020, and that the relevant signed agreement should be in the office. The committee has heard that we asked the staff to search the office. We could not find signed agreements so on that basis, we pursued the matter through lawyers. Only a couple of weeks ago, in July, we received from THG lawyers copies of signed agreements appointing THG as the OCI authorised ticket reseller for 2020, 2022, 2024 and 2026.

These agreements were signed in January and February 2016. They never came before the board. I had no knowledge, and I doubt many other board members had knowledge, that they even existed until earlier this year. We could not confirm that they existed until we found out whether or not signed legal agreements were in place. Our solicitors are currently considering the validity of these agreements and the matter will be discussed in detail, with appropriate legal advice, at the upcoming board meeting of the Olympic council, which will take place on 30 August.

I also asked the former president about the reconciliation of moneys as we were being asked questions by Mr. Justice Moran that we could not answer. We gave all the information we could but we could not answer some of the questions we were asked. Mr. Hickey said that he did not have the information to hand himself but would revert if he had any further information. I spoke to him about the honorarium for 2016 and explained to him that the board had made a decision that no honorarium would be paid to him for 2016 and no honorariums would be paid to any board member in future. The final matter on which we spoke was that he confirmed to me that he would not be involved in the Olympic Council of Ireland while he was facing charges in Brazil. That is the only time I spoke to the former president since my election.

The honorarium was agreed before my time. It was passed by a decision of the board in 2009, not 2015. A payment was made in 2015 for the previous years based on what was approved by the board in 2009 and it was also in the financial statements of the organisation. That is what prompted me to ask a question about the honorarium because we, as a board, were asked to approve the financial statements. It was referenced in the financial statements. There was a suggestion that it might have been hidden but later in the financial statements, it was stated in a line. I was told that all relevant tax and other matters had been looked after and it was a decision of the board in previous years.

Senator John O'Mahony: Is there any record in minutes or otherwise of the reasons an honorarium was started in 2009?

Ms Sarah Keane: Yes.

Chairman: I thank Ms Keane. I welcome the clarity and the openness of her contribution. Other members will want to come in here. I am not trying to stop anyone from talking; I am trying to make sure we keep the interaction positive. I do not want anyone to be cross that they cannot ask a question. Deputies Munster and Troy wish to ask questions.

Deputy Robert Troy: Should we move from the established sequence? We should adhere to the sequence in which members may ask questions that was adhered to yesterday and this morning.

Chairman: I want to be fair to everybody. Two or three members have indicated that they wish to speak. I do not want to exclude anybody from full participation. We will not move to a second round of questions until everybody has had an opportunity to come in during the first round. Is that agreed? Agreed. Has Deputy Imelda Munster finished?

Deputy Imelda Munster: I want to ask a question related to the honorary payment, which might lead to a further question in the second round of questions. Is that okay?

Chairman: Yes.

Deputy Imelda Munster: Who in the first instance recommended the payment and was it made from public funding?

Ms Sarah Keane: I can only rely on information given by others as set out in the report because I was not a member of the board at the time. I refer the Deputy to page 186 of the report which references what the board minutes state about the payment and who recommended it be made.

Deputy Imelda Munster: Does Ms Keane know who recommended that the payment be made?

Ms Sarah O'Shea: I might be able to answer that question. It appears from evidence given at the Moran inquiry that it was first raised formally at an executive meeting on 9 March 2010. Whether it was discussed before then is not mentioned. According to the minutes, the concept was introduced by the honorary treasurer and the proposal had the unanimous support of the executive committee members present. The executive committee was asked to look at the matter in more detail and, according to the Moran report, the executive officers reported back on Tuesday, 22 June and presented a report which was formally proposed and seconded. That was the evidence of the then second vice president, Mr. John Delaney, at the Moran inquiry. It is not Mr. Justice Moran's finding but rather the evidence given at the inquiry.

Chairman: We need to move on.

Deputy Imelda Munster: Was the payment made from public funding?

Mr. John Treacy: I will need to have that clarified.

Ms Sarah Keane: My understanding is that it was not made from public funding.

Mr. John Treacy: It was not made from public funding. Any funding we provided for the OCI was for previously agreed staff salaries and programmes. We budgeted for each of the programmes, including training camps, the European Youth Olympic Festival, EYOF, in Holland, visits to Rio de Janeiro and so on. The funding was for specific programmes that cared for athletes funded by Sports Ireland, with some salaries within the OCI. We are clear on what we spent in conjunction with OCI. Funding was not spent on honorary payments.

Ms Sarah Keane: The next question was related to the former president resuming his international duties and what that would mean. That is a matter for the International Olympic Committee. Mr. Hickey cannot resume his duties because he is not a director of the Olympic Council of Ireland and will not be. However, if he is reinstated - I am not sure if "reinstated" is the correct word - as an International Olympic Committee member, under the charter, he will have a right to be an *ex officio* member of the Olympic Council of Ireland board. My understanding is the ethics commission of the International Olympic Committee will be examining

this matter in detail. It has already received from us a copy of the Moran report. My understanding is a spokesperson for the ethics commission has indicated that there are other issues aside from whether a person has been criminally convicted at which it must look in relation to a person remaining in a role or as a member of the organisation. That is also my view. This issue will be discussed by the board. I am, again, not pre-empting anything because it is very important that the board agree things. However, I suspect, based on soundings I have taken of board members, that the current OCI board would have significant difficulty with the former president being involved again.

The next question was in respect of the effect of the controversy on the OCI. It has been extremely damaging and very costly. At a time when, as Mr. Mulvey made clear, funding for Irish sport is not where we would like it to be, it is sickening for everyone that a significant amount of money is being spent in this way. However, this crisis has brought an opportunity for fundamental change and Irish Olympic sport will really see the benefit of that in the coming years. All sponsorship contracts of the OCI end this year or have already ended. We have no Sport Ireland funding at this stage but will continue to work closely with Sport Ireland and the Department and share all information required in terms of progress. I am, therefore, very hopeful that we will be funded in due course. I understand why there have been questions regarding public money being put into the OCI. I understand and accept that we must be responsible to the taxpayer and be able to justify funding. The board has no issue with that and understands it completely. We will seek to have our funding reinstated in a way with which everyone is comfortable. We continue to be funded by the IOC. It works on a four-year cycle. From that perspective, it has been very helpful because we know what funding we are getting from it until 2020. We also receive additional Olympic solidarity funding, which is more specific to programmes, from the IOC. We do not currently know what the full extent of that funding will be but will know within the next year. In that regard, there are some funds coming into our coffers.

In terms of flying business class or economy, who should be flying business class? The athletes should be because many of them are too big to sit in economy in comfort. If the Olympics are far away, which the forthcoming Winter and Summer Olympics will be, athletes currently have to arrive days in advance in order to allow extra time for their bodies to recover from sitting in a cramped space for a long period and they have to build that into their preparation. The athletes should be flying business class but the OCI needs money and support to facilitate that, which is vitally important. We are very open to funding being specifically allocated to athletes travelling in business class. We would welcome that and ring-fence it to ensure that athletes get what they need in that regard. The board would be very open to that and would ensure that the money would go where it should. If we are going to be athlete centred, it is not really about everybody else sitting in the back of the plane, it is about the correct people sitting in business class.

There was a question regarding the code of conduct. In terms of other countries' handling of their ticket allocations, it is a good question but I do not have much information in that regard. We have started asking those questions because we have met with some other European-----

Ms Sarah O'Shea: Team GB, in particular.

Ms Sarah Keane: Yes, our British counterparts in particular. We have asked them about their ticketing arrangements to understand them better, which will inform our own decision-making in regard to future ticketing arrangements. Varying arrangements are in place in different countries. I suspect the IOC may address future ticketing arrangements due to the recent events.

In regard to the staff of the OCI and the introduction to THG, I was not around at the time. All I can point members to is the information in the Moran report regarding how the former president met THG.

In regard to ticketing issues at London 2012 or previous Olympics, Swim Ireland had some grumblings but I was not aware of any significant issues. I had no knowledge of any significant issues regarding ticketing until everybody else did, which was in the middle of the 2016 Olympics.

Senator Feighan asked about Pro10. We know for sure that it owes us \$50,000, which is a rights fee. The Moran report suggests it owes us more so there is a lack of clarity in that regard. If we go back to Grant Thornton, we may ask it if it has further information on because it was in the middle of a report which was quite a long way down the road to completion. It was not written but Grant Thornton was in the middle of its work on it and may have something to add. That must be considered now that the Moran report has been published. We also have to consider that Pro10 is not a company that is operational. How much money should we spend going after it and suing and getting a declaration against it if we later find that no money is forthcoming? There are many issues we must consider pragmatically because we do not have a huge amount of money. We want to spend as much as we can of what we have on the core business of the OCI.

I was asked what we intend to do regarding supporters and the club. This is a valid question and it is one the board has discussed to some extent. We are considering our options in this regard. One of the things that people believe makes a difference to creating a team identity and community is a hospitality house. This is somewhere where everyone can come together and athletes can meet their families who are not necessarily able to go into the Olympic village. It can also be used to celebrate achievements. Members of the media or the Government and others can come together and meet in a less pressurised environment that is outside the games. A hospitality house could also provide a separate meeting area for the athletes in addition to what is available to them in the Olympic village. While Ireland had a hospitality house in 2012, we did not have one in 2016. We have ideas around this issue but, again, it is a matter of resourcing. It is something that the sport believes will be very important going forward. Having said that, we are a little behind in planning for 2020. Tokyo is a long way from Ireland and it will not be cheap to provide this type of environment at the Tokyo Olympics. We believe this will be very important.

It can be difficult to pull together a club of people in advance because many athletes do not qualify until two or three months, or even one month, before the Olympics Games. Some will qualify a year in advance but many do not qualify until the final months before they are held. Trying to build an identity can, therefore, be difficult at that point. However, we have discussed the issue of providing kit for families as well as athletes. A major issue is what the athletes say and what the athletes commission will tell us about how they think we can do a better job supporting their families. My view, which I believe is supported by the board, is that we will ask a member of the athletes commission to go on a recce to Tokyo.

Ms O'Shea and I attended the recent European Youth Olympic Festival, which was also attended by an employee of Sport Ireland, to provide support. We are now receiving some objective feedback on how the event was run and the way in which it was kitted out. The things that matter to athletes include, for example, the number of Irish flags that are available, the way in which athletes are made to feel proud to be at an event as members of a large Irish team when they walk into a room, and the way in which we have identified ourselves as an Irish team.

While we may be a smaller team in comparison with many other nations, we are still there to compete and be the best we can be.

We have to hear from the people. Apart from Darren O'Neill, none of the members of the board of the OCI competed as Olympians. It is important, therefore, that we listen to the people on that. Given that the current chief executive officer of Sport Ireland is also an Olympian, we have a wealth of expertise around what we can do. We are excited about the opportunity to do more for supporters and families in order that athletes feel people are involved. We fully acknowledge that the athletes' journey is only possible because they have many people, primarily family, around them supporting and helping them.

Deputy Robert Troy: I welcome the witnesses and thank them for appearing at such short notice on the day after the unfortunate incident yesterday. I congratulate Ms Keane on the work she has done to date within the OCI following her election at a very turbulent time. We are led to believe that she is making strenuous efforts to address the culture that prevailed previously in the organisation.

I will return to some of the questions raised by my colleagues. I understand Ms Keane, with the knowledge of her board, sought a meeting with Mr. Hickey. At that meeting, which took place on 4 April last, did Mr. Hickey make any documentation available to Ms Keane?

Ms Sarah Keane: No. We did not have a formal agenda for the meeting. We were meeting as a courtesy get together of a former president of the OCI and the new president. I did not indicate to Mr. Hickey prior to the meeting that I was seeking any particular documentation. We had a discussion and Mr. Hickey indicated at the meeting that if he had further information, he would pass it on to me. He indicated that he understood there was a signed agreement in the office. This led me to go back and ask staff to carry out a search for it. It took us several months to find these contracts.

Deputy Robert Troy: He indicated that he would supply further documentation if he had it. Is that correct?

Ms Sarah Keane: That came up under reconciliation. I asked him specifically about 2020 and he indicated that he thought there was a signed agreement for 2020 in place and that a copy of it should be in the office. He did not have any clear answer at the time for me on the reconciliation of moneys, but he indicated that he would revert to me if he had further information to give.

Deputy Robert Troy: Has he reverted to Ms Keane subsequent to that meeting?

Ms Sarah Keane: No.

Deputy Robert Troy: Did he indicate to Ms Keane at that meeting that there was an agreement up to 2026?

Ms Sarah Keane: We talked about an agreement for 2020. That was what was on my radar at the time.

Deputy Robert Troy: Did he indicate that there was anything in place up to 2026?

Ms Sarah Keane: No.

Deputy Robert Troy: That only became apparent to Ms Keane when she went back and

searched the OCI offices looking for the 2020 contract. Did it become apparent then or did it become apparent when the legal people from The Hosting Group sent a letter?

Ms Sarah Keane: There were some emails and paperwork in the office to indicate something might be signed. That was why I asked him. However, until we had those signed agreements a couple of weeks ago we could not confirm one way or the other whether those agreements were in place. Those agreements go to 2020, 2022, 2024 and 2026, which is further than the options that were referred to in the 2012 contract. The signed agreements indicate that they were signed in January and February of 2016.

Deputy Robert Troy: They were signed by Mr. Hickey.

Ms Sarah Keane: I had no knowledge and that never came in front of the board in 2016.

Deputy Robert Troy: They were signed by Mr. Hickey on behalf of the OCI. Is that correct?

Ms Sarah Keane: Yes. That is the only signature on behalf of the OCI on the agreements.

Deputy Robert Troy: Is there a clause in those contracts whereby an approved ticket agent must meet the accreditation by the host country?

Ms Sarah Keane: Yes, that is for the local organising committee. For Rio, it was ROCOG, the Rio games local organising committee, and there is another committee for PyeongChang - there is one each time. Given what has happened in respect of 2018 as well as everything that has happened in the past year, we only received formal confirmation of termination some weeks ago from the PyeongChang local organising committee. The committee has said it would not accept THG as Ireland's authorised ticket reseller for 2018. That allows us now to come up with an alternative arrangement. Obviously, we have to do that as quickly as possible on the basis that those games are not far away.

I am not aware that the local organising committee for Toyko 2020 is fully established yet. I suspect that will happen in due course and it will also have to approve the agents. Our legal team is looking to see if those contracts are valid. However, the Toyko committee will also have to approve any authorised ticket re-seller for Ireland.

Deputy Robert Troy: Ms Keane mentioned that she asked Mr. Hickey about the honorarium and advised him that he would not be paid it for 2016. Did he put up any resistance?

Ms Sarah Keane: He was surprised. He indicated that he had understood everything was correct around the honorarium and that relevant advice had been received at the time it was approved.

Deputy Robert Troy: He was expecting to be paid the 2016 honorarium. Is that the case?

Ms Sarah Keane: I informed him that it would not be paid. As I said, there was no agenda at the meeting so he might not have been expecting me to indicate that to him. My view was that he was a little surprised.

Deputy Robert Troy: He had no insight or anything to add for Ms Keane in terms of the reconciliation of moneys or moneys that may be owed by the relevant bodies to the OCI. Is that correct?

Ms Sarah Keane: No, but I did not believe at that time that he was hiding anything from me. There was no conflict at this meeting. He simply indicated that he did not have that information.

Deputy Robert Troy: Ms Keane referred to governance and outlined how the culture is not easily changed and that this is something that will take time to effect. I gather four of the members on the new committee were on the previous committee and that three of the four had only served on the old committee for one or two years. There is one member who has quite a long established service with the OCI. In fact, when we had our briefing on Monday, I indicated to the clerk that it might perhaps be beneficial for that person to join the delegates today because of the longevity of his service and because he would have been on the board at the time some of these decisions were being taken. It is unfortunate that he was not in a position to come today, given some of the questions being asked about decisions that were being taken at board level prior to Ms Keane's appointment to the board.

Ms Sarah Keane: I was not aware of that. The name of another individual was given to me for an invitation to come here today. I will say the individual to whom the Deputy is referring has worked very hard for the last number of months as part of the new board to help to bring forward reforms and has at every opportunity indicated his total commitment to the reform agenda.

Deputy Robert Troy: On Mr. Hickey's self-suspension from the IOC, Ms Keane has indicated that ultimately it is at its discretion whether he will remain in situ in that position, but perhaps I picked her up wrong. If he does - I see from Ms Keane's opening address that the OCI is fully supportive of the measures being taken - he will have the right to attend OCI board meetings as an *ex officio* member. Is that correct?

Ms Sarah Keane: Yes.

Deputy Robert Troy: Has it indicated when it will make a decision on whether he will be allowed to remain in his current position?

Ms Sarah Keane: Yes. It has indicated that the ethics commission will make its decision once the legal proceedings in Rio de Janeiro have come to some conclusion. It is my understanding that an IOC spokesperson made a statement, either last night or this morning, that was reported in which this was referenced. If my understanding is correct, the ethics commission will then look at the issue. It will consider matters other than whether the former president has been convicted and look at whether conduct was in adherence to the overall Olympic movement's principles and charter.

Deputy Robert Troy: On the issue of funding, Ms Keane has said the OCI is hamstrung. Its priority is the athletes, which obviously must continue to remain the case. Sports Ireland has stated repeatedly during the controversy in the past 12 months that it is fully confident that all of the money made available to the OCI - Mr. Treacy repeated it again this morning - went towards specific programmes, training camps and administration costs. In Ms Keane's opinion, is the withholding of the funding impeding the development of our athletes?

Ms Sarah Keane: As a board, we have prepared a budget for 2017 covering everything we are going to do. It includes a figure for Sport Ireland funding; therefore, from a governance perspective, it is important for us to have clarity on the matter. If we are not getting that money, we are going to have to either cull certain activities or else run another deficit. We ran a deficit of approximately €800,000 last year. For obvious reasons, as an organisation we cannot keep

running deficits. From a governance perspective, the board will not be prepared to do so. I do not believe that at this point it has impacted, but it will over time if funding is not restored. Having said that - again, I am speaking for myself because as a board we need to look at our strategy and what we want to do - if we can rebuild the reputation of the organisation, the Olympic rings are a big brand and I hope that in time we can bring in additional funding through the IOC and the EOC, as well as through renewed sponsorship agreements etc. I would like to see us being a net contributor to Irish sport and not necessarily taking money from Sport Ireland. It will still receive the money, but it would be able to put it into federations and athletes. Instead we would be putting more money into the system. The OCI currently puts quite a substantial amount of funding into the system through what we receive from the IOC, the Olympic solidarity programmes and others things. How that happened and worked in the past was not as transparent. That is one of the things we want to ensure transparency around going forward.

Deputy Robert Troy: I have two further questions for Ms Keane. With regard to the THG contract, when did the OCI make the Minister aware that there was, potentially, an agreement in place to 2026? I accept that unlike her predecessor, Ms Keane is only one member of the board and that a board decision will have to be taken. However, could she confirm that it is her intention, and that of the board, to try all legal avenues possible to get the OCI out of the contract up to 2026?

Ms Sarah Keane: The Minister heard at the same time as everybody else when I referenced it on Monday. I referenced it at that point with a view to being as transparent as possible. Our board has not had an opportunity to discuss those agreements because we have only recently received them and we are still getting legal advice. I was a little bit uncomfortable referencing it at that point for that reason, but we felt that in our efforts to be as transparent as possible that it was right to do that. However, we need to get that legal advice and investigate what the situation is in terms of the validity of the contracts and discuss that as a board. We will then consider what we can come out and say around it.

Deputy Robert Troy: Okay. I will now ask a few questions of the representatives from Sport Ireland. Sport Ireland has confirmed again today, as it has over the past 12 months, that it is satisfied that no taxpayers' money that has gone through Sport Ireland has been spent misappropriately, for want of a better term, by the OCI. It has stated that it is satisfied that all of its money is dedicated to the athletes. Mr. Mulvey also said in his contribution today that all applications coming through Sport Ireland are rigorously assessed in terms of the funding that is provided. I would then ask why only 11 of the sporting bodies have signed up to the voluntary code of governance and why 42 bodies remain in the process of signing up or maybe are not even going to sign up. What was Sport Ireland doing to ensure that the various sporting bodies were adhering to a proper code of governance over the years? Would we be in the position we are in now had it not been for the arrest of Mr. Pat Hickey in Rio? Were there plans in place? Was Sport Ireland in the process of ensuring that there was proper governance within the sporting bodies or did it take the arrest of Mr. Hickey for that to happen? If proper governance had been in place it could have been a check and balance prior to any funding being made available in the overall structure, rather than the way in which Sport Ireland seemed to concentrate its efforts solely and exclusively on the funding that it was making available to this organisation. Had it been looking at various organisations, particularly the OCI, with a wider lens in terms of the governance that was going on over the years prior to making funding available, which, incidentally, it is now doing, this would have been identified much earlier.

Mr. John Treacy: I will answer that question. While our oversight in respect of the finance

is very clear in terms of the OCI, we did not have the authority to do audits of corporate governance because the level of funding is less than 50%. The level of funding is 30%. Therefore, we did not have the authority to do it. The policy change by the Minister is a huge shift. Essentially, the Minister is saying that, as a policy decision of Government, everyone has to sign up to the code. I have a couple things to say on that. I would not want to tar everyone with the same brush. Many governing bodies have very good programmes in place and good corporate governance. Implementing the new code is a process and cannot be done by simply ticking a box. To do it well it needs to be done over the course of a year and some organisations are there already.

I will give a snapshot of the various things we have put in place since the Minister made his announcement. We are not asking NGBs to do this on their own. They have a plethora of programmes of which they can avail to get them across the line. We have an advisory support service, which is external, so that all NGBs have access to free, independent, expert advice on governance matters and assistance with the development of government policies and procedures. We offer programmes for boards in government skills, knowledge training and access to free training support, which is in-house, and a training journal as well as classroom training seminars and masterclasses. The Carmichael Centre launched an elearning resource, which features a step-by-step guide to implementing the governance code. Sport Ireland has offered, free of charge to the funded bodies, an opportunity to secure a licence to avail of all these services at no cost to the organisations. We also host, on an annual basis, a conference on governance at which we raise issues that come up in audits during the course of the year.

Ultimately, one needs leadership with chairs and chief executives driving the organisation and driving change but they are voluntary organisations and succession planning does not always happen, leaving a body with a new chair and back at square one, having to start again. The new policy direction from the Minister will enable us to monitor how the NGBs are doing in implementing the governance code. It is a self-assessment system which we will audit. The bodies have until 2019-2020 to get this across the line and I have no doubt that the issue around funding will be a great catalyst.

Deputy Robert Troy: Do I take it that all sporting bodies funded through Sport Ireland will have to meet the code of governance by 2019-2021 to avail of their State funding? They will have to police it themselves but they will be subject to audits by Sport Ireland.

Mr. John Treacy: There is a caveat, which is that they must implement or explain. They can explain why they have not done something and we will look at it very carefully.

Deputy Robert Troy: It will be up to the OCI but I imagine the body will have to have a good explanation as to why it has taken such time to get its house in order. I would not like to see our athletes put at any further disadvantage. The Moran report indicated that athletes were not the priority of the OCI in recent years but that commercial considerations were the priority. I would not like them to be penalised by the actions of people who let them down in the past.

I will ask about the role Mr. Mulvey played in Rio. Who asked him to intervene to resolve the stand-off between the Minister and the president of the OCI?

Mr. Kieran Mulvey: Nobody asked me to intervene. I was there and, having heard the reports on the radio, felt it incumbent on me as chairman of Sport Ireland to do what I could to reconcile the differences between the Minister and the then president of the OCI. My view was that I could not stand there and watch it all happen, and get worse, given the international

reputational issues that were involved. My natural instinct was to try to mediate between the parties and determine whether something could be done to address the matter and whether, once the Rio games were over and people had come back to Ireland, some form of investigation or inquiry could take place.

Deputy Robert Troy: Mr. Mulvey recently met Mr. Hickey.

Mr. Kieran Mulvey: I did.

Deputy Robert Troy: On 12 July. It was reported in the national media at the time. Mr. Mulvey was able to influence Mr. Hickey in Rio in terms of the acceptance of the need for an independent person to be involved in any investigation. It had been brokered, all but for Mr. Hickey being arrested the next morning. It appears Mr. Mulvey has a good relationship with Mr. Hickey. Would he be able to use that relationship to encourage Mr. Hickey to appear before this committee and answer some of the questions that remain unanswered?

Mr. Kieran Mulvey: Yes. I met Mr. Hickey at his invitation. Once we had departed Rio, I indicated to him that when everything had settled down and he returned to Ireland, we might meet and talk about a number of issues.

I think Mr. Hickey's frame of mind at the moment is such that any advice I would give would not stand against the legal advice he is receiving. From my assessment, Mr. Hickey is focused on clearing his name in the jurisdiction of Brazil. Anything that he is advised to do that would in any way create any difficulties for him in that regard would be difficult for him. I do not believe any advice I would give or suggest be given to him on that would take precedence over the legal advice he is receiving.

Deputy Robert Troy: Did he use the opportunity? Was it a personal meeting?

Mr. Kieran Mulvey: It was a personal meeting. I wondered how he was. It was humanitarian, really, in the way I would deal with any Irish citizen in difficulty abroad, as I have done in the past. Mr. Hickey's circumstances were extraordinary. The matter has affected his family very deeply and I am aware of this. Obviously, Mr. Hickey is facing serious charges in Brazil over certain allegations of criminality. That is hanging over him. On a humanitarian level, my objective was largely to talk to him about the matter and allow him to express his view. That was really it. I take the view very clearly that Mr. Hickey is now severing all his ties with the OCI. Ms Keane has indicated that. That is my understanding. Mr. Hickey is clearly focused on clearing his name in Brazil. I believe his legal advisers matter more than any advice I would give to him.

Deputy Robert Troy: We all have sympathy for his family. The actions demonstrated in the Moran report, however, have had many implications and consequences for many of our athletes and their families over the years. It is not for me to say whom Mr. Mulvey should dine out with but the optics associated with him, as chairman of Sport Ireland, being in such a jovial mood with somebody who was the reason for a 210-page report and an inquiry into the OCI, were certainly were not good.

Chairman: May I intervene here? I am reluctant to do so. Notwithstanding the Deputy's views on what happened, he is talking about a matter that is not in the actual report. I ask that he go back to the report, if he can.

Deputy Robert Troy: I am finished.

Ms Sarah Keane: May I clarify one or two points? I indicated that Darren O'Neill was the only Olympian on the board. David Gillick, as chairman of the Olympic Council of Ireland Athletes Commission, is now on the board. He will be attending the next board meeting. I do not believe our former president was hiding anything at the meeting. I was referring specifically to the reconciliations with regard to having that information to hand. I stand by what I said with regard to not knowing and him not having disclosed any information about the agreement to the board previously. I just want to make sure that is clear.

Chairman: We have been here for over two hours without break. If Deputy Troy is happy to continue with his question, I have no issue with that but-----

Deputy Robert Troy: It was not a question; it was a remark.

Mr. Kieran Mulvey: Chairman, I do not intend-----

Chairman: I want to deal with this issue first. When we finish this part, I suggest we break for maybe 20 minutes, or longer, if people wish. It is important we have a break. I appreciate Mr. Mulvey must respond but I am in the committee's hands. We will finish this discussion. I do not know how long the committee wants to break for. I do not mind whether it is shorter or longer than 20 minutes, but I know people want to get home. We can break for 15 minutes, 20 minutes, an hour or whatever people want.

Deputy Kevin O'Keeffe: Will we break after Mr. Mulvey's reply?

Chairman: That is what I said. We will break for 15 minutes, if that is okay with everybody. I call Mr. Mulvey.

Mr. Kieran Mulvey: I do not think the last remark was called for and I do not intend to respond.

Chairman: I accept that.

Sitting suspended at 1.17 p.m. and resumed at 1.42 p.m.

Deputy Kevin O'Keeffe: I, too, welcome our guests and congratulate the two Sarahs on their appointments. Obviously, we have been discussing the issue of governance and the request for gender balance from the then Minister of State at the Department of Transport, Tourism and Sport, Deputy Patrick O'Donovan. It has now gone very much the other way. I also welcome the chairman and the chief executive of Sport Ireland.

I will start with Mr. Mulvey and Mr. Treacy. Mr. Mulvey covered the relationship between Sport Ireland and the former members of the Olympic Council of Ireland, including its former president. Mr. Mulvey made reference to the formation of the Sport Ireland and the 2015 legislation. He alluded to the fact that there were concerns at the time about the operations of OCI, as well as concerns about due diligence. Would any of this have arisen during the discussion on the Government legislation at the time? Was it clear that one of the functions of Sport Ireland was to ensure proper governance of all the bodies responsible for sports, including Swim Ireland, the various athletics associations and the OCI? Would there have been an opportunity during that period to talk to the OCI to set out the concerns about its autocratic arm, operations and structure?

Mr. Treacy referred to the funding process and discussed how the OCI had a different process. I do not have the document before me.

Chairman: Senator John O'Mahony asked some questions about it earlier. Sport Ireland may wish to comment on the process.

Deputy Kevin O'Keeffe: In the second sentence of the first paragraph it states, "It is noted that the funding process for the Olympic Council of Ireland differs from that of other funded bodies". Can the witness elaborate on that please?

Mr. Kieran Mulvey: Yes, Deputy O'Keeffe. In the context of the Sport Ireland Act 2015 and the transition from the Irish Sports Council and the National Sports Campus Development Authority at that stage there was no specific reference to the OCI or to any other internationally affiliated bodies. What was being put together in the legislation was largely a synergy of what the campus authority was doing regarding the development of physical facilities at the Abbotstown campus and a migration of the existing, plus additional, powers for the new Sport Ireland body, which were greater than those of the Irish Sports Council. That largely related to anti-doping, in particular, and oversight under the functions of the council. Some of those were elaborated upon in the Sport Ireland Act.

There was always a situation with the OCI - perhaps Mr. Treacy will elaborate on that when answering the question from Senator O'Mahony - that we were always treading on difficult ground because of the OCI's international status and its occasional but persistent use of its autonomy, its charter and its rights *vis-à-vis* interference by governments in the Olympic movement or any of its affiliates at national level. Sport Ireland would always be seen as the government in that regard. We were the body funded by the Government to fund it. Mr. Treacy would know this better than I would, but certainly before I came into the Irish Sports Council, the transition over the years of all the funding to the Irish Sports Council, which then distributed the funding, including to the OCI, might have been resented in OCI circles as it getting money through the Irish Sports Council and having to apply for it and go through all the rigours of that, rather than getting it as direct largesse or a direct grant from Government. Historically there was annoyance and antipathy towards that. That is probably one basis on which the OCI would have built up its own resources over the years through sponsorship and funding. There was always that, in terms of what may or may not have been said from time to time. One treaded around the OCI with delicate feet, and to a large degree in two-year and four-year cycles. In particular for the four-year cycle for the primary Olympic Games we entered into agreements with the OCI as developments from the Irish Sports Council and the Sport Ireland Act 2015, especially around elite athletes. That was our concern largely, as well as the logistics that would apply for training camps. The issues of accreditation, ticketing and contracts was always the jealously guarded authority of the OCI. For good, bad or indifferent, we did not go near that. We kept it to high performance and the money we gave it from year to year.

There was no specific reference in the Sport Ireland Act. Now we are in a situation where there is a specific reference in the Sport Ireland Act to the policy of Government. It is in section 12 of the Act. If we are directed by Government in regard to any sporting policy, the Minister writes to us to convey the policy. That is a very strong new authority, and obviously it has ramifications in the context of what we are talking about now. In that sense, to answer the Deputy's question, there was a far greater emphasis in the new Sport Ireland Act on international obligations and commitments, in particularly around anti-doping and our involvement in WADA. That brings us to the forefront of issues around anti-doping, which our chief executive has been very strong about. It might not go down well in certain quarters that we want all sports to be dope-free. We have a rigorous anti-doping section within Sport Ireland. As we know from the controversies right up to the World Championships recently, that is an issue on which the IOC

does not have a tremendously good track record.

Mr. John Treacy: To get back to the Deputy O’Keeffe’s specific question, we ask every funded body to recognise in its annual statements the funding that Sport Ireland gives it. What we get as well are audit statements from those bodies to state that the money was expended for the purpose it was given. With the OCI, we get both of those as well. However, in the context of its expenditure, we looked for the vouched receipts for that expenditure and only paid the money out on vouched expenditure. It is another step in terms of ensuring that we are only paying out for what is expended.

Deputy Kevin O’Keeffe: I have a question for Ms Keane and Ms O’Shea. In the past 24 hours, our Minister has referred to the previous administration of the OCI-----

Mr. John Treacy: Will we maybe expand on Senator O’Mahony’s question before we-----

Chairman: Of course.

Mr. John Treacy: Sorry, Deputy. Going back to before the Irish Sports Council was established in 1999, then Minister of State with responsibility for sport, Bernard Allen, made a decision that all Government funding would go through the Irish Sports Council. Up to that point, high-performance funding had gone through the OCI. That was the genesis of a fractured relationship between the Irish Sports Council and the OCI. That went on for about four or five years. Then things settled down. Through the Athens cycle, we got on with our business. However, it blew up again around accreditation, which was an issue in Sydney and also in Beijing. It really blew up around the service providers and accreditation for the performance directors of the governing bodies of sport. We took a line on it that we wanted to make sure that if our athletes were preparing and working with people in the lead-in to the Olympic Games, those people around them should be accredited. We had a situation involving Mr. Gary Keegan whereby he was sitting in the stand alongside ourselves and did not have access to his boxers. Mr. Keegan ran a very important programme in 2008, winning three Olympic medals with fantastic boxers. That was a real problem for us. We saw it as a real issue. We did our report, the OCI did its own report and then we were in dispute with it. We presented before the Oireachtas sport committee, as did Mr. Hickey. It was very fractured. At the time, Mr. Hickey was looking for a board member of Sport Ireland to be nominated by the OCI. He was granted that. That was not an issue, but it showed and demonstrated the power. He was the president of the European Olympic Committees and that type of thing. Mr. Mulvey was brought in to calm the waters, which he did very well. Things calmed down. We worked together, as we had to. However, as Mr. Mulvey said, we were always kind of careful to ensure that we gave due respect.

The real issue was around autonomy. That is why I alluded to it in my opening statement. The OCI would always look to the IOC for its governance guidance. It would look at Sport Ireland and the Government as interfering in IOC and OCI business. That was really a catalyst for conflict. In fact, at one particular stage, the IOC named Mr. Hickey as the IOC autonomy tsar. Effectively, that was to advise, I believe, other national organisations that were having difficulty with governments. It is not unique to Ireland; there are other countries that have difficulties with the IOC. With a lot of guidance from everyone, we calmed the waters and got on with our business. The operational agreement was a step in the right direction and we are now in a different space.

We have a long association with Ms Sarah Keane from Swim Ireland and with Ms Sarah O’Shea, who works for the FAI.

Ms Sarah O'Shea: I did work for the FAI.

Mr. John Treacy: She did work for the FAI. We know how professional Ms Keane and Ms O'Shea are and we have great confidence in them. We will work hard with them. As members have seen today, they will get straight answers from Ms Keane and there will be no hedging. We are already working closely and have had a number of meetings. The Sport Ireland Institute is working closely with the OCI around services in the lead-up to Tokyo so the planning is going ahead and athletes will not be affected in terms of funding, which goes through the sports governing bodies. We are getting on with our business and will offer all our support to the OCI as it rebuilds.

Deputy Kevin O'Keeffe: The Minister said the OCI was rotten to the core up to 2016. I commend Ms Keane and Ms O'Shea on the good work they have done since they took up their new positions.

I asked the Minister if we needed a report because the OCI commissioned two reports, by Deloitte and Grant Thornton, and the one we commissioned was stopped under threat of an injunction. What have we learned? Ms Keane attended the inquiry with Mr. Justice Moran on several occasions. Did she inform him that she was meeting Mr. Hickey? If so, did Mr. Justice Moran give her a list of questions to put to Mr. Hickey on his behalf? THG was an authorised ticket reseller but POCOG has another contract. POCOG is accountable to the IOC so, under the rules, does THG not have to walk away from its contract? Should the IOC not be able to tell THG it is not wanted on the playing field? Why are there so many deliberations on the matter?

The honorarium to the former president of the OCI was agreed in 2009, though he did not take it up at the time. Does Ms Keane have access to the minutes of the relevant meeting so that we can learn why it was agreed? Ms Keane stated that the OCI is understaffed in comparison to other Olympic federations in this hemisphere. Was Pat Hickey ahead of his time in looking after himself in this way? An amount of €60,000 in 2009 was a much greater annual fee than it is in 2017. How was the sum determined? Was there an independent report stating that the €60,000 honorarium should be paid?

Ms Keane referred to securing the hardware, IT system and servers to ensure that they would not be tampered with. Although emails were secured, is she confident that hard copies of documents in the offices were secured and that there was no tampering during the period in question?

The inquiry arose because of so-called ticket touting. From the experience of the witnesses, particularly that of Ms Keane with Swim Ireland, what was the position on communicating with family and friends regarding the purchase of tickets? What was the process in respect of THG over the years? I am reliably informed that, for the Rio Games in 2016, a window was given to qualifying athletes in which they could get tickets and that if they were not availed of in a couple of weeks, they had to fight their own corner. This is what has happened. What was the system for selling tickets? Could one go to Swim Ireland or Athletics Ireland and ask for tickets? How come that did not arise? If it were the GAA, I might try the county board but I would definitely try the club also. Had athletes access to tickets before ticketing was moved to THG and, for that matter, Pro10?

With regard to the Olympic Games last year in Rio, have customers contacted the witnesses saying they paid for tickets but did not get them? Have they come to the OCI to claim money back?

Ms Sarah Keane: The first question asked was on whether I informed the judge I was meeting the former president. I met him after I had been in with the judge so I did not have the discussion in question with the judge. Mine was a courtesy meeting with the former president as current OCI president. I have already outlined a few points we discussed.

With regard to the IOC and POCOG, my understanding of the 2010 and 2012 agreements, on which Ms O'Shea might contribute if I am not fully accurate, is that the IOC is not party to those agreements. The party in the agreement that has to approve the authorised ticket reseller is the local organising committee. It, rather than the IOC, is the body with the legal entitlement to disapprove or approve the entity. I am not exactly sure about the nature of the relationship between the IOC and the local organising committee on that. From our perspective, as the national Olympic committee, the right is with the local organising committee. That is what PyeongChang has done. Tokyo has to consider this also. The IOC may come out with something separate but, as I explained, the legal entitlement is with the local organising committee.

Ms Sarah O'Shea: The contract is with the local organising committee and the ticket seller. The national Olympic committee has to provide an acknowledgement signature but it cannot deal with the contractual arrangement. It just has to acknowledge the contract has been signed but the local organising committee has the rights in regard to how it deals with that contract. I do not have the full details either of the relationship between the local organising committee and the IOC, but I think, because it is dealing with different countries, it has different arrangements, depending on the country and the different laws involved. The same practice that happened in PyeongChang cancelling a contract would not necessarily happen in Tokyo or some other place. It would depend on the local legislation in place and how it dealt with authorised ticket resellers, ATRs, and ticketing arrangements.

Chairman: When a local organising committee recognises an ATR appointed by the national body, there are two types of ticket. Is that right? It has the right to tickets for resale. Who gets the reserve tickets? Do they go to the national organisation, the NOC?

Ms Sarah O'Shea: Family-----

Mr. Kieran Mulvey: They are called-----

Ms Sarah Keane: We are still learning about how this works. It is quite complex.

Chairman: I am just trying to work it out.

Ms Sarah Keane: It is my understanding that no tickets are handed over. The national Olympic committee has to purchase tickets. As a board member, I have never received any ticket-----

Chairman: I am not saying that.

Ms Sarah O'Shea: It was one of the questions asked. I am not aware either of federations receiving tickets. Coming from the International Olympic Committee, what happens is that if an athlete qualifies for the games, he or she is generally entitled to receive two tickets. Those involved in swimming only receive one because it is a venue issue, as the committee knows. I think there is another sport in which athletes are only entitled to receive one ticket, which is a problem if an athlete has two parents or family members who want to attend. If an athlete reaches a semi-final or the next stage, he or she will also receive tickets for his or her family, for which the OCI pays. It cannot pay for them upfront, but it reimburses the athletes. This is not

something we are obliged to do, but the Olympic Council of Ireland does and I think it is right that it do so. What we can say is that our commitment on ticketing has been as transparent as possible in ensuring a better service for everybody affected, including the families. There may still be a difficulty at certain events in people receiving as many tickets as they want based on the numbers seeking tickets for certain events.

Deputy Kevin O’Keeffe: Yes.

Chairman: Let me ask a question germane to the Rio issue. While I appreciate that not all of the delegates were involved, the NOC tickets would have gone back to the Olympic Council of Ireland and not to the ATR. Is that right? In other words, the ATR would not have received them.

Ms Sarah Keane: Yes.

Chairman: They would have gone back to the Olympic Council of Ireland which would then have been accountable officially for them.

Ms Sarah Keane: That is my understanding.

Chairman: They should never have ended up being sold.

Ms Sarah Keane: They were for a specific category.

Chairman: Some 178 of them were cashiered. Somebody got his or her hands on them and sold them.

Ms Sarah Keane: It is my understanding there are public tickets and tickets which are not supposed to be sold to the public.

Chairman: Part of the controversy was that staff then found them in the official Olympic Council of Ireland safe. Is that what happened?

Ms Sarah O’Shea: I think Mr. Justice Moran found that there had been a mixing of tickets. That was the word he used about the some of the tickets in question.

Chairman: I appreciate that. There were tickets in it that should not have been there.

Ms Sarah Keane: We are accepting the findings of the judge.

Chairman: I accept that. These are the things that have to be avoided in the future. That is what I am thinking.

Deputy Kevin O’Keeffe: I wonder if Mr. Justice Moran should come to us also as there are questions which need to be answered. In the report he commends the OCI and the president for their co-operation, yet when it was commissioned initially, the inquiry was to finish within 12 weeks. Why are we thanking the OCI for its co-operation when its last contribution to the report was made after nearly nine months? How did it keep the judge waiting for information?

Ms Sarah Keane: It is my understanding we co-operated from the beginning when we gave a lot of information and documentation. I think the judge was challenged by the amount information and documentation we had provided.

Chairman: About 66,000 emails.

Ms Sarah Keane: We gave him everything. We asked the people who were securing our data to give him access to the information he needed. We were very open about it, but there was a significant amount of information and documentation.

Ms Sarah O'Shea: There is probably a difference between what we call the old executive committee and the new executive committee which was elected on 9 February. Ms Keane went in after that as part of her new presidential role. There is probably a distinction between the OCI executives that are mentioned in the report.

Ms Sarah Keane: My understanding is that they also co-operated with the inquiry.

Deputy Kevin O'Keeffe: I was not asking about that, it was the issue of the when the judge signing off on his report that the final information was coming from the OCI.

Ms Sarah O'Shea: Could the Deputy repeat the question?

Deputy Kevin O'Keeffe: Prior to the judge signing off on the document, the final information came into his hands from the OCI only days beforehand.

Ms Sarah O'Shea: If he had asked for any further information, we would have given it to him.

Ms Sarah Keane: Whatever he asked, we told him.

Chairman: What he was saying is that there was still information coming to him right up to the day he was signing off. He says that.

Deputy Kevin O'Keeffe: Yes.

Ms Sarah O'Shea: To clarify, some people were asked for comments prior to the report's publication. That might be what he was referring to.

Chairman: He speaks of spreadsheets and significant data.

Ms Sarah O'Shea: Staff were asked for comments. They were individually entitled to comment back on areas.

Deputy Kevin O'Keeffe: I appreciate that but my concern is that it took ten or 12 months to get all this together. When we look at the terms of reference, the focus is on governance. There are more issues to be covered. Imagine if he did his job properly and covered the London ticketing issue.

Chairman: To be fair to the judge, he says that he found enough detail in the Rio events to keep him occupied. He had the power to go back further.

Deputy Kevin O'Keeffe: I imagine so.

Chairman: He made very significant findings.

Deputy Kevin O'Keeffe: He had access to the Rio situation and the ticketing situation before London.

Chairman: Yes, of course.

Deputy Kevin O'Keeffe: If he looked at that it could be another two years before we would

get the final report.

Chairman: As a committee, we can examine any issue. We have to deal with what is before us but I accept what the Deputy is saying. Will we move on?

Deputy Kevin O’Keeffe: Thank you.

Deputy Imelda Munster: I will begin with the OCI. Were board members familiar with the process for recruiting authorised ticket resellers. Did they ever inquire about what that process involved? Did it go out to tender? Were they shown the tenders? Did they have any involvement whatever in deciding who was awarded the tender? If not, as appears to be the case, why would they not ask for information on that?

Ms Sarah Keane: Again, I was not on the board then. However, the then board did approve the authorised ticket reseller in 2010. That brought it forward for a period. I am not sure if it was aware of the contract in 2012. I came in less than two years before the games and became aware, through financial reports, that we had an authorised ticket reseller in place, which I would have expected within that time. For me, and for other members, we understood there was something in place and we did not look for further information because there were no obvious red flags. When the red flags arose with Rio, a lot more questioning took place.

Deputy Imelda Munster: Were the board members made aware of the process for recruiting an authorised ticket reseller?

Ms Sarah Keane: There was no particular discussion of the process by the board at that time.

Deputy Imelda Munster: So Ms Keane does not know if it went out to tender or what the process was?

Ms Sarah Keane: I understand that there was an authorised ticket reseller in place. From my own and everyone else’s perspective, there would have been a debrief after the 2016 Olympic Games. There is normally a debrief after big events. We are having one now on how everything went at the European Youth Olympic Festival. We are getting surveys from athletes, parents, families, etc., on matters around it. One would expect that there would have been a proper debrief after the 2016 Olympic Games, including all those types of issues regarding the authorised ticket reseller in the future and how the process works. That is the time that comes up. Two years prior to the games, the authorised ticket reseller is in place and one is focused on everything around the games, preparing as best as one can for the athletes and so on. If there is something one is concerned about, one can ask questions. We were not aware of any concerns around ticketing as it was an area in which the organisation had been involved for years.

Deputy Imelda Munster: The issue was highlighted by the Brazilian authorities. The OCI board was not aware of any issues around the approved ticket reseller.

Ms Sarah Keane: We were not made aware that THG had been rejected or about the issue around Pro10. Those issues never come in front of the board. While the issue arose in 2015 when I was on the board I can categorically state that it never came in front of the board. I knew nothing about the fact that the THG had been rejected, which is a finding of Mr. Justice Moran in the report. That has been the experience of other people as well. We were not aware of the rejection of THG or about what happened with Pro10.

Deputy Imelda Munster: Ms Keane spoke earlier about the culture that existed during her two-year membership on the board, including a lack of accountability and unilateral decision-making. She also said that seeking change from the outside had not been successful. What did Ms Keane mean by that?

Ms Sarah Keane: I do not think I referenced a lack of accountability.

Deputy Imelda Munster: Ms Keane mentioned poor governance.

Ms Sarah Keane: I said that there were some issues that came to my attention and I had raised them, as did other people. There were some issues that came to our attention but none was of the type before us in terms of ticketing, etc. There were individuals who ran in elections against the former president. There were groups who put forward people for election and they were unsuccessful. There was a general sense within sport that particular sports suffered as a result of individuals having run against the former president in elections.

Chairman: I have had experience of that in a political sense.

Ms Sarah Keane: From that perspective people were wary around running for election. It is an issue in terms of governance but we can change it. There are two fundamental pieces of governance that make a difference and both are referred to in the Deloitte report. The first is term limits - in other words, an individual must resign after a particular timeframe. This allows for individuals to put themselves forward. It is very difficult for people to stand against an individual who has been in a position for a lengthy period of time and has built up relationships in the area. People are reluctant to stand against such an individual lest they fail, as happened and people then suffered the consequences, which is what people have told me. The second issue is weighted voting. There was and currently is weighted voting. I will explain. Under company law the members vote at meetings. This is referred to in the report but it is only when one gets into the detail that one begins to understand it because again it is quite complex. It is a members meeting because the directors get to vote at board meetings. The biggest power that members have is being able to vote-in their board. They decide who will represent them on the board and run the organisation day-to-day on their behalf. In the Olympic Council of Ireland articles - this is not illegal - outgoing board members have a vote, as well as the member federations in terms of the elections. If there are 36 organisations, which was previously the case - we have more now because some new sports have been introduced - and 13 board members who have votes, and all of them are aligned, then they control at least 25% of the vote. If their member federations also back a particular person he or she is automatically re-elected. Looking at the system in a particular way, it is set to make it hard for new people to be elected unless they are supported by the current executive.

Deputy Robert Troy: It supports the *status quo*.

Ms Sarah Keane: Yes. One of the recommendations of the Deloitte report, which the current board supports, is the removal of that process. It is an issue we will be bringing forward at the AGM in November. From my perspective, I felt if I were on the inside I would get the opportunity to make some change. In terms of my experience of the Olympic Council of Ireland thus far, on most occasions it was the board that put forward changes to the articles. Seldom did proposals come forward from the membership because changes to the articles required 75% of the vote and with board members having that it was not possible to get change without some of the board members voting in favour of it. Proposals to change the articles sought to remove some of these provisions which the Deloitte report states are not right.

Deputy Imelda Munster: What is the timeframe for implementation of the reforms? I put that question to the Minister this morning but he said he was not aware if a timeframe had been set in respect of implementation of all the reforms.

I am asking that not just to find out when the OCI plans to have them implemented but also that it can qualify for State funding for the athletes so that-----

Ms Sarah Keane: I will ask Ms O'Shea to address that question.

Ms Sarah O'Shea: I will speak to the Deloitte report because there are two different pieces of reform, namely, the Deloitte report and the code for good governance. Ms Keane may wish to address some issues in this regard. At our AGM on 22 June we presented many changes to the members and all changes were unanimously approved. At the AGM we updated our constitution, including changes to bring it in line with company law. We took legal advice on that issue and it is now fully in line with company law. All those changes were approved. We got advice to bring the constitution in line with the requirements of the Revenue Commissioners to ensure we retain our sporting tax exemption. All those changes have been completed and approved by members. A number of other changes were brought in in light of the Deloitte report which contains 25 recommendations, five of which had already been implemented through practice and procedure in the office, such as bringing the CEO into meetings and so on. Seventeen of the 25 recommendations were passed by the members at the AGM on 22 June and eight remain to be implemented. Our governance committee is meeting in that regard and it is intended to bring the remaining recommendations to an EGM which we have told our membership will probably take place in November.

Ms Sarah Keane: Members will have to vote those recommendations in.

Ms Sarah O'Shea: Members have to vote them in.

Ms Sarah Keane: There are term limits and the weight of voting goes to-----

Ms Sarah O'Shea: Yes, the weight of voting and so on must be borne in mind, so they need a little more discussion. We have met Deloitte once. I am also chair of the governance committee and we are meeting Deloitte in September or October to review where we are in terms of the Deloitte recommendations but we intend all 25 to be finalised by the end of the year in some format. Deloitte has said to us that some of the recommendations can be flexible and adapted because a specific set of circumstances was being addressed when the recommendations were made. To date, 17 of the 25 have been implemented and we have also brought in a set of new policies. There is a new finance policy, new standing orders for the board and a new set of committees, all with terms of reference, so a lot of work has been done in terms of governance in the past five to six months. There are approximately 55 recommendations relating to the code of good governance. Perhaps Ms Keane will deal with this issue.

Ms Sarah Keane: There are five main principles dealing with leadership behaviour and so on, and that is what is signed up to. However, there are approximately 55 actions to be undertaken in order to demonstrate that those five principles are being adhered to. As I said, I have been through this process with Swim Ireland, which was the first governing body to do it, and I know Ms O'Shea and other board members also have much experience in this area. We have prepared the actions in a document with a traffic light system denoting what has been done, what is being done and what is green. Much of it has been done, perhaps 50%.

Ms Sarah O'Shea: We are probably halfway through because some of them are similar to

the Deloitte recommendations.

Ms Sarah Keane: It will take some time to bring all of it in because it is not just about saying it is being done, one has to demonstrate and ensure the relevant policies are in place and that there is a follow-up in terms of board evaluations and so on. One needs to check with stakeholders. An issue might exist in regard to communication transparency and one must go back to see if people agree that that is being done. From the perspective of the Government, the Department and Sport Ireland, the main thing is that we have adopted and signed up to the code of good governance. It has not been completed but we are in the process of doing so. I would like to think that as long as that is happening and we can provide evidence of it, they would be comfortable to fund us because it will take some time to get through the implementation of the code.

Deputy Imelda Munster: It is good to hear the €60,000 honorarium payment has been stopped.

In regard to Sport Ireland, the witness has said that it is tasked with governance and performance. Where was the governance? Did Sport Ireland really not know what was going on? Was it completely unaware of the issues until the Brazilian authorities took action? If its task is governance and performance, how did it not know what was going on? Why were no questions asked? Mr. Mulvey said that he tread around the OCI with delicate feet. In other words, he tiptoed around the OCI and focused, as he stated about half an hour ago, on high performance. The board was not doing its job if it did not tackle governance and tiptoed around it. The exact words Mr. Mulvey used was that Sport Ireland “kept it to high performance”, which means it allowed governance to sail.

In 2016, in the aftermath of Rio, the voluntary code of governance was introduced by the Minister in a very welcome move. Did Sport Ireland at any stage recommend that such a voluntary code was needed given its experience and knowledge? If so, when and to whom did it make such a recommendation?

On the payment of €60,000 to the president of the Olympic Council of Ireland, in response to my earlier question as to whether this payment was made from public moneys, I was informed it was not. Did Sport Ireland not have an opinion on this payment? The new president of the Olympic Council of Ireland put a stop to it. Given that Sport Ireland is charged and tasked with governance, did it not believe there was something morally wrong with making an annual payment of €60,000 that was to be backdated? Did it speak out publicly about the payment or flag it with the Minister? With whom did it raise the issue and what action did it take?

We heard what the new code of governance will allow Sport Ireland to do. Until now, however, Sport Ireland has been unable to audit an organisation which receives less than 50% of its funding from Sport Ireland. Has the position changed in this regard? Under the voluntary code of governance, will it be possible for Sport Ireland to audit any organisation in receipt of State funding?

Mr. John Treacy: As I clarified earlier, if we are giving less than 50% of an organisation’s funding, we do not have the authority to do a corporate governance review. Under the new policy direction, it is a condition of funding that the new code be implemented. We will audit the governing bodies under the new code, which means we will be able to go much further, without legislation, in looking at the corporate governance of organisations, including those which we fund less than 50%.

Sport Ireland adopted the voluntary code in 2016 and recommended that the governing bodies adopt it.

Deputy Imelda Munster: Was that recommendation made after Rio?

Mr. John Treacy: It was in 2013, before Rio.

Deputy Imelda Munster: Mr. Treacy said 2016.

Mr. John Treacy: I apologise; we made the recommendation around 2013. It is a voluntary code and the governing bodies are autonomous organisations as all of them, including the Olympic Council of Ireland, would not be long telling the committee. That is what we were dealing with.

Deputy Imelda Munster: How many organisations have signed up to the voluntary code?

Mr. John Treacy: Eleven organisations are fully compliant and 42 have indicated they are in a process. As I outlined, we have a number of programmes in place around the code. The way in which the old Olympic Council of Ireland behaved was not a secret to anyone. When members of the OCI appeared before the joint committee in 2009 it was very clear who ruled the roost. Sport Ireland was dealing with the Olympic charter. Mr. Mulvey was clearly directed not to have any rows with the OCI.

Deputy Imelda Munster: By whom?

Mr. John Treacy: By the Government at the time. There were to be no rows with the Olympic Council of Ireland, OCI. We were going into 2012-----

Deputy Imelda Munster: Was it the Minister at the time?

Mr. John Treacy: The direction was there. Mr. Mulvey will clarify that. There were to be no rows with the OCI.

Deputy Imelda Munster: On what basis?

Mr. John Treacy: On the basis of the past history. We were dealing with conflict and much back and forth. Everyone was fed up of it, including ourselves. Obviously, the Government wanted to stop it.

Senator John O'Mahony: When was that direction given?

Mr. John Treacy: It was around 2009. That was on the back of Mr. Hickey coming to this committee and lambasting the Irish Sports Council at the time because we were trying to bring a bit of rigour to affairs. We must call a spade a spade. We did not get much political support around this at the time.

Deputy Imelda Munster: Can Mr. Treacy explain that?

Mr. John Treacy: Mr. Hickey was looking for a board member of the Irish Sports Council at the time and he got it. What kind of message was that delivering to us? The committee needs to understand the history, the International Olympic Committee, IOC, and the Olympic charter. Those were the difficulties with which we were dealing at the time. Mr. Hickey was president of the European Olympic committees and was on the IOC executive. It was not easy to stand up to that organisation.

Chairman: He was a very powerful and dominant person.

Mr. John Treacy: He was a very powerful and dominant person and we all knew who we were dealing with.

Deputy Imelda Munster: With all due respect, I understand what Mr. Treacy has said. However, at the end of the day, Mr. Treacy was tasked with governance. I am not saying the then Minister-----

Mr. John Treacy: We have taken on the Government.

Deputy Imelda Munster: Just because someone is powerful and in a powerful position, does that mean that person is exempt from abiding by the same rules as everyone else? Does that leave that person above the law?

Mr. John Treacy: No, it does not. We were trying to bring around change and good practice. The bottom line was that we wanted to ensure when our athletes went to the Olympic Games, there was no fall-out or bust-up and that everyone worked together. That is what we were trying to achieve.

Deputy Imelda Munster: It did not happen this time. The athletes were the ones to lose out this time with the fiasco around the tickets, THG and Pro10.

Mr. John Treacy: We did not know anything about that at all.

Deputy Imelda Munster: Yes, I know that but at the same time it happened.

Will the witnesses explain a bit more about the direction from the Government not to annoy Mr. Hickey?

Mr. Kieran Mulvey: I was appointed chair of the Irish Sports Council in 2009. Largely, that was on foot of some difficulties that had arisen previously in regard to the presence of representatives of the Irish Sports Council, high-performance directors and Ministers. Members of the committee and people involved in the political process were aware that Ministers were humiliated at international events or on the arrival of the team back to Dublin. A former Taoiseach was publicly chastised on one such occasion at Dublin Airport. The general feeling given to me at the time of my appointment by departmental officials and the appointing Minister was that it was because, to a large degree, I had the skills as a mediator and someone who brings peace. What they did not want was any rows between the Irish Sports Council and other bodies. We were just coming in on the foot of a difficult relationship with Athletics Ireland which had a legal outing. Second, we were on the trajectory to the 2012 Olympic Games in London. The clear feeling expressed to me at that time was that the Olympic Council of Ireland, OCI, wanted operational agreements, no public disputation between the Irish Sports Council and the Olympic Council of Ireland and to get to a position where Irish athletes were represented internationally without us making a show of ourselves internationally. As Mr. John Treacy related in response to Senator O'Mahony, that was on the back of a situation where in a number of cases our Olympic Games participation was highlighted more for the public disputation that took place on foreign shores and at home. That was largely the feeling around it.

The other issue which I became more familiar with the more I met people from the Olympic Council of Ireland, and not just Mr. Hickey but other officials, was that they guarded their autonomy jealously and that they were responsible only to one body, that is, the International

Olympic Committee. That is the position in international law. It even goes down to the trademark of the circles, the five rings, and the protection they have over that. Mr. Justice Moran alludes to it rather delicately but he pointedly states that they guarded that autonomy jealously. That might have been an interpretation at the time or an overstatement but many people in Ireland, political and otherwise, had felt the raw touch of that assertion.

Deputy Imelda Munster: Is Mr. Mulvey saying that the possibility of the Minister being humiliated by an individual took precedence over the implementation of good governance? Who was that Minister?

Mr. Kieran Mulvey: To a large degree. When I was appointed, I believe the Minister was Mary Hanafin. I cannot recall her explicitly saying anything to me directly along those lines, but certainly the conversation-----

Deputy Imelda Munster: Who did?

Mr. Kieran Mulvey: I cannot recall, but the general tone of the briefing one would get would be that these were issues that had arisen and they wanted me to address them as chairman of the Irish Sports Council. There were other issues going on at the time that needed to be addressed-----

Deputy Imelda Munster: Is Mr. Mulvey saying he remembers the conversation?

Mr. Kieran Mulvey: I am trying to recall.

Deputy Imelda Munster: Yes. We will give Mr. Mulvey a few seconds to recall the Minister who gave him that direction.

Mr. Kieran Mulvey: I am not saying it was a direction. I am clearly saying that there was a general conveyance that whatever happened I was being asked to ensure that the relationships between the Irish Sports Council and the Olympic Council of Ireland, and other federations, would be smoothed over.

Deputy Imelda Munster: Who was that?

Mr. Kieran Mulvey: As I said earlier, that was the then Minister, Mary Hanafin.

Deputy Imelda Munster: Between that time and now, has that direction, advice or however Mr. Mulvey defines it been maintained? Has he had similar conversations with other-----

Mr. Kieran Mulvey: Not similar conversations with any Minister but it is no secret because we appeared before this committee under Senator O'Mahony's chairmanship when we took on the Irish Athletic Boxing Association, IABA, over the Billy Walsh situation where we asserted governance and took a very strong position at the time, as we have done recently in regard to the IABA around governance. Over the years we have had conversations with some sporting federations about the appointment of high performance directors to the effect that these have to be done transparently and in a way that we get the best people and that they cannot be just given to people by way of a "thank you" for an appointment. We have had to say that if our athletes have to perform internationally, they have to have the highest level of training and support. It is a monthly issue with us that sometimes we have difficult conversations with some federations about the way they conduct their business. We do not publicly say that but it is a matter of conversation with them around their budgeting where we believe the templates for the budgeting may not be met from time to time or where appointments are being made and we have

to assert what some of them see as interference by Sport Ireland in their internal affairs. The most recent example of that was the stand we took on Bernard Dunne's appointment as the high performance director in that we were not going to have a repeat of what happened in the Billy Walsh case where he put up the team for international competition and another body changed it.

Deputy Imelda Munster: The OCI takes umbrage at interference, but at the same time it has both hands out for State funding.

Mr. Kieran Mulvey: Yes.

Deputy Imelda Munster: Given what Mr. Mulvey knew in the last five to eight years, did he ever put it to the OCI that if it did not implement good governance procedures, Sport Ireland would consider withholding funding?

Mr. Kieran Mulvey: No, it did not arise because to a large degree we were not aware of what had happened.

Deputy Imelda Munster: I know that Sport Ireland was not aware of the ticket scandal.

Mr. Kieran Mulvey: Yes and we have no role in that regard.

Deputy Imelda Munster: Sport Ireland is obviously aware, however, that there was a lack of co-operation and that the OCI was resisting interference from Sport Ireland. The OCI did not consider that it was answerable to Sport Ireland, despite the fact that it took State funding. On that basis, Sport Ireland was not told not to have a row with the OCI or tippy toe around it because those involved were angels. Is that it?

Mr. Kieran Mulvey: No, but to a large degree the issue was relevant to our relationship. We had a positive relationship with the office and the staff of the OCI, as well as with the officers in the funding of the Olympic Games and the athletes. We have positive relationships. For example, arrangements for the use of the Institute of Sport and our facilities at Abbotstown were the subject of normal agreements. As Mr. Treacy indicated, we entered into operational agreements.

Unless the law changes, I have a difficulty with the idea of going into an organisation and telling those involved that we do not like the way they are running it, the way they are making decisions or the way they are electing people. If we were to take that approach, we would end up in courts of law every day of the week. That is a fact. Whether we like it or otherwise, if we were to do that, we would have any one of the sports bodies challenging us and asking under what law or regulation did Sport Ireland have the right to intervene in that way or what authority it had to do so. I have been conscious all along that the last place we want to be is in courts of law on the issue of jurisdiction.

As Mr. Treacy outlined, what we do is provide as best we can all of the support mechanisms required by the sports bodies to bring up the level of their corporate governance. We have made it an issue within Sport Ireland in our strategic and business plans that these are the norms which are required to be implemented by the sports bodies under the State's voluntary code which is not long in place following the scandals in the charity sector. We do not want them to be repeated in sport. Thankfully, there are not many scandals.

I again come back to the point that the issue of ticketing and accreditation and everything else is not within our remit.

Deputy Imelda Munster: I understand that.

Mr. Kieran Mulvey: I cannot ring Paraic Duffy today to tell him that last week I heard that there was a resale of corporate tickets for the all-Ireland semi-finals; I cannot do that. I might have a view on it and think it is wrong - the GAA is taking action on it - but, I cannot threaten to withdraw GAA funding over it because it concerns the GAA's commercial activity. We have no role, authority, authorisation or sanction to do so.

Deputy Imelda Munster: I accept that, as I noted when I started my contribution.

Mr. Kieran Mulvey: I appreciate that.

Deputy Imelda Munster: In his opening statement Mr. Mulvey outlined the role of Sport Ireland. It is tasked in two areas: governance and high performance.

Mr. Kieran Mulvey: We have to fund the sports also.

Deputy Imelda Munster: Yes, these are primarily the areas in which Sport Ireland is tasked. My questions are specifically about governance and whether Sport Ireland did its job, despite the difficulties. It has become clearer what the difficulties were. Does that lead to the job of Sport Ireland in the area of governance being obsolete because it is fearful that some body or organisation will threaten legal action in the courts? Mr. Mulvey has said that if he were to take people to task or challenged them about governance not being up to scratch or not adhering to the basic levels expected in any organisation, whether in 2016 or 2017, he would be fearful of what might happen. Is that what he is saying?

Mr. Kieran Mulvey: No. What I am saying is that we have to take on board the issues that might arise in any organisation we fund on the basis of accounting for whatever appropriate issues, fiscal or corporate, arise for us in the conduct of that organisation. Once any such issue is brought to our attention or we raise it with the organisation, we have to be very mindful of our statutory powers and how far we can push the button in bringing the organisation along. If we get pushed back by the organisations, we have to engage in dialogue with them. If we are not listened to in this regard, we have to threaten their funding; that is our only sanction. Where this arose in the recent past, it is precisely what we did. With the IABA and the OCI, we took the measures immediately. What we are trying to do now with the OCI is on foot of the reforms it has announced and is trying to implement. They are difficult to implement. As Ms Keane indicated, the council has its own legal requirements to be fulfilled. We want to help to move towards that. We want to give the organisation the money. We would like to give it the money we are withholding but a stricture is put upon us not to do that.

As I said in my introductory remarks, we are already almost half way to Tokyo. The athletes have no sponsors at the moment and there is no kit. Nobody is sponsoring the kit. As I indicated, we need funding to commit to our athletes. These are the issues we are concentrating on, in addition to the issue quite rightly raised by the Deputy. We are going to have to observe governance further and fast-track it as best we can with the resources we have. As Mr. Treacy indicated, that is what we are trying to do, through various mechanisms. Many of the organisations are voluntary. Some have very few head office staff. They might have one or two. They all have to conform to the same standard, however.

The other issue is that we have to bring the organisations to where we need to bring them and to where the State requires them to be. That is an ongoing exercise. We have to help them to get to this point. In some organisations, there are individuals who have been in place for a

period and who see their organisation as their bailiwick - we have been through this in the charity sector - and whose organisations have their own rules and regulations and do not see what is wrong with what they are doing. We have to assist them in understanding that new standards are now required, in addition to new transparency. We are in a different period and there are fiscal proprietary requirements that are necessary, as there are for directors, companies, federations and organisations under the Companies Act 2014. The committee's hearings and the report of Mr. Justice Moran will give us more ammunition and assistance to point out the importance, efficacy and necessity of this in a system of sports support that was not in existence in the past. It is a road we are on.

Deputy Imelda Munster: One could argue that if it were not for the ticket scandal, it would never have been put in place.

Mr. Kieran Mulvey: I believe that was moving in the direction I have indicated anyway. There were voices emerging in the OCI who indicated they were not happy with what was happening.

Mr. John Treacy: Anything on the corporate governance side in respect of the community and voluntary code being a condition of funding is up to the Minister of State. Everything we are doing with governing bodies in the sector involved offering guidelines and giving the courses. That was the spectrum we were in. As I stated, the organisations are autonomous and we cannot tell them what to do. What we did in Sport Ireland was give the organisations guidance to ensure good corporate governance was in place.

Ms Sarah Keane: This is a fundamental problem facing international sport. There is a real question as to whom the most powerful sports bodies internationally are reporting. Ultimately, it is their members who make the decisions. That is why external rigour is required, but people trying to drive change internally are also required. The IOC, as a voluntary organisation with very significant resources, believes in good governance and is supporting us around that but there are 206 national Olympic committees, so when the IOC puts forward good governance many of the principles are very general. They might not be based fully on what we in Ireland believe is in line with good governance. That is definitely one of the challenges. If one is looking to restrict funding, that only works with organisations that are fully dependent on it. Certainly, in my time the Olympic Council of Ireland, OCI, has built up reserves. That is prudent as well. I do not know what happened, but it also meant that it could say "fine, don't fund us, we are going to do what we want anyway because we have enough." That is potentially a situation we would find with other charitable bodies or sporting organisations. It is certainly an issue with international bodies. We definitely need more discussions, and brave discussions, in Ireland and internationally. They are happening on the doping front in terms of sport but we also have to get involved and be prepared to drive change from the inside. Change is not fast when it is cultural; it is not easy. It is a question of what one can live with and what one cannot live with. One has to be conscious of that all the time if one is involved in that kind of organisation in order to protect one's integrity and the integrity of sport as a whole.

What I can say today is that we have spoken to the International Olympic Committee about what the autonomy principle means. It has a template. It is a four-page document which states what it believes autonomy means, which we have never seen before. We have now given that to Sport Ireland. It does not mean that one does not work in partnership. It does not mean that one puts one's fingers up to the Government or Sport Ireland. Members should excuse me for being crude but that is not what it says. What it says is that one is supposed to be independent in thinking because one is an organisation and the IOC is the parent body but when one is trying

to deliver for Irish Olympic sport or the Olympic sport of another nation, one should be working within the framework of the nation to do the best ultimately for the people involved. That is what it says and that is what we need to do. Without doubt, that is the commitment from this board. We have to put the people who are affected first. Therefore, if there are some things that we hear that we do not like, then we will have to work through them with a view to not affecting the athletes and others.

The other issue that has been referenced concerns some of the issues before the 2009 committee in terms of certain performance directors being left without accreditation. One of those performance directors was coming from our most successful sport. The current board of the Olympic Council made a decision in the past four months that the team leader for the Olympic Games for Tokyo for every sport is the performance director and we will not accept anybody else. We have sought to address that with three years to go. It is already part of our commitment and our partnership with Sport Ireland towards trying to do what we believe is better for athletes and those involved but we need to hear that from the athletes' commission and others who are at the coalface. That is the reason at that meeting I referred to earlier in May with our performance directors, CEOs and member federations it was vitally important to hear what they need and to tell them where our challenges are, speak to them about that and try to come up with a solution together because there still will be challenges in certain areas, such as accreditation and ticketing, among other areas, given that the Olympic Games is a massive event involving a massive number of people.

Deputy Imelda Munster: I will finish. Following on from what Mr. Mulvey said, perhaps the reason things got as bad as they did in terms of the lack of accountability whereby one person could unilaterally make decisions within an organisation and rule over everybody else was due to the weakness coming from the political end in terms of direction or guidance. Whatever way one wants to call it, it was wrong for sport, the athletes, transparency and good governance and it possibly added to the situation in which we find ourselves today. The Government certainly did nothing to intervene, take control or implement any sort of change or attempt to even do that. That was wrong. It is part of the reason - it was obviously not the entire reason - we are here today that those tasked with ensuring good governance and accountability did not do their job.

Deputy Mick Barry: It has been a good discussion. All the witnesses today have helped to make it so. Senator Frank Feighan suggested a feature film might be made about this in the long run. I wondered what it might be called. I resist the temptation to suggest the same name as a series of famous films by Francis Ford Coppola. I believe there was a movie in the 1980s called "Blame It On Rio". I personally believe the best name might be "The Good, The Bad and The Ugly".

Mr. Kieran Mulvey said he had been given to understand, both by departmental officials and the Minister in situ in 2009, that Sport Ireland was to smooth things and that there were to be no rows with the OCI. That indicates strongly and clearly to me that that Government and I suspect other Governments also have been part of the problem. A row with the OCI was needed. It was an open secret that it was being run as an autocracy. What we saw with the ticket issue in Rio de Janeiro was more or less inevitable at a certain point when there was a lack of proper governance and accountability within such an important organisation. If the Government prevents a watchdog-type organisation from barking and having the necessary rows, there is no if or but about it. The Government and I suspect others in recent times were very much part of the problem, but I will park that point and move to my questions.

My first question is directed at the representatives of the OCI and concerns emails. They indicate that the very first thing that was done when the crisis broke was to secure the OCI database. Some €312,000 has just been spent on the Moran inquiry report, in which there is quite a lot of material. Some 80%, 85% or 90% of the good stuff is in the emails. It is the X-factor. Could we have saved ourselves €300,000, having secured the database, by handing the information over to the relevant authorities such that we would not have needed the report for anything other than that extra 10% or 15%, which is not critical?

My second question relates to the deal done with THG for the Olympic Games up to 2026. Is the OCI in a position to indicate the value of that arrangement, or an estimated or approximate value? What is it worth to THG? What is its worth overall?

My next question is specifically for Ms Sarah Keane. She said the copy of the deal which she had received from THG was not in her hands until recently. She mentioned July which is a long month. There is a difference between receiving the information on 1 and 31 July. When precisely did she receive it? Did she share this information with the Minister and, if so, when precisely did she first do so?

The Olympic Council of Ireland's submission raises interesting points about the PyeongChang Olympic Winter Games in 2018. According to press reports, there is a ticketing arrangement, deal or contract in place which is close to being legally watertight. The organising committee of the PyeongChang games has made it clear that it will not provide THG with tickets. If that is the case, what will happen to the tickets? Where will they go?

The report also states the organising committee of the games has advised that it will support the Olympic Council of Ireland in its ticketing arrangements, which is a reference to alternative ticketing arrangements. It appears, therefore, that the rough outline of an alternative approach is in place. Notwithstanding the legal deal in place, the organising committee will not release tickets to THG and is prepared to make alternative ticketing arrangements with the Olympic Council of Ireland. While the OCI may argue that Ireland will only have between five and ten athletes at the PyeongChang games, it strikes me that there is not a fundamental difference between providing tickets for between 500 and 1,000 athletes and providing them for between five and ten athletes. The basic principle that applies is that if it is illegal and breaks contract law to do so for between five and ten athletes, it would be illegal and break contract law to do so for between 500 and 1,000 athletes. While I accept that the OCI is legally constrained in this issue and must discuss it at its board, is Ms Keane in a position to give the committee further information on the emerging potential arrangement and whether it is a potential solution to the bind in which, through no fault of its own, the OCI finds itself?

On the State funding allocated to the Olympic Council of Ireland by Sport Ireland, the Minister indicated yesterday that State funding to the OCI was not a runner until such time as the ticketing deal issue had been resolved or the deal overthrown. He appeared to soften or shift his position somewhat today when he stated the governance policies must be fully implemented and that he would not like to make this an absolute requirement. This appears to give him some wriggle room in the matter. What is the OCI's position on the State funding it receives from Sport Ireland and the conditions that would need to be met before such funding could be released?

The Minister spoke about State funding, but this funding is not provided directly. Instead, it is allocated to Sport Ireland which may subsequently provide funding for the Olympic Council of Ireland. Does the Minister or Sport Ireland have the final say in the matter? If there were

to be a disagreement between Sport Ireland and the Minister on the release of funding to the OCI, how would it be resolved? It would be helpful if Sport Ireland could clarify the position in that regard.

Ms Sarah Keane: I will attempt to answer Deputy Mick Barry's questions, albeit not necessarily in order. I will first address the issues raised regarding THG. In relation to the signed, copied contracts we have received and which are under legal review, while I cannot disclose their valuation, it is not insignificant. That is the best way to put it-----

Deputy Mick Barry: I do not think it is.

Ms Sarah Keane: -----but I am not in a position to disclose the valuation at this point and we did check with our lawyers whether we could be more open about it.

Deputy Mick Barry: Will Ms Keane give the committee a very rough idea?

Chairman: In fairness to Ms Keane, we all know what the figure probably is.

Ms Sarah Keane: No comment. Furthermore, we do not have the exact date, but we think it was around 19 July when we received signed copies of the agreements.

Ms Sarah O'Shea: Our lawyers received them.

Ms Sarah Keane: They are reviewing them and they will be discussed at the upcoming board meeting on 30 August. As I said, the Minister and everyone else heard about them on a Monday and-----

Deputy Mick Barry: Monday, the-----

Ms Sarah Keane: Monday just past, when the Moran report was published. It was felt the board should be the group to discuss the issue before anyone else and have the right information because one part of governance was having the right information to enable the board to make informed decisions, not snap or crisis decisions. From that perspective, we need to get the right advice and potentially to talk to international bodies, etc., before we-----

Deputy Mick Barry: I am not necessarily being critical, but for the sake of clarification, is it the case that the delegates were aware of it on 19 July but the Minister first heard about it was on 14 August?

Ms Sarah Keane: Yes. Everyone was told about it on Monday. I was even a little uncomfortable with its disclosure on Monday on the basis that the board had not discussed the matter. However, it was felt that as we had said we would be as transparent as possible and that we were coming out on the basis of the Moran report, we should make a call to disclose it.

Regarding the 2018 games, Deputy Mick Barry's observations are correct in that if the local organising committee rejects the authorised ticket reseller, that allows us to extricate ourselves from the relevant legal agreement. Therefore, if the agreements are valid, a question on which, as I said, we reserve our position and which is under review, and the Tokyo local organising committee does not accept THG, that will allow us to extricate ourselves. However, that would mean waiting for almost every local organising committee for all of the different individual games, which is not necessarily an ideal solution if that is where we find ourselves and the board considers the agreements are not in the best interests of the organisation.

Regarding the emails, it was one of the first decisions of the board which the crisis management committee implemented that it needed to be proactive at that point, as well as taking responsibility for the position of the organisation, which is why it started the Grant Thornton review. One of the decisions of the board that was made known publicly was that the Grant Thornton report would be delivered directly to the Moran inquiry. Unfortunately, the board made a different decision at a later stage owing to the threat of legal injunctions not to complete that report. Therefore, I think there were many factors at the time surrounding the various on-going reports. However, as I said, the current board will have to consider whether there is value in speaking to Grant Thornton again about the work it had done up until the point at which it was asked to stop to see whether it might be able to add or shed light on something that is perhaps not clarified in the Moran report.

Deputy Mick Barry: Would the emails have come into the public realm with or without the judge-led inquiry?

Ms Sarah Keane: We would have had to get legal advice on the Grant Thornton report on what we could put out to the public if the report had been finished; therefore, the decision would have been to hand it to the inquiry. I cannot definitively say yes or no, but we certainly would have had to take legal advice on the matter.

Deputy Mick Barry: However, it is possible that the emails would have come into the public realm.

Ms Sarah O'Shea: Yes. I think the decision would have depended on the timing. With the new board having been elected on 9 February, if there had been no Moran inquiry, the new board would have decided whether to carry out its own investigation and the emails would have formed part of it, but-----

Ms Sarah Keane: Having said that, the contractual agreements came into the public realm because of the Moran report. At this time we are not in a position to-----

Ms Sarah O'Shea: It would be difficult to put the contracts-----

Ms Sarah Keane: -----put the other contracts out without receiving relevant advice on the matter.

Deputy Mick Barry: Is it possible that the emails would have been put in the public realm even without a judge-led inquiry?

Ms Sarah Keane: I think there would have been much challenge around that.

Ms Sarah O'Shea: It is unlikely, unless it was part of some formal investigation. They would not just have been put out. There was much confidential material in there.

Chairman: There were all sorts of issues and some legal issues.

Ms Sarah Keane: Some legal advice would have been required.

Ms Sarah O'Shea: It would have to have been part of some investigation.

Chairman: The fact that it was a judge to whom the witnesses were sending them gave them much cover for all those issues and the fact it was a Government inquiry, I think-----

Ms Sarah O'Shea: Yes.

Chairman: We will move on to Sport Ireland now.

Mr. Kieran Mulvey: In response to Deputy Barry's question, we are given a block grant of approximately €50 million for recurrent funding for Sport Ireland and the national federations, including the Olympic Council of Ireland and Paralympics Ireland. On occasion, the Government specifies designated funding arrangements. In the recent past, that has been the case in regard to the Gaelic Players Association and the Women's Gaelic Players Association, so sometimes there are specific elements of our grant earmarked specifically, and we have no decision-making role except to enter into agreements as to how that money is spent. In 2010, when the cuts were introduced, we had to cut back field sports by about 33% and meet with those associations to do so. To answer the Deputy's question, on the decision around the distribution of moneys given to us by the Exchequer through the Minister and the taxpayer, we largely have autonomy in what is done with it unless the Government specifically, by policy decision, designates certain expenditure, and I have given two examples. I do not think there are any other examples where there is a designated element of the funding.

We have withheld the funding to the OCI on the basis that we anticipated at the time that this would be a 12-week report and not a 12-month report. That time has moved on. Since then, a number of changes have taken place in the OCI itself and commitments have been made which Ms Sarah Keane and Ms Sarah O'Shea indicated to the committee. The Minister has made certain statements to the committee. In fairness to everyone, we do not want to penalise the OCI for past mistakes. We have a commitment to our athletes in PyeongChang and in Tokyo, and we need to assist and work with the OCI to put all the arrangements in place. They are highly technical arrangements about training camps and where we will base ourselves for Tokyo, etc. Ms Keane raised some of the issues there.

We would like to get into a position where we can work with the Government, the Department and the OCI. What threshold has been reached? Are we happy and convinced that threshold has been reached to allow us to release the balance of the funding and to convey that funding? The OCI has staff commitments that we pay. It has office commitments that we pay, like we do in other federations, and we would not like to put those at risk. We do not want to get into a situation where, to resolve a historical problem, we penalise people on their ongoing funding. We need to support them and to continue to support them. We need to work with the Minister for Transport, Tourism and Sport, Department officials, Mr. Ken Spratt, assistant secretary, Ms Keane and her team, and our own high performance team in Sport Ireland. As everybody has indicated here, it is the athletes and those who support them, whether volunteers or their families, who have to be the primary concern. The Chairman asked about the families and their athletes after my introduction. We need to engage in a national commitment that we put behind us the disaster in Rio de Janeiro. There were a number of disasters in Rio de Janeiro, not just this one. There were others. Our athletes performed enormously well, and we have great athletes at the moment, as the summer has shown. We need to commit to them. I would not like to think we are penalising the OCI, and indirectly the athletes, because of issues we can address ourselves, as sports administrators and guardians of the public purse in that regard, with the Minister. I like to think we would work together and not put up any impossible barrier.

I am glad the Minister rowed back a bit yesterday. I do not know when this ticketing issue with the ATR or Pro10 arose or which jurisdiction it might take place in, so we should not make our own organisation a hostage of something we have collectively condemned as a country, as a people and as a committee. We should work with it to the benefit of the very people the committee has outlined time and again. At this stage, I would be reluctant for us to invoke the

powers in section 12 of the Act where the Minister would give us a written policy instruction about this. We should try to avoid this. We should see what we can do and give reassurances to the Minister and this committee that we believe the trajectory of implementation of the reforms the committee has identified for good governance is being implemented and that we would release the funding accordingly. It might not all be done together. We might do it incrementally but the certainly the accumulated backlog of money would be paid. This would be a matter for our board.

The Chairman sort of chided me earlier about the families. This is not beyond a simple resolution in terms of the tickets. I do not want to interfere in the OCI but it is not beyond the common ability of everyone involved to ensure that regardless of whatever tickets we get for the NOC family, that this is identified; that the events they are for are identified; that there is a portal, office or person in the headquarters of the OCI, something with which we will help, where families can apply for those well in advance once people qualify; that the immediate members of the family are catered for immediately; and that there is no doubt because they cannot make a commitment to travel to Tokyo unless they will see their sons and daughters in the event. Nobody would ask them to do that. With all our commitments and knowing what we know, good, bad or indifferent and regardless of whoever was at fault for that, we should be capable of rectifying that in the interests of our athletes, their families and the organisations that are charged by the Exchequer to support them or internationally. I hope that one of the committee's recommendations coming out of here would be that this would be done.

In response to Deputy Barry, without giving any knee-jerk reaction to the necessity for good governance, and they are working to achieve that, we would incrementally release the funds on the basis of the checklist in agreement with the Minister and the officials from his Department, with whom we all work.

Deputy Kevin O'Keeffe: In terms of the bigger picture, if the OCI became non-functioning and non-operative, would that restrict this country sending athletes to Olympic and Paralympic events worldwide?

Chairman: One would need to have an Olympic-----

Mr. Kieran Mulvey: The IOC has clear authority here. What we do not want to risk is that we do not turn up and try to blame somebody else for it. We have athletes who are already winning world and European championships. We must tell them that it is not business as usual. It will be better business than ever before.

Deputy Kevin O'Keeffe: I know. We will move on.

Chairman: Does Deputy Troy wish to add something?

Deputy Robert Troy: Very briefly-----

Chairman: I want to ask a few questions as well.

Deputy Robert Troy: What I am taking from what Mr. Mulvey said is that he is acknowledging that when the money was suspended originally, it was thought that it would be for a 12-week period. However, that 12-week period has been moving along. It is not just that one realises the target will not be met. It would appear from what Mr. Mulvey said today that Sport Ireland will not penalise our current and future athletes for the misdemeanours of people in the past because I think that would be very wrong. I will return to a point made by Mr. Mulvey.

Perhaps I misheard him but I think he said that there was political influence on him not to rock the boat with the OCI. In his contributions here today, Mr. Mulvey alluded to the rocky relationship that existed between Sport Ireland and the OCI long before the Rio debacle. Was it not felt at any stage by Sport Ireland that there should be greater scrutiny, or investigation into the workings, of the OCI? Was Sport Ireland impeded in doing so by existing legislation?

Mr. Kieran Mulvey: I do not want to be too strong in my comments. Deputy Munster asked if I was given a direction. I was not. I had a conversation with a Minister and senior officials of the Department - who have since retired - that one would normally have when one is appointed chairman of a State board. There had previously been a lot of controversy when Ministers and taoisigh were castigated by the former president of the OCI publicly and internationally. There had been one or two rows, including with the OCI, and I was asked to go in and ensure the waters were calm. If we had been aware of the situation, we would not necessarily have interfered. There was some issue around ticketing which I was not aware of. As Ms Sarah Keane said, she was not aware of it until Rio. It is an issue I would have normally raised by way of conversation with the president of the OCI or the Minister. I would have said there is something going on here that I am unaware of and it does not sound appropriate or proper to me. On occasion over the past number of years, Mr. Treacy and I have had to approach the OCI and its officials regarding certain sports when complaints had been made to us about arrangements for camps, transport or logistics. In such cases, we made those representations and asked the OCI to do something about it so it did not blow up in our face because an organisation did not get appropriate accommodation or transport. In a sense, we were trying to do that all along.

The Deputy asked me about whether there is any strong political direction being given to us in any particular area. From time to time, Ministers will call us in and say, for example, they want the women in sport programme improved and want to see what we can do around that. Certain issues have been raised with us regarding certain federations and we have been asked to do something about it. We have had political conversations recently around general representation but they are not firm policy directions. I would be nervous of getting a policy direction in case it could be said we did not have the right approach. We want to get the OCI to the position it has identified here, that is a reformed, functioning and transparent OCI. As with any federation, Sport Ireland will support it entirely. The OCI and Paralympics Ireland take precedence in terms of international bodies that accredit athletes at the highest levels in international games. We play a supportive role in that. The OCI is autonomous by charter and international regulation and we have to move with it and work with it in partnership. We should not attract opprobrium to that. That is what we are trying to do. We want to work with the Minister, the OCI and Department officials. The OCI is evidently moving very strongly but we will not get it 100% resolved within the next six or 12 months. Timing is a fact of life and we need to help it financially to get it where it needs to get.

I had an exchange with Deputy Troy earlier and I wish to withdraw my remark.

Mr. John Treacy: I will add something on the political direction. I encourage all members to examine the transcript from April 2009 when Mr. Hickey appeared before the committee. Senator Joe O'Reilly summed it up very well at the time, saying Mr. Hickey had given it to him personally and the Irish Sports Council with both barrels. My comment is this: we must have been doing something right.

Senator John O'Mahony: I thank all of the delegates for their frankness. The meeting has been very helpful. Ms Keane and Ms O'Shea, in particular, had to be careful about the legal issues involved, but they demonstrated in their remarks how they could still be very helpful

and frank. It is possibly a lesson for the people who did not partake in the Moran inquiry that they could still have been helpful without crossing the line on any legal issue or proceedings elsewhere.

I was in attendance at the committee meeting referred to. That is what prompted the question I asked. There were many platitudes, but there was also a lot of tension. Both barrels were opened on a number of occasions. In the context of the funding of 30%, there was a clear indication given that a compliment was almost made in respect of accepting the funding from the Government and the Irish Sports Council. Even if it had been withdrawn at that stage, it would probably have been stated it would not have made much of a difference and that the organisation would have proceeded anyway.

On the proposal for the honorarium in 2009, reference was made to the treasurer. Who was the treasurer of the OCI at the time?

Ms Sarah Keane: It was Mr. Peadar Casey.

Chairman: I thank the delegates for attending. I have been very impressed by the professionalism, personal commitment, clarity and openness of all of them. There was no question they did not answer and there was no point to which they did not listen. We have learned a lot on this side of the table.

I have a couple questions which I hope will be helpful. One of the key points about the OCI concerns an increase in the membership of the board, perhaps by adding members from the business world or others who could add to the expertise of the excellent existing members. This is an area that might usefully be examined.

Mr. Mulvey has rightly stated there is no kit sponsor right now. We have to make sure the organisation will get everything it needs for the games as soon as possible, notwithstanding the barriers involving the Department which may still have legitimate issues which I acknowledge. Perhaps the delegates might revert to us within a reasonable period - say, four or five weeks - to determine whether there is anything we can do to help. The Olympics logo is one of gold in terms of achievement and corporate ownership or sponsorship. We need to ensure barriers to corporate sponsorship arising from the old regime are no longer in place. That is the key point. We must be in a position to affirm absolutely the integrity, work, commitment and change demonstrating that the old order is gone and has been replaced by a new one. I believe circumstances will be much better.

Ms Sarah Keane: On what the Chairman is saying about independent directors or business individuals coming onto the board, it is actually one of Deloitte's recommendations.

Chairman: Good.

Ms Sarah Keane: From that perspective, we are considering the matter. I recognise the work of the current board. Ms O'Shea and I are here today but there are 13 on the board. They are all committed and the staff have been very co-operative. We appreciate the support we receive from Sport Ireland and recognise the work of Mr. Justice Moran. The International Olympic Committee and the European Olympic Committee have been very supportive of us as a new organisation and they have backed all the reforms, as well as committed to funding. In difficult times it is nice that there is oversight but it is there because people really care about Irish Olympic sport and our athletes. I commend the committee on that point.

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We would welcome Sport Ireland doing audits and have no problem if Deloitte wants to come in next year and re-evaluate. When I was involved in Swim Ireland there were Deloitte recommendations to be put in place and we asked the firm to come back in at a later stage. This closes a loop because one can have many reports but no closure. We will also do our best to facilitate some of the things in the Moran report.

Chairman: I thank the witnesses.

The joint committee went into private session at 3.35 p.m. and adjourned at 3.40 p.m. *sine die*.