

# DÁIL ÉIREANN

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## AN COMHCHOISTE UM IOMPAR, TURASÓIREACHT AGUS SPÓRT

## JOINT COMMITTEE ON TRANSPORT, TOURISM AND SPORT

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*Dé Céadaoin, 23 Eanáir 2019*

*Wednesday, 23 January 2019*

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The Joint Committee met at 1.30 p.m.

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### MEMBERS PRESENT:

Deputy Ruth Coppinger,	Senator Mark Daly,
Deputy Imelda Munster,	Senator Frank Feighan.
Deputy Catherine Murphy,	
Deputy Éamon Ó Cuív,*	

\* In the absence of Deputy Robert Troy.

DEPUTY FERGUS O'DOWD IN THE CHAIR.

## **Business of Joint Committee**

**Chairman:** I remind members to switch off their mobile phones as they can affect the broadcasting and recording equipment in the committee room.

I would like to raise one item in private session. Is that agreed? Agreed.

*The joint committee went into private session at 1.40 p.m. and resumed in public session at 1.55 p.m.*

**Chairman:** The minutes of the meetings of 12 and 19 December 2018 have been circulated. Are they agreed to? Agreed.

Before we commence the main business of the meeting, I wish to deal with a number of items of correspondence. No. 2019/373 is a letter received from the Journal Office regarding the Aircraft Noise (Dublin Airport) Regulations Bill which will be the subject of a meeting after this one.

No. 2018/37, (a) and (b), is a letter received from the clerk to the Joint Committee on European Affairs. It is proposed to note this item of correspondence. Is that agreed? Agreed.

No. 2019/375 is an email received from Mr. Kevin Doyle in the Department of Transport, Tourism and Sport. It is proposed that the committee reply to him to request that the Department of Transport, Tourism and Sport liaise with the various bodies in advance of the Minister appearing before the committee for the periodic review of the implementation status of the recommendations made in its report on the accessibility of public transport for people with disabilities. Is that agreed? Agreed.

No. 2019/376 is an email received from Deputy Ruth Coppinger. The items mentioned have been included in our work programme for 2019.

No. 2019/377 is an email received from the office of the Minister for Transport, Tourism and Sport, Deputy Ross. I understand the Minister is keen to approve the appointment of the chairperson designate of the Marine Casualty Investigation Board as soon as possible. It is proposed, therefore, with the consent of the committee, that the meeting be scheduled for 30 January. Is that agreed? Agreed.

No. 2019/378 is an email received from the Football Association of Ireland apologising for representatives not being available but expressing their availability to come on 20 February. Is it agreed to reschedule the meeting for that date? Agreed.

**Senator Frank Feighan:** At what time will that meeting take place?

**Chairman:** It will be at 1.30 p.m.

**Senator Frank Feighan:** Is the meeting of 30 January also at 1.30 p.m.?

**Chairman:** Yes. We have received correspondence from Senator Pádraig Ó Céidigh which is to be added to our annual work programme. Is that agreed? Agreed.

No. 2019/380 is an email from the Clerk of the Seanad attaching the tenth report of the Committee of Selection. I propose to note it. Is that agreed? Agreed.

No. 2019/381 is an email from Mr. Darren Clarke, private secretary to the Minister of State, Deputy Griffin, acknowledging receipt of an email regarding a meeting. Is it agreed that this correspondence be noted? Agreed.

No. 2019/382 is an email from Mr. Chris Smith from the Minister's office. Is it agreed to note this correspondence, as it is the subject of today's meeting? Agreed.

No. 2019/383 is also an email from Mr. Chris Smith to schedule the attendance of the Minister, Deputy Ross, to discuss Brexit and other issues on 6 February. Is it agreed to note it? Agreed.

No. 2019/384 is an email from the office of the Secretary General at the Department of Transport, Tourism and Sport confirming that the Secretary General will appear today.

No. 2019/385 is a letter from Mr. Myles O'Reilly, general secretary of the Taxi Dispatch Operators Representative Association. Is it agreed to consider this matter in our work programme? Agreed.

**Deputy Catherine Murphy:** We will consider it in the context of our work programme. Until when does our work programme run?

**Chairman:** It was agreed before Christmas and this matter has been added to it.

**Deputy Catherine Murphy:** That is only for consideration.

**Chairman:** Yes. We will go through the matters we agreed. The FAI is one of those. We can look at this again after that. We will consider any requests.

No. 2019/386 is an email from Ms Rea Walshe, corporate affairs and licensing director of the FAI. It is proposed to note this item and schedule it for a meeting on 20 February. Is that agreed? Agreed.

No. 2019/387 is an email advising me of a conference about transport this morning in the French embassy. I propose to note that.

No. 2019/388 is an email from Mr. Chris Smith, private secretary to the Minister, Deputy Ross. I propose to note this item, which will be discussed on 6 February. Is that agreed? Agreed.

No. 2019/389 is an email from Ms Anne Graham, CEO of the National Transport Authority. I propose to arrange for members who are available a meeting on the next phase of the BusConnects bus corridor project. Is that agreed? Agreed.

The next item of correspondence is from me and relates to correspondence from Ms Pauline McGuinness of a residents association about the Aircraft Noise (Dublin Airport) Regulation Bill 2018. I propose we note that.

No. 2019/391 is an email from me to the committee regarding correspondence from Mr. Stuart Gilhooly. I propose that we note that correspondence, which we discussed earlier, and act as we agreed.

No. 2019/392 is an email from me regarding correspondence from a residents association about BusConnects corridors. It is proposed that we consider that as part of our work programme. Is that agreed? Agreed.

No. 2019/393 is an email from Mr. Chris Smith, who has been very busy, from the Minister's office dated 22 January. This relates to a Brexit memorandum. It is proposed to note this and discuss the matter on 6 February. Is that agreed? Agreed.

**Senator Frank Feighan:** When is the FAI coming before the committee?

**Chairman:** On 20 February at 1.30 p.m. The Senator will be there.

**Deputy Éamon Ó Cuív:** Was correspondence received from Deputy Troy?

**Chairman:** Yes, it was received today and will be discussed next week.

**Deputy Éamon Ó Cuív:** I will leave the matter in the Deputy's capable hands. I will explain that to him.

**Chairman:** Before we commence our main business, on behalf of members of the committee, I welcome Senator Mark Daly who joins us as a new member. We look forward to working with him during the remainder of the current Dáil. I pay tribute to Senator Ned O'Sullivan, who Senator Daly is replacing, and record our appreciation for his contribution to the work of the committee.

### **Corporate Governance Framework of the Department of Transport, Tourism and Sport: Discussion**

**Chairman:** The purpose of today's meeting is to consider the corporate governance framework of the Department of Transport, Tourism and Sport. I apologise to the witnesses for the delay arising from our discussion of correspondence. I welcome from the Department of Transport, Tourism and Sport Mr. Graham Doyle, Secretary General, Mr. Ray O'Leary, assistant secretary, Mr. Kenneth Spratt, assistant secretary, Ms Áine Stapleton, assistant secretary, Ms Aoife O'Grady and Ms Jane Lawlor. If I am not mistaken, this is Mr. Doyle's first appearance, certainly since I became a member of this committee. We are delighted that he could attend with his staff.

By virtue of 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.

I invite Mr. Doyle to make his opening statement.

**Mr. Graham Doyle:** I thank the Chairman for the welcome and for introducing my colleagues. I will outline their roles. Ms Áine Stapleton is assistant secretary for corporate affairs, Ms Aoife O'Grady is head of corporate support and communications and Ms Jane Lawlor

works with Ms O'Grady on the issue of governance co-ordination. Mr. Ray O'Leary and Mr. Kenneth Spratt are members of our management board. Mr. O'Leary chairs our risk committee and Mr. Spratt is chair of our governance committee and a member of our internal audit committee.

I thank the committee for giving me the opportunity to speak on the Department of Transport, Tourism and Sport's corporate governance framework. The Department has a wide remit with high level goals in its statement of strategy covering public transport investment and regulation, roads and road safety, aviation, maritime transport, tourism and sport with an annual budget of €2.3 billion. Good governance is essential to the effective operation of a Department of this complexity and breadth. The arrangements in place help to provide assurance to me, in my role as Secretary General and as Accounting Officer, that we are effectively discharging our responsibilities.

I will begin by focusing on the departmental arrangements. While Civil Service Departments have always valued strong governance, a greater focus on formalising our arrangements has its origins in a 2014 initiative, Strengthening Civil Service Accountability and Performance. That paper recommended a written governance framework as a platform for strengthening the overall management of Government Departments. This concept was incorporated into the 2014 Civil Service renewal plan which, in Action 3, committed to a common Civil Service Government standard. Our corporate governance arrangements for the Department are, therefore, grounded in the corporate governance standard for the Civil Service which was led by the Civil Service management board as part of its implementation of the renewal plan.

Chapter 1 of our framework document frames our overall activities by setting out a general overview of the Department's structures, ethos and strategy. It sets out our mission statement which is to shape the safe and sustainable development of transport, tourism and sport, and to support economic growth and social progress.

Chapter 2 defines the roles and responsibilities of ministerial and senior management staff, the Department's relationship with the Minister and the Minister for State and provides an overview of senior management governance roles and responsibilities. The chapter also looks at how responsibility is assigned to officers of the Department for the performance of functions under the Public Service Management Act 1997.

Chapter 3 sets out the primary management structures within the Department to provide a means to develop its capacity, including the capabilities of the leadership team, management and staff.

Chapter 4 details the mechanisms through which the Department ensures risk and performance are adequately managed through robust internal control systems and effective performance management practices.

Chapter 5 details the Department's relationship with the 24 agencies under its aegis and provides an overview of the approach applied to external governance and oversight. In engaging with stakeholders the Department strives for openness, transparency and accountability which are delivered through our robust governance structures and the relationship we have in place with our agencies.

With a view to continuous improvement of its overall performance, including a desire to strengthen its approach to governance and improve its strategic focus, I recommended that the

Department participate in the pilot organisational capability review, OCR, in 2017 under the Civil Service renewal programme. It was a valuable exercise which led to the development of an action plan in January 2018, aligned with four pillars, namely, investing in our team; communication and integrated working; stronger strategic focus; and policy implementation. A key part of ensuring effective delivery of the four pillars involved reorganising internal structures to provide for strategic leadership and ownership at both management board and divisional level as implementation commenced. The changes were implemented to strengthen all areas of governance and demonstrate our commitment through a range of actions. In January 2018 I centralised the corporate and policy co-ordination functions under a new assistant secretary post to give a stronger strategic focus to our corporate affairs and policy co-ordination. This reconfiguring of all corporate functions within the remit of one assistant secretary provides overarching responsibility for the Department's governance structures. It included creating a dedicated governance division, which deals not only with the Department's overall governance requirements but also the oversight of the 24 agencies under the aegis of the Department. The centralising of the governance role has provided for consistency throughout the Department, with a central contact point to manage governance requirements and oversight of the governance structures in place. I am confident that the revised arrangements, together with structural changes made earlier last year, will help to bring a clearer focus to the successful delivery of the Department's business objectives. The reconfiguration of the corporate functions is central to it by providing the Department and all staff with the necessary support to deliver to the highest standards.

In addition, the introduction of new structures has allowed for the consideration and refinement of implementation actions by heads of function, HoF, through the newly established HoF forum. As part of this structural change, my management board colleagues and I gave approval for the establishment of a governance committee to oversee and advise us on the ongoing development of a good practice governance framework for the Department; the arrangements to ensure compliance with the Department's corporate obligations; the implementation of the framework for the governance of State agencies within the remit of the Department of Transport, Tourism and Sport; and the liaison arrangements with the risk management committee and audit committee on an ongoing basis. This structure has worked very well in providing additional governance support for the management board and is underpinned by a governance calendar which records all governance requirements across the Department in ensuring the meeting of corporate obligations and the extent to which they are being met in accordance with an agreed calendar of activities.

The management board continues to play a central role in overseeing the governance structures in place. It includes but is not limited to engaging in business planning with each sector to ensure our high level goals are being carried into annual business planning and that good progress is being made in their implementation; reviewing on an annual basis the Department's corporate governance framework; keeping under review the governance arrangements in place with the commercial State agencies under the aegis of the Department; keeping under review the governance arrangements in place with the non-commercial State agencies under the aegis of the Department. Given the broad remit of the Department and the diverse range of functions carried out through the 24 agencies, strong corporate governance measures for our agencies are essential building blocks in our overall governance structures and procedures. The approach to the governance of our agencies takes account of the Civil Service framework and is also grounded in the revised code of practice for the governance of State bodies which was published by the Department of Public Expenditure and Reform in 2016. It is the principal framework for best practice governance arrangements applicable to commercial and non-commercial



State bodies. It is intended to take account of developments in oversight arrangements, with the parent Department and internal practices of the State body including reporting requirements and the appointment of board members.

In March 2018 we adopted a new framework document for the Department's oversight of the governance of both commercial and non-commercial State bodies. The core objective of the document was to establish the means by which the Department as a whole would oversee the governance of its State bodies and how I, as Accounting Officer, and the wider management board could be assured on compliance by our State bodies with the revised 2016 code of practice. The framework assists with strong governance in a number of respects. It provides guidance for all stakeholders on the Government's current objectives for State bodies and their subsidiaries and enables us to maintain a consistent and structured approach to governance. It clearly defines the Department's relationship with State bodies and the mechanisms to monitor output, outcomes and performance. The document also outlines the roles and responsibilities of all stakeholders in keeping with the governing legislation for the State bodies involved. To ensure consistency and quality in terms of outputs, the Department has provided templates for shareholder expectation letters, performance delivery agreements, oversight agreements and a compliance checklist to be filled in by the State body and returned with the chairperson's comprehensive report each year. Implementation of these arrangements is reported to the management board, with follow-up actions taken to deal with outstanding issues.

I have also put new arrangements in place to give the management board a stronger role in assessing requests from our non-commercial agencies for additional staffing to ensure a stronger whole of sector approach is taken to such issues. Good governance is, of course, not just a theoretical framework but is intended to lead to better outputs for the Department and its agencies. The corporate governance arrangements in place play an important role in helping us to achieve our goals and objectives.

**Chairman:** I propose that we proceed with questions in our usual manner, starting with representatives of Fine Gael, to be followed by the representatives of Fianna Fáil of Sinn Féin and then independent members and members of other parties.

**Senator Frank Feighan:** Mr. Doyle is most welcome. Corporate governance is something we have embraced only in recent years. I was delighted when the 2014 Civil Service renewal plan tried to introduce corporate governance in all areas. It shows professionalism in the Department, which I welcome. Corporate governance incorporates rules, practices and processes. It is a balancing act between the many stakeholders involved. There are the shareholders which include the Government, the management team or departmental officials and customers or the community. It is welcome that this is happening and that we are five years into the process. I suspect a strong private sector influence as I have noticed how many Departments have good knowledge. I am pleased to see people coming from private sector and that there is balance. I see this at the committees on which I sit, including this one and the Joint Committee on the Implementation of the Good Friday Agreement. People have come from the banking sector and bring a valuable approach. It is the way forward.

Mr. Doyle referred to the creation of "a dedicated governance division which deals not only with the Department's overall governance requirements but also with the oversight of the 24 agencies under its aegis." The Department has a huge number of agencies under its aegis. How did it come to this? Was outside help looked for from other agencies or did the Department look internationally to see how it was managed in other countries? Our membership of the European Union has been very important. Germany and other countries adopt different approaches. Are

there other countries - I refer to other small countries such as New Zealand - at which the Department has looked?

Mr. Doyle said the framework “clearly defines the Department’s relationship with the State bodies and the mechanisms to monitor output, outcomes and performance.” That is welcome as everyone should be held to account.

I wish Mr. Doyle well in the future. As I said, there are 24 agencies and a lot is happening. As someone who came from the private sector, I believe that if we have money - the State is generating a lot of money - it must be spent prudently. I wish Mr. Doyle every success.

**Chairman:** I invite Deputy Munster and then Senator Mark Daly.

**Deputy Imelda Munster:** Will the representatives comment on how the Department’s work plan has been affected given the lack of a substantial increase in funding that was secured by the Minister? How has the overall work plan been impacted by that? The capital funding is minus €30 million this year. Perhaps the witnesses could brief us on that.

I do not know if the Department officials can comment on the freedom of information section of the Department but I had a number of difficulties in obtaining information from the Department under a freedom of information, FOI, request. On one occasion it turned out that it was an important document filed under the wrong year. There were difficulties and delays in locating it. Another FOI request that I submitted was quite narrow in focus and not overly onerous. There was, however, a cost attached of more than €300. If the witnesses are in a position to comment, on what basis would the Department apply such costs? This FOI request in particular was quite narrow and I could not believe it when it came back. What is the position taken on that?

With regard to the data around FOI requests, how long they take and the charges attached, has the Department had any complaints about FOI requests?

**Chairman:** We will go to Senator Mark Daly and then go to the Department officials.

**Senator Mark Daly:** I thank the Secretary General for coming to the committee. From his presentation I wonder if he would be available for the Department of Health because his governance seems to be more robust than in some other Departments.

**Mr. Graham Doyle:** Is that a question from the Senator?

**Senator Mark Daly:** I previously served on the Joint Committee on the Implementation of the Good Friday Agreement and on Joint Committee for Foreign Affairs and Trade, and Defence. The issue of the Border and preparation for Brexit will be directed also to the Minister when he comes in. I was looking at the risk register-----

**Chairman:** We have agreed that the Minister will deal with all of the issues relating to Brexit. We will have a special meeting on it.

**Senator Mark Daly:** This is a governance issue.

**Chairman:** Governance is certainly a different issue and there is no problem there.

**Senator Mark Daly:** My query relates to governance, the risk register and the fact that I could not find certain information. Perhaps Mr. O’Leary could answer the question around



the issue of the risk register and how the risk committee has been looking at the issue in terms of governance. Whatever about not wanting to talk about it from a political point of view, and there may be valid reasons for this, from the perspective of a risk register and proper governance and oversight, and regardless of the political outcome or the political issues, the risk committee's job is to say that it has an obligation to look at the impact on the Department and all the 24 agencies.

I also did not see on the risk register the governance and risk committee issues around a united Ireland. I would like to have Mr. O'Leary's comments on this. From being a member of the Joint Committee on the Implementation of the Good Friday Agreement, I am aware it is not on the risk register. While I do not see it as a risk, it would have a huge impact on all of the Departments. A Border poll is being talked about by people. It was discussed on "Today with Sean O'Rourke". It is not on the risk register. Why is it not on the risk register? Was it discussed at the risk committee, and if not, why not?

**Chairman:** On that point, I want to be fair to everybody. I appreciate that, as a member of the committee, Senator Daly is entitled to ask his questions, and while there is no issue whatsoever of raising questions around the risk register and it is not a matter of stopping a question, I am trying to keep all Brexit related questions for the meeting later on.

**Senator Mark Daly:** With all due respect, I do not disagree with the Chairman.

**Chairman:** I want to get this right. I want to ensure that the Senator's risk register questions are answered, but at the same time, I am very conscious that the Department is under the direction of the Minister who is not here. We will be having a special meeting on that. If that is fair to the Senator and to the officials, that is what I want to do.

**Senator Mark Daly:** I do not want to-----

**Chairman:** I just want to get it right.

**Senator Mark Daly:** On a point of clarification, and this is certainly a governance issue, I presume the Minister would have no input into whether something is on the risk register if the risk committee believes it to be a risk.

**Chairman:** I imagine he would.

**Senator Mark Daly:** I just wanted to clarify that. For the benefit of the committee, this is a governance issue. It is not a Brexit issue.

**Chairman:** I hear the Senator.

**Senator Mark Daly:** With the banking crisis we have seen the consequences of not addressing an issue, which we all lived through. There is an idea that policy neglect seldom goes unpunished, which I came across in the report that Senator Feighan and I and the members of the Committee on the Implementation of the Good Friday Agreement were involved in. The lack of proper planning has huge consequences. The Border poll is being talked about, not just by us but also by unionists. If it is not on the risk register, then why is it not? Has it been discussed at the risk committee, and if not, why not? To be fair to the Minister, when he comes to this committee, he may say that he will talk to the risk committee to get the answer for us.

**Chairman:** The Department representatives will answer the Senator as best they can given the constraints the Senator is under. I will make that very clear. Any query about the risk reg-

ister is fine.

**Mr. Ray O’Leary:** Absolutely.

**Mr. Graham Doyle:** Perhaps we will deal with those questions in turn. I thank Senator Feighan for his comments. As we look at the rules and practices around governance, it is very much a balancing act across all stakeholders and agencies, and most important, whoever is the client ultimately, that is, the citizen, the taxpayer and person living in the State. Balancing those is a critical part when look at how what we do at a departmental level influences what our agencies do.

The Senator is right that there is a far greater private sector influence in the public sector as we look, for example, across the renewal programme in the Civil Service. The Senator spoke of people from the private sector coming into government, and he qualified it quickly by acknowledging the work of civil servants. I came from the private sector. I am a chartered accountant by profession. I came into the Department at assistant secretary level about five years ago and then took over the Secretary General role. We see some of those influences happening. It is interesting to come into it from outside the system as someone who had a long career in the private sector and to see how thinking is changing regularly. I worked for PricewaterhouseCoopers for a long time. I was on secondment to the Department, which was a forerunner to this Department, back in 2004-2005. It is very interesting to come back and see the changes that have taken place over the period since then.

The Senator asked about other external influences in how we deal with governance, managing agencies and so on. One significant change we have made in the past 12 months is that we have come to a memorandum of understanding, or terms of reference, with NewERA. As part of our work in the governance space we asked if it would form a stronger relationship with us, and that has been very beneficial. The people there have brought their expertise to bear, especially their financial expertise. There is a NewERA member seconded to the Department who is available to the divisions in the Department to deal with routine issues in the first instance, and there is much wider expertise for that individual back at NewERA headquarters. We have also volunteered, as opposed to it being mandated under legislation, which I believe it is in other cases, to have commentary from NewERA on some of our larger agencies as part of its annual report. That was something which we felt it would be useful to sign up to, even though it was not mandated. That is again part of our overall focus. Senator Feighan asked about international influence. The main principles of the written governance framework were developed by the Department of Public Expenditure and Reform. A number of other Departments were part of a group looking at how that would be brought about. On international comparisons, from memory - and I may be wrong on this - I believe there was some comparison with New Zealand, Singapore, the UK and certain other countries. Many of the principles actually come from the OECD governance principles for the public sector. That was one area which was drawn upon.

The Senator also talked about the focus on outcomes. Again, that is something we have tried to bring about as an ethos within the Department. We have two-yearly sessions with the division of the Department under each assistant secretary. All management board members take part in those to try to bring an overall focus and, because we have such a broad remit, learning and questioning from other parts of the Department to try to balance things out as sometimes a person in a particular area might not be able to see the wood for the trees. Since the organisation capability review we are now also engaging in a lot of cross-departmental work, particular in respect of policy forums and sessions wherein particular policy matters can be teased out. I believe that covers those issues.

On our work plan for this year Deputy Munster referenced the budget and the extent of additional funding under it. In recent years it has been difficult for Departments to find additional current funding. That has been a challenge for our Department. We have been very successful in arguing for much more significant levels of capital funding. We are one of the biggest beneficiaries of funding under the national development plan. The work plan which the Deputy mentioned is very much about rolling out that national development plan through our agencies over the coming years and about working with them and ensuring that the Department has oversight and can engage in guidance and risk management around the roll-out of that plan.

On the work that we have done, when I took over the position of Secretary General we had reached a low point in terms of the numbers of staff available to us in certain areas post-recession. We had lost many very experienced staff. In order to be able to be faithful to our work programme and to roll it out we had to engage in a rebuilding exercise. The resources that have been provided allow us to do that. We have had the scope to do that.

On the freedom of information issues, I am very sorry to hear if there has been a particular difficulty in a particular case or two. I apologise if that has come about. I do not know the specifics, but I would be happy to talk to the Deputy separately in that regard if that would be helpful. The number of freedom of information requests has risen significantly in recent years. Looking back at 2014, just under 100 freedom of information requests were received. In 2018 it was closer to 350. That number is growing very substantially as part of the work within the Department. We try our very best to deal with freedom of information requests. I am sorry if the Deputy has had a particularly difficult experience. If it reached that level of seriousness there is the potential for complaints to go to the Information Commissioner, but I do not think we have had an instance of that or of any serious issues arising around it. Would Ms Stapleton like to say anything on freedom of information before I finish with it?

**Ms Áine Stapleton:** It might be useful to add that we appreciate that there are ongoing challenges with record management. Again, we regret if some of the records Deputy Munster had sought had been misplaced. It is our intention to put more of a focus on that in 2019. We hope to bring an archivist onto our team to bring us some specialist guidance on how best to do that. We are probably not alone in the Department in finding it a challenge to cope, particularly in respect of the large volumes of electronic records. We want to make sure that we are doing this in a way that is aligned with our statutory obligations under freedom of information legislation, the GDPR, and other statutory provisions, but that also looks forward to make sure that what we do now will meet our obligations under the National Archives Act 1986 in the future. We recognise that we are on a pathway to improving our records management.

**Mr. Graham Doyle:** I know the Chairman has just cautioned us in respect of Brexit overall and some elements thereof. I will try to answer Senator Mark Daly's questions at a general level. Brexit has been identified as our number one risk. It has been dealt with across the Department which, again, has that very broad remit to which I referred. As part of our restructuring we took a unit that dealt with a very broad range of European affairs and issues generally and refocused it under a very experienced principal officer who reports to Ms Stapleton. We use that unit to try to manage the risks around Brexit. The early stages of this approach actually go back before the Vote. We use and resource that unit to co-ordinate the Department's work because there are very few aspects of the Department that are not touched upon by Brexit in some shape or form.

There are various structures. I feed into some structures at Secretary General level and Ms Stapleton also feeds into various structures. We have six assistant secretaries on our manage-

ment board. They head up particular sectoral areas and have very broad remits. There are structures into which they feed. The heads of division also feed into a variety of structures. Within the Department we have overall Brexit co-ordination. As I said, whether one goes up or down the structures, one will see that there is a huge amount of work involved in Brexit. I often say - I said it to the Chairman as we were chatting briefly outside - that, as everyone is aware, there is a huge amount of work going on across Government Departments here, in the UK and in Europe generally. Whenever we get to end of all this, the time that has been spent on this and the focus put on it will, without doubt, have had an opportunity cost but we are trying to avoid the key risks. The most significant issues the Department has had are on the flying rights of aircraft, the rights of Irish hauliers to access the UK itself and the EU by transiting the UK and the impacts on the Irish tourism industry of negative factors in the UK, which is one of our key markets, particularly given the weakness of sterling. We have also tried to contribute strongly to whole-of-government matters, in particular the requirements of the Departments of Agriculture, Food and the Marine and Health and the Revenue Commissioners to carry out the checks they may need to do at ports and airports once the UK becomes a third country. We are also working with colleagues in the Department of Foreign Affairs and Trade to try to influence positively the application of checks at UK and mainland European ports, particularly French ports, through which Irish hauliers transit, as well as considering alternatives in terms of the routes to European markets.

There is a range of other issues the Department has been addressing and many of them are of some importance. What I have outlined are the most challenging we have dealt with. We have had very substantial progress on aviation issues, including in a potential no-deal scenario, to ensure that connectivity for airlines only controlled in the EU continues. The Commission, with influence from Ireland and other interested member states, has a contingency in place that will ensure aircraft fly. It will be a temporary arrangement, if reciprocated by the UK, but for something that could have been a massive negative, to say the very least, there has been substantial progress on it.

There has also been substantial progress on the issue of licensing matters and the right of hauliers to enter and leave the country under arrangements that, if reciprocated by the UK, will allow vehicles the required market access for the immediate period following a potential no deal. While it will be a temporary nine month arrangement with the European Commission, up to a week before Christmas the scenario was a fallback position on European Conference of Ministers of Transport, ECMT, licensing. I will not bore the committee with the details but it would have meant that 7% of trucks needing to access the UK or go through the UK could be licensed. It is a tremendously difficult issue to deal with and to try to plan for.

These are some of our main issues. I do not want to make my answer too long by going into others. These are probably the top two issues. Brexit overall was identified as the number one risk by the Department and we have applied a huge amount of focus on it.

With regard to border issues, many people in the media are commenting in various ways on borders but they are not issues for the Department and it would be damaging for me or my colleagues to comment on them. I do not want to do that.

**Chairman:** It is not a matter for the committee as such. Mr. Doyle has been very helpful in his answers.

**Deputy Imelda Munster:** Mr. Doyle stated the Department has identified Brexit as its number one risk. What additional funding has the Department been allocated in light of Brexit?

**Mr. Graham Doyle:** Many of the issues are not issues of funding apart from tourism. I will ask Mr. Spratt to comment because we have applied a significant level of additional resources to tourism, particularly in the context of Brexit.

**Mr. Kenneth Spratt:** Next year, our budget will increase by approximately €35 million. Of this, approximately €19.5 million will be for capital funding and approximately €15.5 million will be for current funding. The €15.5 million for current funding will be aimed at marketing overseas to try to defend what we have in Britain and to try to increase the number of incoming tourists from mainland Europe, North America and other overseas markets. Some of the additional current funding will also be aimed at businesses in Ireland to ensure they are Brexit ready and in a position to be able to divert incoming tourists to their businesses.

**Deputy Imelda Munster:** Is that next year as opposed to this year?

**Mr. Kenneth Spratt:** That is for 2019. We also have a significant increase of €19.5 million in capital funding, which is aimed at product development and greenways development. All in all, there is approximately €35 million additional funding.

**Chairman:** Does Mr. O'Leary want to make a comment?

**Mr. Ray O'Leary:** I want to confirm that the Minister does not have an input into the risk register or the work of the risk committee.

**Senator Mark Daly:** I have specific questions on a united Ireland. Has the Department looked at this? It is not on the risk register.

**Chairman:** I am trying to stay away from anything that is not germane to today's discussion. The Senator will have many opportunities to ask that particular question, which is very important. I want to stick to issues with regard to the Department of Transport, Tourism and Sport.

**Senator Mark Daly:** It is a governance issue.

**Chairman:** I want to be as helpful as possible to everybody, particularly the Senator. I appreciate this is our first time together at the meeting. I ask the Senator, if he can, to refer to the issues germane to today's discussion.

**Senator Mark Daly:** We are speaking about governance.

**Chairman:** We are.

**Senator Mark Daly:** One of the issues of governance is the audit risk committee's performance and practice. Chapter 4 states the Department ensures that risk and performance are adequately managed.

**Chairman:** Absolutely.

**Senator Mark Daly:** I am asking about an issue in the public sphere that people are talking about, which has huge potential risk if not properly managed. I could not be in front of a more appropriate group of people. I want to ask the audit risk committee a question on an issue in the public sphere, which everyone from the British Prime Minister----

**Chairman:** The Senator can make his political speeches somewhere else.



**Senator Mark Daly:** This is not a political speech.

**Chairman:** I want to be very clear that the Senator's questions should be proper and germane to the audit. I have questions on the audit myself. If the Senator asks about the audit he will get answers but the British Prime Minister is not part of it.

**Senator Mark Daly:** The reason I am asking this here is because we are speaking about governance and the person in charge of the risk committee is present at the meeting. I am asking about a governance issue to do with something that has huge potential risk if not properly managed. Policy neglect seldom goes unpunished. The three questions I have are to confirm it is not on the risk register, to ask whether it has ever been discussed by the risk committee and to ask if not, why not.

**Chairman:** Hold on.

**Senator Mark Daly:** I do not mind whether the Secretary General or Mr. O'Leary answers. It is a specific question on this issue.

**Chairman:** In fairness, I am the Chairman. I am happy-----

**Senator Mark Daly:** I am happy for either to answer.

**Chairman:** I am genuinely trying to be helpful. The Department has been very helpful. We are not trying to work anybody into something that is not our area today. At the same time, with regard to risk committees, it is a generic question.

**Mr. Graham Doyle:** Risk issues are dealt with by the risk committee but I am not sure I am following the Senator's line on this. We deal with transport issues. Political issues are dealt with by the Department of Foreign Affairs and Trade. It is just not something we are in a position to or competent to comment on at a committee hearing. I thank the Chairman for his comments.

**Chairman:** I have ruled on it. I want to be very clear. Any question on technical matters is fine but only on issues that are germane to the Department of Transport, Tourism and Sport. There are other fora of which the Senator is a member or has the right to enter where he can raise other points. I have some generic questions as I am trying to follow through an issue.

**Senator Mark Daly:** I agree with the Chairman that the issue of a united Ireland is primarily for the Department of Foreign Affairs and Trade. It would affect the Departments of Health, Education and Skills, Housing, Planning and Local Government and Agriculture, Food and the Marine. It would have an impact across the entire remit of Government, but it could not be more broad ranging in its impact in the areas of tourism and transport, for example.

**Chairman:** The Senator has made his point. I would like to make some points also.

**Senator Mark Daly:** I have asked only three questions about governance and the risk committee. Is the issue on the register? Was it discussed and, if not, why not?

**Chairman:** The issue of a united Ireland is political.

**Senator Mark Daly:** It is, but it is related to my original point that the Minister or politicians were not allowed to interfere with the Department when it came to issues that it felt were too sensitive. The role of the Department, the public service and the permanent government -



thankfully sometimes - is to highlight issues that are uncomfortable for politicians to address for political reasons. I have conducted research and spoken to people in Northern Ireland. There is a concern, particularly among unionists, that there will be a referendum within five years. If I were to tell the delegates that within five years they would have to-----

**Chairman:** I direct the delegates not to reply to that question on the grounds that the issue is not germane to this committee. It is open to the Senator to raise it in the Seanad or at the Joint Committee on Foreign Affairs and Trade. I am ruling his question out of order.

**Senator Mark Daly:** I understood the issue was germane to the risk committee, which is why I asked the question.

**Chairman:** I would like to ask some questions.

On the issue of financial accountability, the question of the children's hospital is on people's minds. There are many State and semi-State bodies accountable to the Department of Transport, Tourism and Sport for the spending of public funds. The Department is accountable to the Committee of Public Accounts, including for NewERA. What is the role of the Department's internal audit unit in respect of the agencies within its remit? When the unit raises matters of significance in respect of State bodies which are not referenced later in the reports of the Committee of Public Accounts, what intervention, if any, is made by the unit?

**Mr. Graham Doyle:** The focus of the internal audit unit is providing assurance for me as Accounting Officer on how we spend funds which is ultimately audited by the Comptroller and Auditor General and accounted for by me to the Committee of Public Accounts. The overall programme spend of the Department includes allocations of funding to particular agencies. We do not grant money to commercial agencies, of which there are 24, including the Dublin Airport Authority. Where a public service obligation payment is made, for example, to CIE, it is made under a service level agreement and contract with the National Transport Authority, rather than directly by the Department. The internal audit unit provides me as Accounting officer and the management board with a level of assurance on the Department's overall management of the moneys. It also audits our corporate governance arrangements and how we interact with the agencies. There is also periodically an external review of this area and where recommendations have been made, they have been taken on board. The internal audit unit does not audit the National Transport Authority, the non-commercial agencies or any of the other agencies involved. They are subject to separate audit procedures.

**Chairman:** It is mentioned in the opening statement that the internal audit unit reviews the governance of the agencies. In other words, it reviews their governance. In so doing, what evidence does it examine?

**Mr. Graham Doyle:** The internal audit unit ensures the divisions within the Department charged with monitoring the governance of the particular agencies are operating in accordance with our governance standards. Rather than auditing the agencies, we monitor their compliance with the governance code, etc., to ensure they are doing everything they need to do to be in compliance with it. The divisions monitoring the non-commercial and commercial agencies regularly audit them to ensure they are in compliance with the Department's standards and procedures.

**Chairman:** Are the audit findings published?

**Mr. Graham Doyle:** They are available to the Comptroller and Auditor General as part of

the work of his office.

**Chairman:** What happens in the case of non-commercial companies?

**Mr. Graham Doyle:** We do not audit the commercial companies. Our internal audit units reports are available to the Office of the Comptroller and Auditor General to help it in its wider audits.

**Chairman:** Are they available to the public? Are they available on the Department's website?

**Mr. Kenneth Spratt:** I will have to check for the Chairman. They are available on our internal web page, but we would have no problem with making them available should they be required.

**Chairman:** I know that. Under Project Ireland 2040 billions of euro of public money will be spent. While the Department is not doing the spending, it is responsible for the oversight of the spending of public moneys such that it is important that it publish whatever documentation is appropriate. As mentioned by Deputy Munster, to ensure transparency as much information as possible should be made available.

**Mr. Graham Doyle:** While instinct is to say we do publish them publicly, I may be wrong, but they are certainly available to anybody within the Department. Perhaps Mr. O'Leary might be of assistance.

**Mr. Ray O'Leary:** As ever, I am coming at it from a couple of angles. As well as chairing the risk committee, I have an administrative relationship with our independent accident investigation unit. As chairperson of the risk committee, I interact with the audit committee and the internal audit unit. There is always a balance to be struck between publication and what can be done with the information and the importance of being able to investigate what happened. In any case where something goes wrong, be it in the case of an accident investigator or an internal auditor, having the ability to go in a non-inquisitorial fashion to follow the trail of facts is integral to avoid it happening in the future. There is always real tension between who did something wrong and what we do about it versus what went wrong and how do we stop it from happening again.

**Chairman:** The latter question is important.

**Mr. Ray O'Leary:** There is always tension in that regard. We also must be sensitive to the need for commercial confidentiality-----

**Chairman:** Of course.

**Mr. Ray O'Leary:** -----depending on the body involved and its external relationships. We must always be conscious of these issues. As I understand it, the comprehensive internal audit unit reports are not published. The findings and, in particular, the recommendations, are circulated to the management board, but the comprehensive content is not necessarily circulated to it.

**Chairman:** That goes to the heart of my query. Where there is an internal audit of a body under the aegis of the Department, the complete audit report is not made available. That has nothing to do with the witnesses but I am in line with the view of the Information Commissioner on this point. Internal audits which have found matters of significance are red flagged, but we do not know what went wrong. We know the outcomes, as Mr. Doyle said, namely, that A, B, C

and D were found, but we do not know what went wrong. That is my concern in the context of the future. With the 2040 plan, issues will certainly arise. There will be internal audits within those organisations which will clearly identify issues, but transparency in terms of knowing about such issues is not available to the public.

**Mr. Graham Doyle:** It is a fair point. I mentioned that all our internal audit work is made available to the Comptroller and Auditor General.

**Chairman:** It is, yes.

**Mr. Graham Doyle:** Therefore, through the Comptroller and Auditor General's report, which is published, ultimately if an issue were to be of such significance as to merit investigation, and we have not had issues like that-----

**Chairman:** How would we know if that would get to the Comptroller and Auditor General? If the report to the Committee of Public Accounts does not mention it, how would we know that he saw it?

**Mr. Graham Doyle:** My understanding of how this works is that the results on all of the audits are handed over.

**Chairman:** The internal audits are.

**Mr. Graham Doyle:** Yes. They are handed over to the Comptroller and Auditor General and he has full access to them.

**Chairman:** That is fair enough.

**Mr. Graham Doyle:** I should mention, as a matter of interest, that the way we organise our internal audit function is we source it in a particular way. We have two people involved, one of whom is a very experienced gentleman, fully qualified under the body that certifies internal auditors, who works in terms of planning the audit programme, and he now has a colleague assisting him. He works with an external firm which then carries out the work. It is still an internal audit. It is effectively sourced from outside with experts. Our contractor changed recently. It is now Ernst and Young. The internal audit and the reporting on it are carried out through that gentleman who heads up the function, but it is delivered externally. All reports come to our audit committee which comprises both senior managers from within the Department, Mr. Ken Spratt at assistant secretary level being one of them, a principal officer, external parties and an external chair. That is the way it works.

**Chairman:** I have no doubt everybody is aware of the importance of what Department is doing and the significance and depth of the analysis while allowing the semi-State or State body the freedom to do its commercial work, but at the same time they have to be accountable.

**Mr. Graham Doyle:** Of course.

**Chairman:** We cannot have anything other than that accountability, and that would be everybody's wish, including the Department's. We have more or less finished unless Senator Daly has a further comment.

**Senator Mark Daly:** My colleague, Deputy Browne, has raised the issue of Rosslare Harbour, which seems to be stuck in a transjurisdictional quagmire between ourselves and the company in England which also has part ownership of it. Is there a long-term plan to make

sure it is in the entire control of the Department and the agencies under its control? I ask Mr. Doyle to forgive me regarding the previous question because everything is consumed by Brexit. We all know that. From talking to officials in the Department of Defence, I am aware that one of the consequences of Brexit is the issue I mentioned. The reason it has not been looked at is understandable and the reason it is not on the risk register is that we are all consumed by Brexit. Considering the issue from the perspective of the Joint Committee on the Implementation of the Good Friday Agreement, of which the Chairman is a member, it is a concern that is beyond the hill but it is over the horizon. It will affect every Department. When I asked people in the North, even unionists - senior politicians, if they thought there would never be a referendum, they have said there probably will be one.

**Chairman:** In fairness, a referendum is a political matter and everybody has an opinion-----

**Senator Mark Daly:** I am referring to the impact of it.

**Chairman:** I do not know if the officials wish to answer that point.

**Mr. Graham Doyle:** The Chairman has already ruled on that point.

**Chairman:** I have ruled on it already, so I can adjourn the meeting.

**Senator Mark Daly:** I think that ruling stands.

**Mr. Graham Doyle:** Regarding Rosslare Port-----

**Chairman:** Apologies, yes.

**Mr. Graham Doyle:** -----and Senator Daly referenced his colleague on this issue, it is owned by Iarnród Éireann and is operated and managed as a division of that company which is a commercial State body. Iarnród Éireann completed a detailed report on the development potential of Rosslare in recent times. It has a €15 million plan to transform the port, and that has been approved by the board. We met Iarnród Éireann and the management of the port prior to Christmas. That involved all elements of the Department which can interact with the port, from the issue of roads to the port to the maritime issues to Brexit issues. Separately, there will be a significant amount of investment in State facilities at the port. That will show a significant commitment by the Government also. I cannot give the Chairman a figure on that. Investment in the port and in some of its facilities is a matter for the company and it is looking at raising that capital and making that planned investment.

In the context of Brexit, additional customs checks, agriculture, sanitary and phytosanitary checks and health controls will be required when the UK leaves the EU. Certainly, Rosslare is one of the key locations where that impact is felt, the others being mainly Dublin Port and Dublin Airport, particularly in the handling of ro-ro traffic. As the Senator will be aware, there are plans under way. The Government is looking at myriad possible Brexit outcomes and considering planning underneath all of those. It has been planning under a central case scenario, which does not look a million miles from what was voted on in Westminster, and obviously the no-deal scenario. Regardless of whether we are talking temporarily or in terms of permanent facilities required at Rosslare, that is being co-ordinated across Government with the various Departments, the client Departments being the Department of Agriculture, Food and the Marine, the Department of Health and the Revenue Commissioners. Facilities are being planned and acted upon in terms of bringing them to bear by the Office of Public Works. This Department is very much playing its role in ensuring that the affected ports, Rosslare being one of the

main three, and airports are co-operating in full, identifying locations, providing land where they have it or helping source land where it is zoned by others.

Under the central case scenario, in terms of the facilities for the end of a transition period, we would be looking to put in place significant parking facilities for trucks in Rosslare, inspection bays to carry out control checks, a dedicated border control post for live animals, and accommodation space for customs, agriculture and health officials. Aside from the port's own investment in the facilities that are required, I expect the State's investment will be higher. That is a vote of confidence in Rosslare Port and its importance.

**Senator Mark Daly:** Has there been any progress on getting the ownership issue resolved?

**Mr. Graham Doyle:** The ownership issue is ancient, one that is very complex to untangle. I know that it is said regularly, but I am not sure it is the ownership issue that is holding back any of these matters. The port is important and being invested in. Other plans and possibilities were considered to ensure the future of Rosslare Europort, including various models for how it could be operated, including third party operation and franchising. For some of them, depending on their feasibility, the issue of ownership may well have been a complicating factor, but in terms of the immediate future of the port, its importance and the Government's vote of confidence in it, the ownership issue is not necessarily holding it back in the short term.

**Chairman:** Senator Mark Daly's question is helpful. We are arranging for the committee to visit Cork soon. It would also be happy to visit Rosslare to meet and raise these issues with management.

**Senator Mark Daly:** We will ask all members to visit County Kerry also. If Eamon de Valera had done his work, we would perhaps have got Berehaven, Cobh, Lough Swilly and Rosslare. It was an oversight. We might resolve the issue.

**Chairman:** I thank the Secretary General and the officials for attending and his comprehensive presentation. The committee looks forward to engaging with them again soon.

The joint committee adjourned at 3.15 p.m. until 10 a.m. on Wednesday, 30 January 2019.