

(Supplementary Order Paper)

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DÁIL ÉIREANN

Dé Céadaoin, 6 Bealtaine, 2015
Wednesday, 6th May, 2015

2.30 p.m.

GNÓ COMHALTAÍ PRÍOBHÁIDEACHA
PRIVATE MEMBERS' BUSINESS

Fógra i dtaobh leasú ar Thairiscint : Notice of Amendment to Motion

187. “That Dáil Eireann:

notes that:

- in 2012, Siteserv owed €150 million to Irish Bank Resolution Corporation (IBRC);
- in March 2012, IBRC sold Siteserv for €45 million;
- external trade buyers were excluded from the sale of Siteserv and there are questions about due diligence;
- some bidders were also excluded from the sale and may have saved the State some money;
- Siteserv shareholders received €5 million at the time of sale;
- there are genuine concerns about the sale of Siteserv for €45 million by IBRC; and
- Department of Finance officials have raised concerns about other IBRC sales as well;

acknowledges:

- the huge public concern about the sale of Siteserv;
- the dissatisfaction that information, obtained through Freedom of Information (FOI), highlighted that relations and trust between the IBRC and the Secretary General, as well as officials in the Department of Finance, had broken down; and
- there are now concerns about other sell-offs by IBRC;

condemns the appointment of KPMG to undertake a review of transactions in IBRC as they advised Siteserv during the sale and there are public concerns about a possible conflict of interest; and

calls for an independent commission of inquiry to be set up to examine the circumstances surrounding and leading to the sale of Siteserv in March 2012, and other company sell-offs by IBRC so that the interest of the taxpayer can be fully protected and transparent.” — *Michael McGrath, John Browne, Dara Calleary, Niall Collins, Barry Cowen, Timmy Dooley, Seán Fleming, Colm Keaveney, Billy Kelleher, Seamus Kirk, Michael P. Kitt, Micheál Martin, Michael Moynihan, Charlie McConalogue, John McGuinness, Éamon Ó Cuív, Willie O’Dea,*

P.T.O.

Seán Ó Fearghail, Brendan Smith, Robert Troy.

Leasú:

Amendment:

1. To delete all words after “Dáil Éireann” and substitute the following:

“notes that:

- following an independent review of the strategic options for the business and the level of debt in the company, the Irish Bank Resolution Corporation (IBRC) credit committee, in June 2011, approved for Siteserv to commence an orderly process to sell itself;
- IBRC was a creditor of Siteserv and had an interest in the maximisation of proceeds from the sale of the company to maximise the recovery on the company's debts to IBRC;
- the sale process was run by Siteserv along with their advisors (KPMG Corporate Finance and Davy Corporate Finance). IBRC appointed Walter Hobbs as their observer to the sale process. The Department of Finance was not involved in the sale process or any of the decisions taken during the sale process;
- on 15th March 2012, the IBRC Board met and approved the sale of Siteserv to Millington;
- on 16th March 2012, given that Siteserv was a member of the Enterprise Securities Market, the proposed disposal of the Siteserv business to Millington was announced to the Irish Stock Exchange;
- Department of Finance officials were not made aware of the details of the Siteserv transaction during their monthly meetings with IBRC management in advance of the decision of the Board to approve the sale;
- following the introduction of the revised Relationship Framework, in April 2012, the Board of IBRC commenced forwarding Board packs and minutes of Board meetings. The April 2012 pack contained the minutes of the meetings held on 20th March, 21st March, 28th March and 13th April 2012. However, there were no minutes included in the April pack of the meeting of 15th March 2012, which the Department of Finance subsequently learned, had occurred and had approved the sale of Siteserv;
- the first record relating to the sale of Siteserv which the Department of Finance received is dated 23rd March 2012, and was an email from a member of the public relating to media reports around the sale of Siteserv;
- following a review of the transaction, the Department of Finance had concerns about certain aspects of the transaction;
- the Minister for Finance met with the CEO and Chairman of IBRC in July 2012 to discuss, among other matters, the concerns raised following the review of the Siteserv transaction. At this meeting, the Chairman provided the Minister for Finance with strong assurances that the transaction, including those aspects of the transaction with which there were concerns, had been thoroughly assessed by the IBRC Board and that they were satisfied that the transaction was managed in the best manner possible to achieve the best result for the State;
- the IBRC Board had a fiduciary responsibility to the bank's stakeholders and so, in light of this legal responsibility, the Chairman and the Board would have considered and provided such assurances following serious and careful consideration; and
- the Minister for Finance accepted the assurances from the Chairman of IBRC that the transaction had been thoroughly assessed by the IBRC Board and that they were satisfied that the transaction was managed in the best manner possible to achieve the

best result for the State;

acknowledges that:

- the Department of Finance had no role in the sale of Siteserv to Millington or any decisions taken during the sale process and they only became aware of the transaction after the proposed sale of the company was announced to the Irish Stock Exchange;
- given the recent public concerns and questions raised regarding the Siteserv transaction, the Minister for Finance has directed the Special Liquidators of IBRC to review and report on all transactions, activities and management decisions which occurred between the date of nationalisation and the date that IBRC entered into liquidation, that resulted in a capital loss to IBRC of at least €10 million; and
- the Minister for Finance has also directed the appointment of retired High Court Judge Mr. Justice Iarfhlaith O’Neill to monitor any actual or perceived conflicts of interests that may arise as part of this review; and

calls on Dáil Éireann to support the review which the Special Liquidators have been directed to conduct and which retired High Court Judge Mr. Justice Iarfhlaith O’Neill will monitor for any actual or perceived conflicts of interest.” — *An tAire Airgeadais*.