

Opening Statement by Siún Ní Raghallaigh, Chair of the RTÉ Board February 14, 2024

Cathaoirleach, Teachtaí Dála agus Seanadóirí, go raibh maith agaibh as bhur gcuireadh teacht os bhur gcomhair inniu.

There are a number of subjects on the agenda today, all of which are concerned with the expenditure of public funds and governance issues.

As has already been acknowledged, there have been serious deficiencies in governance and, on behalf of the RTÉ Board, I would like to take an opportunity at the outset to again apologise for those failings and to assure this Committee that there can be no repeat of these failings, given the controls that have now been put in place.

I know that the Grant Thornton Report into Toy Show The Musical is of particular interest for discussion today. This project was a significant departure for RTÉ, in an area which was new to the organisation.

Last July, the RTÉ Board recognised that there were serious issues with Toy Show The Musical. That is why we commissioned Grant Thornton to conduct an independent, fact-finding review. The Report was published on January 25th.

In compiling, preparing and producing its Report, Grant Thornton, in applying its methodology under the Terms of Reference to prepare the Report, made the decision to anonymise individuals' names. Following requests from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport & Media, this Committee and the PAC for anonymity to be removed from the Report, we asked Grant Thornton if it could facilitate these requests and it subsequently contacted each individual included in the Report to ask if they would consent to anonymity being removed.

The updated Report was published yesterday. Twenty of those interviewed consented to the inclusion of their names. In line with RTÉ policy, the names of staff below Executive level remain redacted.

In summary, the Report confirms a significant lapse in oversight of Toy Show The Musical.

The Report finds that Board approval was required for Toy Show the Musical, and it also finds that the formal approval of the Board was neither sought nor provided for.

The Report clearly illustrates that the Board was not kept appropriately informed about the project as it was being developed. Information was withheld from the Board. Significant contracts were committed to without the knowledge or approval of the full Board.

The commercial risks associated with an undertaking of this nature were grossly underestimated. The project was not appropriately stress tested. External expert advice was ignored.

However, it is also clear to me that the Executive should have been interrogated by the Board on the project, on an ongoing basis and in a much more rigorous fashion.

In this regard the Board acknowledge that they should have asked more questions, and it is a source of regret for each member that they did not. We take collective responsibility for the Board's responsibility in this debacle.

The Report also highlights a failure in generally accepted accounting practices, in that sponsorship was not correctly presented to the Board and all costs were not properly captured and linked to the project.

As a Board, we recognise and regret the shortcomings that the Grant Thornton Report highlights. Governance structures have now been reformed and strengthened, in the following ways:

- The relationship between the Board and the Executive has been redefined.
- Risk assessment is now central in all decision making at Interim Leadership Team level.
- The Board now receives the minutes of all Interim Leadership Team meetings at its scheduled meetings.
- A new formal approval process has been established for significant expenditure projects, which goes through both the Interim Leadership Team and the Board.
- All submissions relating to material expenditure approvals must now include a risk assessment and a business case, whether for the Interim Leadership Team, or, in the case of larger expenditure amounts, onwards to the Board for final approval or otherwise.
- The level above which Board authorisation is required has also been lowered from €2 million to €1 million. This applies to sports rights, programme acquisitions, programme commissions and operating expenditure.

We are committed to continuously reviewing processes to ensure that they are in line with best practice.

We are working with the two Government appointed Expert Advisory Committees – on Governance and Culture and Contractor Fees, Human Resources and other matters – which were announced in July. Their reports and recommendations are anticipated to be published by Minister Catherine Martin in the near future. These recommendations will be incorporated in the future strategy of RTÉ.

The future funding of RTÉ is also obviously of ongoing concern to the Board and this strategy will be critical in this regard, and in the future evolution of RTÉ.

In conclusion, I want to assure this Committee, and the public, that the Board is focused on driving the change necessary to fully restore confidence in the organisation, and to working with Government to establish a sustainable funding model that will ensure that in line with its statutory obligations, RTÉ can continue to deliver on its important public service media remit.

Go raibh maith agaibh.

ENDS