

12th August 2010

To: **All Motorsport Ireland Affiliated Clubs**

Re: **The Way Forward**

I established the Way Forward review committee in late April of this year to address the issues that arose in the last half of 2009 and to provide a mechanism that would prevent such occurrences in the future. The committee worked hard between May and July, in meetings and between meetings. I am grateful to the members of the Committee – Angela Bumster, Ann Stevens, James Coleman and Dermot Quigley for their hard work, patience and skill on this committee. Recognising the damage done by the events of 2009 to the reputation of the sport and to relationships and trust within the sport, we engaged the assistance of a qualified dispute resolution facilitator with experience of sport and the MI. Jane Williams worked with us in designing the process and in facilitating the outcomes achieved. Jane has confirmed to me that, in her professional opinion, the process was robust, did not duck any issue and was respectful of the people in the process.

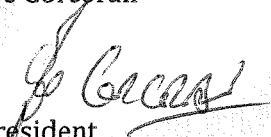
This letter and attachments is designed to bring clubs and their members up to date with the work and its outcomes. It also looks for your feedback on the proposals and I would be grateful to clubs if they could organise to obtain the feedback of members on the proposals and send it on to me.

Attached you will find a report of the committee's work and the proposals from that. Also attached is the Code of Conduct (outside competition), which contains the dispute resolution process for clubs to be used in any future incidences like those that occurred in 2009. This is to ensure we have good practices in place to follow. The proposed changes to the structures of MI are included for your comments and views. The document also touches on the way the CAC works so as it can be a better way of communicating with clubs.

I would be most grateful if clubs would facilitate all members in expressing their views on the attached. It is always more challenging to get the views of the satisfied but it is vital for the future of our sport that the changes proposed are reviewed by as many participants in our sport as is possible. The feedback will inform the final document and should be submitted no later than September 14th.

Thank you for taking the time and for your continuing commitment to motorsport, it's survival and development as a sport.

Joe Corcoran



President
Motorsport Ireland

THE WAY FORWARD

Summary of Work to date

Review Committee: Jane Williams, Sia Group, Facilitator
 Joe Corcoran
 Ann Stevens
 James Coleman
 Dermott Quigley
 Angela Bumster

Background:

The President of the Motorsport Commission (MSC) established the 'Way Forward' review committee, in April 2010, to address the behavioural and structural issues that arose between June and December of last year. Recognising the seriousness of the issues and the damage to the reputation of the MSC and the sport, the terms of reference for the committee were as follows:

1. To address the issues that arose in the second half of 2009 and recommend changes which might address the concerns and ensure the effective governance and development of the sport in Ireland and allow the sport to move on from the events of 2009.
2. To provide a process through which the behavioural aspects of the issues could be heard, understood and addressed.
3. If possible, to develop ways to address issues in the future without the consequential damage that occurred on this occasion.
4. To submit the resulting proposals for changes to the MSC for approval and for consultation with members and clubs.

The committee had five members, three chairs of MSC committees – Race, Rallying and Rules – with a non-MSC member who has extensive past experience of rules and structures, chaired by the President and facilitated by a qualified dispute resolution facilitator with experience of sport governance and MI. The Way Forward Committee met 5 times between 4th May and the 20th July.

The work of the Committee addressed the following topics:

- The events surrounding the December issues.
- The locus of authority within motorsport in Ireland and the source of that authority.
- The role of a national governing body in sport, including governance and development.
- The principles on which the current structures in MI were established.
- The loss of face and confidence suffered by Motorsport Ireland as a result of the events in December. The related need to repair this damage and to build confidence in the MSC as the entity that can take on the role of governing and developing the sport, responsibly.
- The lack of a process through which the concerns of the disaffected Rallying people could deal with their issues.
- The structural changes that could meet the 'demands' of the disaffected Rallying people and the limitations on such changes.
- The views of other participants in the sport on the issues that arose.
- The emotional impact of the events that happened in December on those directly involved and those who have a related involvement or responsibility.
- Clarification of the current structure, the roles of the different entities in the structure and the evolution of those over the last few years.
- The role of the MSC regarding the different disciplines in the sport.
- The adequacy of the current rule book to explain the structures and their working and to govern the sport in circumstances like those that arose in December.
- Communications within the sport and the role of different structures at national, regional and club level to support effective communications.
- The role of leadership in the successful development of the sport at all levels.
- The importance of fairness and transparency in developing and maintaining the necessary trust to effectively govern and develop the sport on a voluntary basis.
- The differing levels of operating effectiveness that are common across the structures in the sport.
- The need to balance operating effectiveness with inclusion and participation on the MSC.

Achievements to date:

Code of conduct - see Appendix 1

This document comprises of both a code of conduct and dispute resolution procedure that are to be used within the Motorsport Ireland committee structure, outside of competition (the Code of Conduct IN competition is already covered in the rule book). This Code is designed to provide a process for the resolution of problems that may arise and to prevent the significant reputational damage caused by the dispute last year, in the absence of a suitable process to handle that dispute. It has been approved by the MSC for implementation following extensive consultation with the Review Committee and the MSC.

Revised makeup of Motorsport Commission

The MSC is the National Governing Body of Motorsport in Ireland. It was agreed that the MSC in its role as the NGB has responsibilities to its members here and to the International sporting community for the governance and development of the sport in Ireland. It also carries a responsibility to be reflective of the diversity that exists within the sport in Ireland.

The committee addressed "representation" as the most pressing issue that arose in the dispute. It agreed that the appropriate composition of the MSC would need to be judged on the following criteria:

- Representation
- Effectiveness
- Good Governance
- Sustainability

The committee reviewed many different options on the size and composition of the MSC and discussed the merits of many configurations, based on the criteria above, including those set out below.

- 1) As is with the IAC and IMF giving up a seat each to facilitate two extra region seats (18 Members)
- 2) How does the MSA operate their commission level (23 Members)
- 3) Review structure and instead of reducing MSC membership – increase it to ensure that all affiliated clubs are represented on MSC (49 Members)
- 4) No club delegates (19 Members)
- 5) No advisory groups – on an invited basis only (14 Members)

Notwithstanding the above and to address issues surrounding "representation", the MSC has agreed the following proposal arising from the work of the review committee for circulation to clubs for feedback and comment:

Representation: 17 Members maximum:

- Regional Seats:
 - Regional Seat 1
 - Regional Seat 2
 - Regional Seat 3
 - Regional Seat 4
 - Regional Seat 5
- Race Committee
- Rallies Committee
- Kart Racing Committee
- Safety Advisory Group
- Technical Advisory Group
- Clubman Representative
- Speed Representative
- IMF
- IMF
- IAC
- IAC
- Rules Advisory Group

The IMF seats on the MSC will provide for:

1. President
2. Immediate Past President / Vice President
The immediate past president would sit as Vice President for the first year following his departure from President. The following year, a Vice President would be nominated by the IMF and the Past President would then step down from the IMF seat.

The FIA Delegates to various commissions would also be entitled to sit on MSC with full voting rights. It would be envisaged that, where possible, these would come from the IAC seat as had been the trend to date.

The regional seats will be elected from five regions as outlined in Appendix 2 of this document.

** IAC Previously known as RIAC*

The Executive Council

At present, the Executive Council has two main functions

- The nomination procedures for the MSC appointments to the MSC and the various discipline committees and advisory groups.
- Deals with applications for funding and grant assistance, primarily from competitors.

It is proposed to abolish the Executive Council. Applications for funding would be given to the IMF and the nomination procedure would be dealt with by a sub-committee of the MSC.

The Nominations Committee would be made up of:

- MI President
- MI Past President or Vice President
- 2 Regional Representatives – (Volunteers from 5 regional seats and drawn if more than two interested)
- MSC appointment e.g. for 2010/11 - A Bumster

The current chair of each committee would bring forward names for MSC nominations for discussion with the Nominations Committee. They would listen and prepare a proposed list for Commission approval. The Nominations Committee would be encouraged to attend open forums etc to meet the people involved in the sport to assist the members with their decision-making.

The IMF

The Irish Motorsport Federation Limited is the legal entity of Motorsport Ireland. It is agreed that changes will be required to the Articles of Association and the constitution of the IMF to effect and implement the changes proposed by this group.

The IMF is responsible for the management of the business in the areas that are of a confidential nature, e.g. employment, contract negotiations etc.

Proposed Makeup of the IMF

Chairman	Chairman of IAC
Director	Past Chairman IAC
Director	Nominee of IAC
Director	President of the Motorsport Commission
Director	The Regional Representative from the Motorsport Commission

The Regional Representative from the Motorsport Commission:

- This appointment will be on an annual rotation basis from the five regional club representatives that will sit on the MSC from 2011.
- The five regions will be sequenced by an open draw at the CAC meeting in November 2010, which will decide the order of rotation.
- The regions are outlined in Appendix 2 of this document.

Outstanding Items to be Dealt With:

The Committee addressed the importance of communication in assisting members and clubs with their understanding of the complex nature of the role and structures of the MSC as the National Governing Body for the sport and in preventing issues and misunderstandings in the future. It focused on the CAC as a key communication channel within Motorsport that can provide better opportunities for debate and discussion.

The CAC

The CAC was briefly discussed and agreed that it needs to change –

The CAC is recognised as a valid communication channel for the affiliated clubs and it needs some work to bring back its functionality. Suggestions are welcome from clubs on how it can be improved. The following are some that arose in the committee's consideration of the issue:

- Only read out reports that are exceptional.
- Have a varied agenda prepared for the meeting.
- The CAC will remain at Motorsport Ireland Offices in Dublin. It had been moved to other locations previously but it did not seem effective.

Appendix 1

MI GENERAL CODE OF CONDUCT

1. Introduction

Motorsport Ireland has rules for the governance of the sport. These include a detailed set of rules governing competition in the sport and its disciplines and Terms of Reference for the governance structures in the sport. Appendix 122 of the rule book contains a 'General Code of Conduct'. Recent events have demonstrated that the behaviours are not always in accordance with the letter or the spirit of the rules or the General Code of Conduct.

These additions to the Code of Conduct have been developed by the sub-committee of the Motor Sport Commission, which is charged with the Way Forward Review. This review is designed to provide a basis for the Motor Sport Commission to move the sport on from the issues that surfaced in the second half of last year, to underpin the continued successful development of the sport into the future, including ways of ensuring that the issues that arose in 2009 do not occur again. It is an implementation mechanism for Motorsport Ireland's policy on sportsmanlike behaviour in and around motorsport.

These additions to the Code recognise the competitive nature of motorsport but also the co-operative ethos with which the sport is governed by the members of the Motor Sport Commission assisted by its committees, clubs, competitors and volunteer officials.

2. Issues Addressed

The President has convened a small sub-committee of the Motor Sport Commission to which he has given the task of developing 'The Way Forward'. This work has confirmed the importance of following the current rules for competition. The sub-committee agreed that the current constitution and its implementing structures are fair and detailed. They work well and there is no need for massive changes to prevent the issues that arose last year from happening again. It has also confirmed the current structures in the sport are robust, with clarification required on the role of emerging structures introduced to facilitate the move to independence of Motorsport Ireland from the RIAC. The sub-committee also recognised that the RIAC will need to re-build its confidence in the Motor Sport Commission as capable of governing the sport and its own operations, following the events of last year.

The proposal was put forward and agreed that an Executive Council is no longer required and the role of the Motor Sport Commission is confirmed as the key structure in the governance of the sport was welcomed. The IMF will be responsible for matters relating to employees and sensitive issues related to finance. The Motor Sport Commission will deal with all other decisions related to the governance of motorsport within the jurisdiction of Motorsport Ireland.

This confirmation of the Commission as the key structure needs to be communicated to all involved in the sport.

Following approval by the Motor Sport Commission, the President and members of the sub-committee will consult with the clubs, during August, on the decisions agreed. This will be done by writing formally to the clubs for their views on the draft set of decisions, with a view to getting comments by September 14th in time for presenting the final set of decisions to the Motor Sport Commission in September.

The sub-committee will review the rules contained in Appendix 102 by the end of August, with particular reference to the appointment of officials, licensing and training, to see if any changes are needed to ensure that they are robust and fit for purpose in the context of recent events.

The work has also identified that the behaviours in the sport outside of competition are also important and can have an impact on the reputation and good governance of the sport. These are addressed at a very high level in Appendix 122 of the rule book. However, the rules could be supported by further elaboration of the 'General Code of Conduct' to make expectations on norms of behaviour in the governance, decision-making and development of the sport, more explicit, and to make clear the expected procedure for dispute resolution for disputes that might arise outside competition. The rules concerning this are attached.

ADDITION TO APPENDIX 122 OF YEARBOOK

Behaviours expected of all involved in Motorsport, its governance and development

The guiding principles for the Code are trust, respect, fair competition and co-operation, and the pursuit of disciplined and responsible enjoyment and fun in the sport for all current and future participants.

The overriding principle for officeholders is the sustainable development of Motorsport in Ireland. This involves a whole of sport view, a balance between the short and longer term and an approach to action that is co-operative and altruistic.

The reputation of the sport and its ability to govern itself are crucial to its future success. All behaviours of those involved must be consistent with maintenance of the good reputation of the sport and its national governing body, Motorsport Ireland.

The sport is competitive and inherently dangerous if not conducted with safety in mind. The conduct of people within the sport can also result in hurt, even if this is not physical hurt. The principles of respect and trust should be evident in the behaviours of all involved in the sport. Though not tangible, poor behaviours can and should be identified and challenged through the procedures listed in 4 below. Examples of these are given for illustrative purposes and additions may be made to this list by putting a proposal, supported by two-thirds (66%) of registered clubs, to the Motor Sport Commission for consideration:

- Side deals or agreements at informal meetings before the main meeting are not a valid way of conducting business as they are outside the regulated channels. Such deals are null and void unless brought to the relevant decision-making body for discussion and decision.
- The use of the media as a method of exerting additional pressure towards an outcome is not a behaviour that is consistent with this Code.
- Support to an individual who is in a difficult spot, at an individual level if not for the position taken, is a positive behaviour. This could include a phone call providing moral or emotional support or a quiet word of support at a human level on the margins of the meeting.
- The outcome of decisions should be communicated as agreed. When it is agreed that a topic, or the points raised in discussion on a topic, are confidential, members of the Commission/club/committee will not divulge that information to non-members of that governing structure.

Dispute Resolution

The following procedures must be conducted in keeping with the Code of Conduct:

- (1) In the first instance, those directly involved will identify the problem and address it.
- (2) If (1) does not happen, the relevant committee will speak with those directly involved to determine the issue, the views and seek to mediate a resolution.
- (3) If (2) does not resolve the issue, the case will be referred to the President of the Motor Sport Commission (MSC) who will attempt to mediate a solution or rule on the matter.
- (4) If (3) is not successful, the issue will be referred to Just Sport Ireland (an independent arbitrator) who specialises in sport disputes, who will rule on the matter and their decision will be binding. The notes and submissions from the various steps in the resolution process will be made available to the arbitrator and they may call parties to participate in the arbitration process.
- (5) Where the behaviour of an individual or a group of individuals is in breach of the Code of Conduct, the individuals can be called to account, using the above procedures, through a formal complaint made by two-thirds (66%) of the members of the Commission or two-thirds (66%) of the organising committees of the disciplines in the sport. Note the two-thirds refers in all cases to the total membership of the group, not just those in attendance.
- (6) The President of the Motor Sport Commission, to allow for mediation discussions to take place, may declare a cooling off period of up to 4 weeks. This period will be respected and no action will be taken (during the cooling off period) by any sides to the dispute, other than to participate in the resolution process if requested.
- (7) If the matter is referred to Just Sport Ireland a binding arbitration process will conclude the matter under discussion.

Appendix 2**Proposed MSC Club Nominations – Region Breakdown****5 Delegates - 5 Regions****Region A:**

Donegal Motor Club Ltd.:
 Connacht Motor Club (Sligo) Ltd.:
 Co. Monaghan Motor Club Ltd.:
 Co.Cavan Motor Club:
 Midland Motor Club:
 Mayo & District Motorsport Club Ltd.:
 Castle Automobile Club Ltd.:

Region B:

Northeast Motorsports Club Ltd:
 Meath & District M.C.:
 A.L.M.C Ltd
 Motor Enthusiasts Club Ltd.:
 Irish Karting Club:
 Trials Drivers Club:
 G.S.M.C.:

Region C:

Carlow Car Club Ltd
 Laois Rallysport Club:
 Leinster Motor Club:
 Co.Kildare Motor Club:
 Wexford Motor Club:
 M.R.C.C.I.:
 I.V.V.C.C.:
 I.M.R.C.:

Region D:

Galway Motor Club Ltd:
 Clare Motor Club:
 Limerick Motor Club:
 Birr District Auto. Club Ltd
 Tipperary L.C. & M.C.C.:
 Carrick-On-Suir Motor Club Ltd
 Imokilly Motor Club:

Region E:

Kerry Motor Club Ltd.:
Killarney & District Motor Club:
Cork Motor Club Ltd.:
Munster Car Club:
Munster Kart Club:
Skibbereen & District Car Club:
Southern Karting Club

NOTES AS TO THE SELECTION PROCESS FOR REGIONAL REPRESENTATIVES

- One of the regional representatives would sit on IMF each year
- In order to facilitate good audit practise, this member of the IMF would change each year allowing us fresh eyes and ears each year.
- The representative will be appointed in a strict rota – eg
 - Year One : Region 1
 - Year Two : Region 2
 - Year Three : Region 3
 - Year Four : Region 4
 - Year Five : Region 5
- To determine what regional rep to serve in what year an open draw will be organised at the November CAC 2010.