



Northern Ireland  
Assembly

Committee for Agriculture and Rural  
Development

# OFFICIAL REPORT (Hansard)

DARD Business Plan 2012-13: Progress  
Report

5 March 2013

# NORTHERN IRELAND ASSEMBLY

## Committee for Agriculture and Rural Development

### DARD Business Plan 2012-13: Progress Report

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**Members present for all or part of the proceedings:**

Mr Paul Frew (Chairperson)  
Mr Joe Byrne (Deputy Chairperson)  
Mrs Jo-Anne Dobson  
Mr Chris Hazzard  
Mr William Irwin  
Mr Kieran McCarthy  
Mr Oliver McMullan  
Mr Robin Swann

**Witnesses:**

Mrs Valerie Bell	Department of Agriculture and Rural Development
Mr Robert Huey	Department of Agriculture and Rural Development
Mrs Pauline Keegan	Department of Agriculture and Rural Development
Mr Graeme Wilkinson	Department of Agriculture and Rural Development

**The Chairperson:** I welcome to the table Graeme Wilkinson, assistant secretary; Pauline Keegan, assistant secretary; Robert Huey, deputy chief veterinary officer; and Valerie Bell, principal officer. You are very welcome. You are certainly no strangers to the Committee, and we welcome your presence here today. Graeme, are you starting off for us with a presentation?

**Mr Graeme Wilkinson (Department of Agriculture and Rural Development):** Yes.

**The Chairperson:** And then we will have questions. Thank you.

**Mr Wilkinson:** Chair and members, thank you for the opportunity to present the Department's business plan progress report to the end of quarter 3. The material presented today has been reviewed and agreed by the senior management team in the Department and the Minister.

As you mentioned, Chair, I am accompanied today by Valerie Bell from the EU area-based scheme who will be able to provide more detail on the land parcel identification system (LPIS) project and the various payment targets. Robert Huey, the deputy chief veterinary officer, has also kindly agreed to provide the Committee with a progress report on the Northern Ireland food animal information system (NIFAIS) project. Pauline has attended these briefings on a number of occasions and will be able to address any points that you may have on the various rural development programmes.

You will have noted from the report that progress towards each of the targets is defined as red, amber or green. Of the 32 business plan targets, 24 are reported as green, three as amber and five as red. That position is relatively unchanged from the last report that the Committee received back in

September. Members will recall that, at that time, 23 were green, one was amber/red, five were amber and three were red. The two targets that have moved from amber to red are in respect of the NIFAIS project and the target on capital disposals. Explanations for each of those are included on pages 19 and 39 of the report.

The format of the report, although more detailed than the previous one, is intended to provide a greater depth of analysis to support the red, amber and green (RAG) assessment. That seems to be working well, and we propose to use it to monitor progress against future business plan targets. Given the extent of the detail included in the document, you will be relieved to know that I do not intend to go through each individual one. However, it might be useful to highlight some areas of specific interest.

As members will be aware, the business plan includes the Department's four Programme for Government commitments. Those include developing an agrifood strategy; delivering a range of measures to tackle rural poverty and social and economic isolation; progressing the relocation of the Department of Agriculture and Rural Development (DARD) headquarters to a rural area by 2015; and eradicating brucellosis in cattle by 2014.

Page 1 of the report sets out the achievements during the quarter in respect of the agrifood strategy. As you will see from the report, a significant amount of consultation and work has been completed, and I understand that the board aims to present the draft plan to Ministers later this month. I ask the Committee to note that, subsequent to the green status reported in December, progress on that commitment has been defined as green/amber due to the presentation of the report to Ministers slipping to February 2013. That additional time was needed to refine the board's emerging findings and to secure the stakeholder buy-in necessary for effective delivery of the plan.

As part of the Department's commitment to deliver a range of measures to tackle rural poverty and social and economic isolation, the Department is on track to incur expenditure of £4 million. I am sure that Pauline will want to say a little more about what has been delivered. However, page 9 of the report sets out some of the key achievements. They include 102,000 passenger trips through the assisted rural travel scheme; 14,000 contacts made with elderly people living in rural isolated areas; and 1,239 health-screening checks across 50 different locations.

Work is also progressing on the commitment to advance the relocation of DARD headquarters by 2015. The 2012-13 business plan target is to complete the necessary appraisal process to inform the most suitable future accommodation by 31 March 2013. That is also progressing well, and we are on course to have a first draft of the business case completed later this month. The business case will be further informed by work carried out on an equality impact assessment consultation with our trade union partners and staff, as well as an additional review of the design options.

You will also see from page 13 of the report that the reduction in brucellosis is ahead of target.

I now turn to the targets that have been reported as red. I can advise the Committee that the targets previously reported in that category remain unchanged. You will recall that those include the target on staff absenteeism; expenditure on the Northern Ireland rural development programme (NIRDP) and fisheries programmes; and reducing the administrative burden on the agrifood sector. As I mentioned at the outset, the NIFAIS project and capital receipts have been added to that category. Robert is probably best placed to update you on the current position in relation to NIFAIS. In respect of capital receipts, we had intended to dispose of a parcel of land at Tullyhogue. However, given concerns about the historical importance of the site, that is not now progressing. Although alternative disposals were identified to address the financial gap, we are still reporting that target as red.

Three of the Department's business plan targets have been recorded in the amber category. The Committee will be aware of the outbreak of ash dieback and the negative impact of that on Forest Service's target to create 250 hectares of woodland. You will see from page 25 of the report that Forest Service is making good progress against that objective. However, it still requires 60 hectares to be created in the final quarter. That will be monitored closely between now and the end of the financial year.

Members will also be acutely aware of the challenges around the issuing and reconciliation of farm maps and the need to have as many of those completed to inform the 2013 application process. Details of progress against that target are set out in page 26 of the report, and Valerie will be able to provide members with any clarification.

Finally, members will note that the capital out-turn position has been identified as amber. That is in light of the risk associated with expenditure being profiled towards the latter months of the financial year and the demand-led nature of many of the Department's capital grant schemes. I can report to the Committee that, since December, expenditure has been improving, particularly in relation to those capital grant schemes. We continue to monitor that area closely, and members will also be aware of the new arrangements put in place with our delivery partners to optimise expenditure and deliver the Minister's commitment to spend all EU funding available.

That concludes my introductory comments. My colleagues and I will be happy to respond to any questions that you may have.

**The Chairperson:** Thank you very much, Graeme, for your presentation. I have a number of points. I am concerned that we have moved from three in red to five in red. You mentioned that in your presentation. I think that you said that one of those was goal 3, target 6, which was the replacement of the animal and public health information system (APHIS) by NIFAIS. That is a system that is vital to Northern Ireland, as has been shown in the last number of months with regard to the horse meat contamination scandal. Can you give us more detail on that? You said that Robert may come in on that. Can you give us any indication of new timescales, exactly where we are with it and how that transition period will come into play? What concerns us is whether there will ever be a weak period or blind spot with regards to the transition. That would be very important to know.

**Mr Wilkinson:** As Robert is the senior responsible officer (SRO) for the project, he is better placed to provide the Committee with answers to those queries.

**Mr Robert Huey (Department of Agriculture and Rural Development):** I could talk for days on this, but I am not going to. I will come back and do that another day if you want me to. It will be useful to answer a few questions first and then move on to the specific ones that you have asked. Why are we doing this? We are doing it because, first, there was a contractual problem, in that APHIS had been awarded to AMT-SYBEX for a period of 10 years and we are now three years — nearly four years — over that, so DARD is open to a legal challenge if we do not re-procure. Secondly, APHIS was put in place in 1998. You all probably had computers in 1998, and I am quite sure that you have had several computers since then. That is part of the problem. APHIS was 1998 technology and a 1998 platform, programmed in a 1998 way. The intention is that NIFAIS will take us through from 2017 — we intend to switch the system on in July 2017 — until around 2032. It is an exciting project. It is a very complicated programme, but it is a huge opportunity, and we have to do it.

I will mention a few more milestones. We initially wanted to go to the Official Journal of the European Union to advertise the procurement this time last year, but that slipped. We then wanted to go in October last year, and now we intend to go to the journal in the third week of May this year. Why has there been a continuous slippage? There has been slippage because it is important to get the thing right and I, as SRO, was more focused on making sure that we get our requirements right than on going forward according to what is almost an artificial timescale.

The final delay last October was when we were working up our exit strategy with the incumbent, AMT-SYBEX. We need an exit strategy for the transition, as you mentioned, Chair, and that is for several reasons. We need an exit strategy to ensure that the current information that we have on APHIS is packaged up properly so that it can be transferred over to NIFAIS. We are aware that AMT-SYBEX may be successful in procuring but it may not, and we have to cover those two options. There is a risk if it is successful in the procurement, because it will be trying to run our old system at the same time as developing our new system, which will be very heavy on its resources. If it does not win or is successful as part of a consortium in procurement, we have a problem as well, because it might not be best pleased. So, we have to tie this all up in contract — the exit strategy — before we go to procurement.

We were about to go forward with the exit strategy, and had taken that to the departmental board. The departmental board quite rightly pointed out that the exit strategy was actually worth £5 million and was a single-tender action. That put everybody back on their heels a little. It was decided that we would go back to our original business case, which was cleared by the Department of Finance and Personnel (DFP) back on 28 July 2011, make sure that our figures were robust and make sure that our exit strategy was properly reflected in our outline business case. That is currently what we are doing. The process is ongoing with the consultant who we have gone through the process with and employed. Luckily, it is the same consultant who did the first outline business case. A project is in

place to get us going to the journal by the third week of May. However, if the process of redoing the outline business case throws up a problem, I will delay again rather than go too early.

That is why the project is red. We intended to be at dialogue by March this year. We will not now be at dialogue until September 2013, with the aim of having a preferred supplier and award of contract by September 2014.

It is complicated. APHIS is a world leader. There is no system like it in the world, so it is hard to benchmark. NIFAIS will keep us ahead of the pack. It will be flexible; it will be mobile; it will be future-proofed. None of us can have any idea what sort of mobile phone or platforms we will be using in 2032. So, the system has to have the ability and flexibility to do what it has to do for that sort of length of time. We are very excited about it, but it has those two words in it that would scare anybody, particularly me as the SRO: "IT" and "government". *[Laughter.]* The history of those is not good, but we are doing everything we can to ensure that the procurement is successful.

Have I answered any of your questions? *[Laughter.]*

**The Chairperson:** Robert, as always, you have been very thorough. The question was on timescale, which you have answered. There was also a concern that there would be a blind spot in the transition period.

**Mr Huey:** What will happen is that we will award a contract in about September 2014, and then start the development phase. We will develop it in modules. How we do the transition will be up to the people who are developing the system. I hope that we will be able to have a period of parallel running. However, there will be a day, in July 2017, when we switch one off and switch the other on. There is no option. NIFAIS is so complex, and there are so many interactions. It is not just the identification, registration and movement of animals; it is not just disease control. The whole thing interacts one with the other, and it is not something that you can slip out, one module at a time, and hope that you can handle it that way. There will be parallel running, and then there will be a day when that will end. That will probably be in July, when agriculture is fairly slack, slaughterhouses are not putting through much process and the markets are not doing much.

Why are we here with this? We are doing it this way because there is a difficulty with the intellectual property rights. DARD does not own the intellectual property rights of APHIS; those are owned by AMT-SYBEX, the supplier. That is quite right; the legal position is correct. The people who should own the intellectual property rights are those who can best develop it. Obviously, DARD is not in the business of developing IT systems. However, it means that we do not own the intellectual property rights and cannot carry over the current methodology into the new system. That does not necessarily mean that we want to own the intellectual property rights on the next one, but I want a better legal set-up, so that we can use the intellectual property rights from this one. We would have use of them, while perhaps not owning them. Again, that is something for future debate.

**The Chairperson:** Thank you very much, Robert.

The nature of this question and answer session is such that it will, I think, bounce all over the place, Robert. You may well be fielding questions on that later. However, I will move on with my questions, and then open it up to the Committee.

One of the other goals is always going to be rural development, and we were always going to discuss that at this time with regards to the business plan targets. Pauline, I am sure that this is your area. In recent weeks, we have been given information about the Minister writing to the local action groups (LAGs) and the joint council committees (JCCs) about moving money from measure 3.1 into other lines of funding and then moving other moneys into strategic projects. Do not get me wrong: all the areas, including my constituency and my council area, are benefiting from strategic projects money, but it was always their design to be a last resort to spend money quickly so that we do not have to give it back to Europe. It concerns farmers that more money will be diverted from what they see as farm-led projects to strategic projects that will not necessary impact on the farming community in the way that it is meant to and is designed to. We also know that there seems to be a thirst out there for farm diversification. Can you tell us something about that and what plans are afoot in the Department for reallocating money?

**Mrs Pauline Keegan (Department of Agriculture and Rural Development):** I can do, Mr Chairman. First, I will set this in context. Recently, some local action groups have been considering that they will

not be able to fully spend out on measure 3.1. Not all the local action groups feel that way. Some have said that their area may not be able to sustain any more applications, perhaps over the next year or two, and, obviously, we are moving to the end of the programme. Those LAGs have asked us to consider moving these funds to different farming-related measures and then freeing up alternative funds for spend on other measures. We are looking to see whether we can move funds within the Northern Ireland rural development programme financial plan to accommodate this.

We have not made any decision on that, and we have not said to local action groups that we will be able to do it, but, when the request has come to us, we want to look to see whether we can make some sort of accommodation. I want to be clear that, if we can accommodate that and if we are able to move measure 3.1 farm diversification funds, they will be going to other farm-related measures. If other funds are brought into the programme, they will probably be for strategic projects in that we all agree that strategic projects are a way to get quicker spend and, as you said, to try to get spend out the door. We are not saying that we are not spending on 3.1 because we want to put that money into strategic projects. We have never said that, and we are not saying that. We are responding to a request from some, not all, LAGs that feel that their area will not accommodate any more in the next year or two. We are still working on this and looking at it to see whether, in the financial plan, it can be done. If it is done, the move of funds will not be to the detriment of the farming industry, and we are clear about that.

**The Chairperson:** OK. Thank you, Pauline.

I will move on to a different subject. Goal 3, target 5 is to:

*"With stakeholders, develop a strategic partnership to support industry in tackling production diseases, including BVD."*

Was that economic appraisal approved, and how much money is being released? Will we be able to attract sufficient matched funding from the private sector? Obviously, a partnership approach is being taken to this. I know that the Minister has made a statement today on a funding offer to help to tackle bovine viral diarrhoea (BVD) and Johne's disease. Can you give us any more information on that?

**Mr Wilkinson:** My understanding is that the business case has been approved by DFP. My recollection is that the Department's funding was £125,000 and that there has been a commitment that matched funding will be available. I will come back to confirm that figure.

**The Chairperson:** I have a final question in this session and will then hand it out to members. It is on Forest Service. Target 1 refers to the creation of at least 250 hectares of new woodland and income of £7 million from forest resources. We have a big issue as regards new woodland and the goals that Forest Service and DARD have set, compared with the Programme for Government plans to increase by 50% new woodland cover. By using unambitious targets, we are having no effect, or will not have an effect, on reaching the overall target in time. That has concerned a lot in the forest and woodland industry. Now that we have the Chalara incidence and all the other issues that we are having to firefight and react to, there is a concern out there that Forest Service is stretched. It has diverted personnel and resources into tackling the serious issue of ash dieback/Chalara. However, while that fight goes on, there must be a lot of work that should be going on within the Forest Service but is not. So, gradually, a lot of Forest Service goals and targets will turn red, if they have not already, because of the fight against ash dieback. How do you respond to that, Graeme? What is being put in place to look at that overall in DARD so that Forest Service has the resource, not only to tackle the diseases that are in front of us but to hit targets with regards new woodland cover?

**Mr Wilkinson:** We are looking at plant health generally across the Department. It is not just about Forest Service; it is about how we structure the Department and how we resource ourselves sufficiently to make sure that we are addressing the issues around plant health. Ash dieback is only one disease, but there is a multitude of diseases out there. So, it is an issue that we are alert to, and we are looking at the resources required to ensure that we are addressing it.

You are quite right that there will be a resourcing requirement. We have finite resources, so there may be a bit of rebalancing of our funding to make sure that we are addressing those issues that are strategically important for the Department. So, I can give you the assurance that that work is being considered.

In relation to the targets, it is to Forest Service's credit that it is doing so well and that it looks as if it will achieve its planting target. It is to its credit that, under very difficult circumstances, it is getting the job done. I can give you those assurances, Chair.

**The Chairperson:** OK. Thank you very much, Graeme.

**Mrs Dobson:** I also thank you for your briefing. I have to agree with the Chair: it is disappointing to see an increase in targets graded as red.

Goal 5, target 7 is about improving staff absenteeism targets and has remained red. However, there is no assessment in the business plan other than, "It remains red." Why is that? Is it because no progress has been noted? Are we to assume that nothing has been done on that since September?

**Mr Wilkinson:** On your first point, Jo-Anne, I appreciate that the number of targets that have gone to red has changed from three to five. However, it is important that we are transparent with the Committee and make sure that we are reporting factual information and are providing a proper assessment. So, while recognising that the number has increased, it is an accurate assessment of where we are as a Department. When you look at it in total terms, you see that, although it is increasing, we have achieved quite a lot. When you read through the document, you see that the Department has delivered quite a few of its objectives.

In relation to the target on staff sicknesses, a number of actions have been carried out by Departmental HR (DHR), particularly around engaging with the Northern Ireland Statistics and Research Agency (NISRA) to try to understand the reasons and the rationale behind the increase in staff sicknesses. So, that is work that DHR is engaging on with our partners in NISRA. Furthermore, we have invested in the Northern Ireland Civil Service (NICS) well-being programme, which is designed to promote health and well-being in the workplace. The important thing is to try to get people who are sick back to work and to make sure that they do not have a recurrence of their sickness. Also, we are carrying out stress management and industrial lifestyle improvement workshops with our staff. So, we are taking action, but you will not see an immediate response to that. It will take time for those actions to have an impact on the ground. I assure you that we are taking action, things are happening and DHR is aware of the issue, but it will take time for us to see a reduction in terms of the overall target. This is not something —

**Mrs Dobson:** Do you not agree that it would have been useful to see a paragraph on what you are trying to do to fix it? Last September, it was red. Does it remain red because DARD does not really care about improving the absentee rate among its staff? What else are we to believe? It has just been left hanging there with a lack of detail.

**Mr Wilkinson:** We tried to cover that in the report. We talked about the stress management workshops and well-being in the report, so we have highlighted the planned activity for the next quarter.

**Mrs Dobson:** Are you confident that it will be addressed in the next quarter?

**Mr Wilkinson:** No, I would not give that assurance. It is being reported as 8.2. It will take some time for us to see that reducing. It will not happen overnight. It is something that we are monitoring very closely, and I can assure you that we are taking action.

**Mrs Dobson:** But you cannot give a timescale for when it will be addressed?

**Mr Wilkinson:** No.

**Mrs Dobson:** Goal 1, target 7 aims to reduce the administrative burden on farmers — the same old problem — by 25%. Again, it is graded as red. Can you outline what practical steps have been taken since September to improve that? You say that the 25% target will not be met. What is likely to be the final percentage? You are bound to have a figure in mind around that.

**Mr Wilkinson:** The most up-to-date figure is 4.3%, which is obviously some way off the 15% that we had originally set out. Perhaps that was overly ambitious given what we know now. We have been working with stakeholders and the business in trying to understand how we can simplify the process. We are not getting a lot of feedback on how we can improve that, but, hopefully, the Committee will

take some assurances in respect of what we are doing with the NIFAIS project. Significant investment is going into that, which will help to improve processes and procedures in the Department. Also, in the LPIS project, those processes and procedures will help to simplify the processes for the farmers. So, we are doing things. We are listening to our customers and trying to understand how we can improve things. It will be a process of continual improvement, and those are the actions that we are currently undertaking.

**Mrs Dobson:** Percentage-wise, do you have a figure in mind?

**Mr Wilkinson:** There is no figure. We set out on a three-year plan, which finishes at the end of this year, and I know that plans are being developed to come up with some figures and targets around that. We will come back to the Committee when that work has been completed.

**Mrs Dobson:** Can you outline any scale that you are using to assess the targets?

**Mr Wilkinson:** I am not close enough to it to provide that level of detail.

**Mrs Dobson:** I have one final point. It touches on the rural development programme, which you spoke about earlier. Every time I read an update on the rural development programme, it says "excluding admin costs". What are the costs for administering the programme? I imagine that we are bound to see a similar percentage underspend there? Can you outline that, Pauline?

**Mrs Keegan:** Yes, I can, Jo-Anne. I can give you some overall figures and then I can talk more specifically about admin. Axis 3 has spent £39 million to date since the programme began. That is made up of £29.2 million on project spend and £9.8 million on administration. What we hope will happen with axis 3 is that the administration spend will sit at around 20% because that is what the regulation provides for.

When you look right across the seven LAGs, you see that it is more than that. It is probably sitting at around 33% or 34%, but that figure is coming down. Although we have had a difficult start to the year with axis 3, a lot of good progress has been made by the local action groups. Spend has gone up. In January, spend went up to nearly £8 million just for January, and they hope to make their target in March. When spend goes up, administration comes down because it is linked in that way. I believe that we are making good progress on administration costs, because they are starting to reduce.

**Mrs Dobson:** Pauline, in some of the assessments you mention inexperienced staff in the less-favoured area compensation scheme. Earlier, the Chairperson discussed missing targets. Do you feel that inexperienced staff have been a significant factor in missing targets?

**Mrs Keegan:** I am not sure that that is my one, particularly. However, we touched on inexperienced staff generally. For all of us, the Department and local action groups included, a grant scheme like that has been a learning curve. Staff and members of local action groups work very hard, and a great deal of learning has gone on for all of us. I genuinely believe that, this year, we have seen quite a difference in where axis 3 has gone, in that, in the past, when I have been at the Committee — and I have been here talking about this quite a lot — we were, perhaps, looking at depressing figures. I do not think that that is the case. With strategic projects and other things that are going on, progress is good. We are all working well in partnership. I do not believe that for axis 1 and axis 3, which are my particular responsibilities, inexperienced staff are an issue.

**Mrs Dobson:** I am concerned that inexperienced staff are mentioned with regard to the LFA compensation scheme and about how exactly that would affect programme delivery.

**Mrs Keegan:** I am not sure about that one. Valerie, do you know about it?

**Mrs Valerie Bell (Department of Agriculture and Rural Development):** On reading this, I think that the additional casual staff relate specifically to the less-favoured area compensatory allowances (LFACA) debt exercise, which, presumably, is when people have been overpaid and we seek to recover the money. That is a very specific piece of work. To reassure the Committee, I can say that there is no impact on the processing of claims. As you know, we moved to pay 2013's LFACA payments early. The up-to-date position that I have on it is that we have paid out about £20.3 million of those payments, which suggests that the processing of payments is proceeding as it should.



Obviously, there is a specific issue with debt recovery on which I am not informed. However, it would be ring-fenced to that. I hope that that helps.

**Mr Byrne:** I want to express, as you have, Chairman, concern that we have gone from five to seven red ratings. First, I want to talk about the two green ratings. One relates to goal 1, target 4 on the Agri-food Strategy Board (AFSB), which has been given a green rating. However, on the key issues of risk, two points have been highlighted: lack of resources to support the AFSB; and the lack of stakeholder buy-in to the strategy. What does that mean? Is it being written off before the final report?

**Mr Wilkinson:** You mean goal 1, target 1 on the Agri-food Strategy Board?

**Mr Byrne:** Yes.

**Mr Wilkinson:** As with any project or programme, it is important to recognise the potential risks for non-delivery. This was an attempt to provide the Committee with a full report to ensure that you had all the information. We are confident about the Agri-food Strategy Board and its work. Hopefully, you will draw confidence from what we have said here about its actions. You will see that considerable consultation has been carried out over the past quarter and work has been completed. The report is due to be received by Ministers later in March, and my understanding is that it is progressing well. It has performance indicators, and much of the work is already in place. Those are key risks and issues that we had identified at the start of the process, and we are monitoring them to ensure that they are being managed effectively.

**Mr Byrne:** We are flagging up the potential lack of resources to support the AFSB at this stage. Does that relate to the work that it is carrying out currently or the implementation of a potential strategy?

**Mr Wilkinson:** That was about funding the board itself at the very outset. I accept your point that it is less of a risk now that the board is about to report. Perhaps it is just the way in which it is being reported. It is a risk. However, it is a very low risk with regard to our assessment of the risk for the programme.

**Mr Byrne:** What about the lack of stakeholder buy-in to the strategy? Is it operating? What is wrong?

**Mr Wilkinson:** You will see that the board has gone out of its way to make sure that we have buy-in, as it recognises that there is a risk to the recommendations if we do not get that buy-in. The board has been very effective in engaging with a wide array of stakeholders, including Departments. We believe that we have got that buy-in to the process, and any feedback that I have heard has been very positive.

**Mr Byrne:** I move now to another green, Chairman, at goal 2, target 2. It is on a rural White Paper. Again, it looks as if things are fairly good on the face of it, but the key issues are risks. The key risk is lack of progress by a Department in implementing the commitments in the rural White Paper action plan. Are some Departments not co-operating?

**Mr Wilkinson:** You are quite right, Joe. Things are progressing well, but it is a risk. There will also be a reputational risk for the Department of Agriculture if we do not implement this. That is why it is there. It is something that we are continually monitoring, and we are very conscious of it. It is there to give you a full report of the things that concern us and things that we are managing on a regular basis.

**Mrs Keegan:** I will add to that, Joe. We work with a lot of other Departments on the anti-poverty scheme, including DRD, DSD as well as the Public Health Agency. Departments are working extremely well with us, and, in the anti-poverty scheme, we are seeing the outworkings of some of the commitments that they have put into the rural White Paper. That is why it is going so well, and we are managing to do so well. We have £4 million to spend this year, and we are going to meet that target. We have many good outcomes, and that is because of our partnership with other Departments.

**Mr Byrne:** I appreciate that, Pauline. What level of consultation is going on between the key officials in the Department who are working on the rural White Paper and key stakeholders in the rural community? There was no great evidence of that when officials were here.

**Mrs Keegan:** We have now almost moved to the rural White Paper action plan; we have come on from the consultation that we did to implement it. We did quite a bit of consulting with stakeholders about what the action plan should say. We are now into the implementation phase. We intend to check with stakeholders all the time and make sure that what we are doing is what the stakeholders want and need. There has probably not been much of that done recently; I accept that. We are now in the implementation phase of moving it forward. We will have to check, review and make sure that we are where we should be in the eyes of the stakeholders.

**Mr Byrne:** I have a supplementary for Bert. You reckoned that everything in relation to the Northern Ireland food animal information system (NIFAIS) was going well, but you were very worried about two things: IT and government. Why should they get it wrong so often?

**Mr Huey:** This is complex, Joe. Three things come together: government procurement regulations; complex specifications of what we want the system to do; and, sorry, you should never say three things, when you cannot think of what they are. *[Laughter.]* There is procurement, IT and the actual specification. You have complex procurement rules. We have decided to go for a newish process called competitive dialogue to do that. That means that you do not write down every detail of what you want the specification to do; you describe the outcomes that you want the system to achieve, and then you let the IT people tell you how best to provide the system. We have a complex procurement business. As I said, APHIS does more than any other system of its type in the world, but the big challenge with APHIS is that there is no steady state. You could be putting in an IT system for doing payments. Pay goes down, or stays the same in our case, and, sometimes, it might even go up. However, it is fairly similar. We never have a steady state. We are doing this programme at a time when cattle electronic identification systems (EIDs) are likely to come in, and, just to add complexity, when we are moving headquarters.

**The Chairperson:** We will get to that, I am sure.

**Mr Huey:** We are doing it when animal health law across Europe is changing, having been put in place in 1964. We are also changing the IT system. I keep using the word "complexity"; it is the level of complexity of the thing. It is a risky process, which is why I am doing all that I can to take as much risk out of the process as possible by ensuring that we are absolutely ready to go before we go.

**Mr Byrne:** I appreciate that it is complex, but are you saying that it is potentially too complex to have a workable model?

**Mr Huey:** Absolutely not. It is a huge opportunity. When we have NIFAIS in place in 2017, we will be so far beyond the rest of Europe that they will not be able to see us. The mobility and flexibility in the system will allow us to future develop it so that we can future-proof it as well. However, we have to do it within the budget available. That is the struggle; we do not have a blank cheque.

**Mr Byrne:** Do we have a dedicated project team leading on that?

**Mr Huey:** Oh yes.

**Mr Byrne:** Therefore it is outlining all the systems analyst requirements.

**Mr Huey:** After we go to the journal, I intend to come back to the Committee and perhaps have a special hour or two to take you through it. With land parcel information systems (LPIS) and the headquarters relocation, it is the biggest thing that we are doing, so I want to time the presentation properly. To my mind, the right time to do it is when we have gone to market. We will have a day to tell the industry that might want to procure this what we are doing. Just before we do that, I would welcome the opportunity to talk to you properly about it. We could talk for hours.

**The Chairperson:** We will get that into the forward work programme; we will put "hours" on it, just for Robert. That would be a very good idea. I do not mean to be flippant in any shape or form. The Committee would be interested in hearing about that, and we will certainly try to get that scheduled.

**Mr McCarthy:** Graeme, in your presentation you mentioned the assisted rural transport strategy. I want to speak about that to you, Pauline. This morning, I chaired the all-party group on learning disability. We had people from the sticks; from Strabane, Omagh, etc, whose big problem was rural transport. What is the good news on that? People with learning disabilities were concerned about the lack of facilities. Is there anything that you could help to provide for that class of people?

**Mrs Keegan:** The assisted rural travel scheme (ARTS) is a Department for Regional Development scheme; it, rather than us, has responsibility for transport. We transfer money to DRD to allow elderly or disabled rural dwellers to avail themselves of free or half-fare travel on rural community transport. That is what our money goes into. We are trying to target the rural elderly who live in isolated areas. That is how we work in partnership with DRD. We say that our money must go towards free or half-price trips for the rural elderly. That includes people with disabilities.

I can give you more information on that at any time if you want.

**Mr McCarthy:** I emphasise learning disability, because there is a difference. Although those people want their independence to get from a to b, they have a disability. There was frustration that there was not enough in the rural areas to provide for that. We, as a community, should do our utmost to make sure that the elderly and people with all disabilities, but particularly learning disabilities, have, and continue to have, independence.

**Mrs Keegan:** I agree. We make no distinction between physical disability and learning disability. As far as we are concerned, it should be available to everyone. I can look at that for you to see whether there is any difficulty from our end. However, that is probably something that we could expand or tell the Department for Regional Development that we would like a particular emphasis on. That would not be an issue for us, if that is helpful.

**Mr McCarthy:** There was the Door-2-Door scheme.

**Mrs Keegan:** That is the old DRD scheme.

**Mr McCarthy:** There were gaps. Is there any way that those could be filled through your Department?

**Mrs Keegan:** We can discuss it with DRD. Whether it is more appropriate for them to do that rather than us, I do not know, Kieran. You are talking about rural dwellers, obviously.

**Mr McCarthy:** Absolutely. Yes.

**Mrs Keegan:** If it is rural dwellers, I will have a look at that and come back to you directly.

**Mr McCarthy:** I think the last time you were here, Pauline, you said that with regard to whatever work you were doing there were not enough applications for funding. Has that changed in relation to an emphasis on rural communities?

**Mrs Keegan:** Absolutely. I apologise that I cannot recall whether that was for a specific scheme.

**The Chairperson:** Was it under the rural development programme?

**Mr McCarthy:** Yes. Were they joint council committees?

**Mrs Keegan:** That was for axis 3. As I said earlier, things are very positive on the axis-3 front. All the local action groups are getting through their applications very well; we are getting spend up and things are moving well. It is a very positive story. The ARTS scheme is part of the anti-poverty scheme, which is a different scheme, but I am happy to look at that and report to you, if that is helpful.

**Mr McCarthy:** That is grand.

**Mr Irwin:** Thank you for your presentation. I am sure that the new NIFAIS system will be a great job when it is up and running. Farmers and their families have trained to use APHIS, although farmers can be slow on the uptake. Neighbours of mine were training for NIFAIS just this week. Will they need to retrain to use the new system? Will it be more complex?

**Mr Huey:** It will not be more complex, but they will probably have to retrain. We will try to make the system as intuitive as possible. Good computer programming is easy to use and intuitive. This system be as close to Microsoft Office as we can get so that it is intuitive and not —

**Mr Irwin:** — too complicated.

**Mr Huey:** — too complicated. The rural portal will probably change, in that, at present, you can get on to NIFAIS without going through the government gateway. Farmers are getting used to the government gateway for doing their VAT and everything else on it. For security reasons, we will probably be forced to go through the government gateway, so users will have to input a 13-digit number to get in there. That will be a change.

The screens will look different, but the layout and everything else will be subject to lots of consultation with users before it is put in place. We will be using CAFRE, as we are at the moment, to roll out the training. APHIS online is good, but there is room for improvement; there are parts of it where you have to hunt for what you want. The idea is that it will be easier to use because that is the thinking behind the government strategy of IT by preference. We have to make it easy to get people onto the site.

**Mr Irwin:** That is good. Goal 1, target 2 has a total of £80-417 million under the Northern Ireland rural development programme, but the actual spend reported as at 31 December 2012 was £25 million.

**Mr Wilkinson:** Twenty-five million pounds is the profile.

**Mr Irwin:** That is only a third of the total amount spent to date, is that right? Am I reading the figures wrong?

**Mr Wilkinson:** That is saying that at the end of December we spent £25 million against a profile budget of £30 million, so it is £5 million behind the profile.

**Mr Irwin:** The total project spend over the funding period is £80 million. Is that right?

**Mr Wilkinson:** Yes.

**Mr Irwin:** Therefore at the end of December we had approximately one third of actual spend. Is that right?

**Mr Wilkinson:** Yes; but much of it is end-loaded.

**Mr Irwin:** I understand that, but the actual spend is —

**Mr Wilkinson:** It is £5 million behind the profile.

**Mr Irwin:** OK. Does the Department not feel that more could have been done in the earlier stages to ensure a better uptake? In the southern organisation for action in rural areas (SOAR), we had over £1 million decommitted a few months ago. Many people thought that there was too much bureaucracy and red tape. We were told in the early stages at assessment panels that sporting organisations were not eligible. We later found out that sporting organisations got hundreds of thousands of pounds.

The system was fraught with difficulties from the word go. We were told that sporting organisations were not eligible under axis 3. There was nowhere even to mark the form because they were not eligible. Later, however, sporting organisations did come into play and got very large amounts of money.

**Mrs Keegan:** Sporting organisations are not eligible under axis 3 if it is for their primary purpose, if I can put it that way, because there are other places that sporting organisations can go to, such as the Department of Culture, Arts and Leisure or the Sports Council. However, any sporting organisation can submit a project that has a wider community benefit, that opens up its premises, or what it does for other groups, community or sporting organisations. The project has to have a broader community

benefit, and we have to see that. That would be a condition in a letter of offer, and we would have to see and monitor it.

However, if a sporting organisation said that it just wanted money for sport to buy kit —

**Mr Irwin:** Or floodlights.

**Mrs Keegan:** — or something like that, that is more of a difficulty because other organisations provide money for that.

**Mr Irwin:** Many people felt that there did not seem to be a level playing field. I think that a large sum of money was provided for floodlighting for one organisation. That is OK if everyone gets a fair crack of the whip, but it seemed to me that it was not very fair to people who had applied earlier.

I know of one situation where we had an awful job. I was on the SOAR panel, but we were told that the application had to be reassessed by the same panel, and the same thing happened a second time. We took legal advice, which said something different. We then went back to a different panel, and it was approved. We were getting completely different guidance from the Department.

**Mrs Keegan:** To my knowledge, that never particularly changed. We have always been clear about where sporting organisations can go to get something to do with their primary purpose. It is up to the local action groups to look at applications to see whether they feel that they fit their own strategy for an area and what the local action group is trying to do. The advice that the Department would give is that if something can be funded elsewhere, that is where you should spend your money. There are pots of money specifically for that.

However, if an application comes in that a local action group considers eligible, it is happy with and feels that it brings a greater benefit to the area and that it should fund it, it would be unusual for us to say in that case that it should not. William, we have tried to follow that line from the beginning, although perhaps you have examples that I would not know the detail of. I would be happy to look at them further if you want more information.

**Mr Irwin:** I hope that the Department has learned lessons from this programme and that the new proposed programme will be less bureaucratic and have less red tape. One of your team — I will not mention names — said that if you went only a few miles down the road to a different jurisdiction, much less bureaucracy is involved. It seems crazy that a few miles down the road you have a different set of rules that are much less bureaucratic.

**Mrs Keegan:** Do you mean a few miles down the road in Northern Ireland?

**Mr Irwin:** No, into the Irish Republic. That is a member of your own staff telling you that, not me.

**Mrs Keegan:** We know what our rules are for the Northern Ireland rural development programme. They are what the EU requires of us, and what our own national funding rules through the Department of Finance and Personnel, and our own rules, require. I accept what you say. There has been criticism of bureaucracy and red tape. I accept that, when you are dealing with £100 million of public money, the bureaucracy and red tape probably seem to double or treble. A lot of money is involved.

We will learn lessons, but, at the same time, there has to be a balance. We have to make sure that we protect the money, and I know that, as a member of the Committee, you will agree with that.

People will look at the one project that goes wrong, is disastrous or involves fraud. However, we do not tend to hear so much about all the projects that go well, despite there being an awful lot of them in your area and in other areas. We do not tend to hear how well those programmes have gone or what impact they have had. Those programmes have had an impact.

**Mr Irwin:** The programme is designed to create jobs in rural areas. Perhaps it did not do what it was designed to do. Sizeable sums of money in some areas are going to go to strategic projects, which, in my eyes, was not the idea of the programme from the word go.

**Mrs Keegan:** I accept that, and I have heard that from others. However, it is right that there is a mixture. Strategic projects can benefit an area, but it is right that there is a mixture of our six

measures and, perhaps, some of the smaller projects still getting out there. Sometimes 50 smaller projects, rather than one big one, can have an impact. There should be that mixture.

**Mr Irwin:** The red tape involved in very small projects worth only a few thousand pounds does not make them worthwhile.

**Mrs Keegan:** That is usually as a result of procurement, William. I take your point. Changes have been made to that recently, which, to be honest, the axis 3 programme brought to light. It was helpful in that way. You are right, and I agree that the premise of economic appraisals should be that they are proportionate. We will try to make sure of that next time.

**Mr Irwin:** OK. Thank you.

**Mr Swann:** Thanks folks for the presentation. Robert, I want to ask a quick question on APHIS and NIFAIS. Will there be any need for farmers to double-entry into both systems?

**Mr Huey:** No. Absolutely not. They would not enter the same thing.

**Mr Swann:** You know that as well as I do.

**Mr Huey:** Single entry, double action is what I am hoping for, but we will see.

**Mr Swann:** Graeme, goal 1 target 7 relates to the reduction of red tape, and William and Jo-Anne touched on that. I remember expressing surprise when I saw a new rating of amber/green. When you have a target of reducing red tape by 25% and only achieve 4.3%, it should be in red and have flashing lights.

**Mr Wilkinson:** It is red.

**Mr Swann:** It is, but it should be dark red or bright red. There is a massive gap between a target of 25% and achieving only 4.3%. You said that that target was ambitious at the time. Who set it?

**Mr Wilkinson:** I am not sure what the process was for setting that target, Robin.

**Mr Swann:** Was it decided internally in the Department or was it set externally? I know that there was a board at that time.

**Mr Wilkinson:** Other Departments established such targets, which were comparable to the GB-type target. However, they included the single farm payment process in that, and we were already past that. That is part of the reason why we did not achieve our target. It was not comparable with theirs.

**Mr Swann:** The 25% reduction that you failed to achieve was:

*"a...reduction in the red tape in force in December 2007".*

My reading of that is that you only reduced the red tape that was in place in December 2007 by 4.3%. Is that correct?

**Mr Wilkinson:** That would be my understanding, yes.

**Mr Swann:** If you were to use the same measuring criteria, how much red tape and bureaucracy, in percentage terms, has been added to our farmers or agri-processors since 2007?

**Mr Wilkinson:** The report says that there has been an overall reduction of 4.3%. I am not aware of any figure for the adding of bureaucracy.

**Mr Swann:** You can see what I am trying to get clarification on.

**Mr Wilkinson:** I can.

**Mr Swann:** The target of a 25% reduction was for the red tape that was in place in December 2007. Earlier, you gave an answer to my party colleague Jo-Anne that you only achieved 4.3%. My reading of that, which I think that you have agreed with, is that that is a reduction from what was in place in 2007.

**Mr Wilkinson:** That is my understanding of it.

**Mr Swann:** Yes, but do you not have a measure of what has been added?

**Mr Wilkinson:** No, I would need to clarify that.

**Mr Swann:** Could you?

**Mr Wilkinson:** Yes, I can come back to you. I take your point.

**Mr Swann:** You could claim a 4.3% reduction. However, if it is only a 4.3% reduction from 2007 and you have placed another 20% of red tape on farmers, we are not achieving any reduction. It is actually increasing.

**Mr Wilkinson:** I can clarify that and get back to you.

**Mr Swann:** I would appreciate that.

**Mr McMullan:** Thanks for your presentation. Pauline, you are getting it today, do you not think?

**Mrs Keegan:** It is OK.

**Mr McMullan:** The report referred to the fact that the council clusters are underspending. How much of that is put down to the lead-up to the RPA? It is not in the report, but I have a funny feeling that the RPA has a great bearing on what councils spend or can spend in the lead-up to RPA.

**Mrs Keegan:** You will recall that, when we began the process of setting up the local action groups in 2006-07, RPA was in our faces, I suppose. I think that the local action groups and the councils would argue, with some justification, that the RPA slowed things up. It took a while to get the structures in place. I also think that the clusters would argue that it was about two years before they felt that they could really get going. It sometimes takes quite a long time to set up partnerships. That is right, and everybody has to feel comfortable with it.

At the time, and because of the RPA, we were looking to see how we could bring the councils into this process more fully. That was one of the big reasons why the joint council committee structure was set up. I appreciate that people have various views on whether that has worked. So, there is no doubt that the RPA had a bearing on the beginning of the programme. It was maybe a slower start than everybody would have wished, so I agree.

**Mr McMullan:** What you just talked about also has a bearing. People are now realising that some of the issues that were the big debates and arguing points when it was set up are not now, and RPA is one of those. It was interesting to hear you say that some of the LAGs are having difficulty spending now. They do not seem to be pointing the finger in one direction as they always did; the finger now seems to be pointing in different directions. I think that there is a realisation from LAGs and others that the buck stops not with one person with more than one. That realisation is good to see.

Community networks should be congratulated on the work that they have done to improve rural dwellers' lives by getting out into the rural areas, including through the maximising access in rural areas (MARA) project and tackling rural poverty. I think that those organisations and community groups have done a copious amount of work, but they do not get the recognition that they should.

**Mrs Keegan:** We agree.

**Mr McMullan:** One of the things that I am disappointed about when we talk about improving the life of the rural dweller is that the gas network does not go into rural areas because of economic and profitability reasons. That has nothing to do with you, although, for some reason or other, the finger is

pointed mostly at this Minister's office. The gas network's not being in those areas will prove to be a big drawback for those rural areas. First, it will increase fuel poverty. Secondly, it will greatly restrict how they can go into the marketplace to attract inward investment. It is all down to profits. I think that the Departments and Ministers here should be looking at that more pragmatically rather than agreeing with the profitability of a scheme. Unless an area has a major customer, it will not get gas networks. I ask you to take that point away and look at it. That is not something that is just for your Department; other Departments can look into it.

**Mr Wilkinson:** That would be something for DETI and the Utility Regulator.

**Mr McMullan:** I know. You said it; I was not going to say it. It is something that we have to look at if we are looking at rural poverty and at improving rural dwellers' lives. That is where I am coming from.

On the point about assisted travel, I agree with Kieran. We have always been on about that. I think that a pilot scheme on that is now being set up in Dungannon, so it will be interesting to see how that comes about. I questioned the Minister on it the previous time that it came up in the Assembly. Finally, according to the Programme for Government, we are creating 250 hectares of new forestry. How far does that sector now compete with agriculture? Is that a realistic figure now, or should we revisit it in the light of the disease in the woodland? We had a presentation last week from which it clearly emerged that forestry is now competing for land with the agriculture family.

**Mr Wilkinson:** We can certainly look at that in our business planning targets for the next financial year, 2013-14, which will come to the Committee. That will certainly be a challenge. From talking to the chief executive of Forest Service, my understanding is that our current target is challenging, because we are competing with agriculture. It is not as profitable as planting trees. There is not a huge take-up of the grant that is available for planting trees. So, trying to achieve our current target is a challenge, but, again, we can certainly look at that in the context of our 2013-14 business plan targets.

**Mr McMullan:** My very last point is that Invest NI now offers grants for small businesses in rural areas. We are still not getting the message out to people who could avail themselves of that funding. The mystique around Invest NI is still there among SMEs, because even though it says that it has a programme for them, it is still not getting through to them.

**Mrs Keegan:** We saw the press release that came out recently on that, and we have sent it to our local action groups and various councils to make them aware of it. You are right; it is a very good source of funds, and people should be looking at.

**Mr McMullan:** Will you pass our congratulations on to the rural networks? They are doing terrific things.

**Mrs Keegan:** I will; thank you for that.

**The Chairperson:** OK. Like Robert and NIFAIS, I could talk about this for hours, but I will resist that, which members and officials will be glad to know. However, just to complete the session, there are a couple of questions to which I would like answers. I will not keep you long, members, I promise.

Pauline, just to finish your questioning, William referred to the £25 million that was spent on a tracker of £30 million, which is £5 million-odd behind, and to the fact that there was a total spend of £80 million over the programme.

Graeme, you said that this is backed-loaded, if you like. This is a machine that has taken a long time to warm up. Now that we are there, we should be able to spend more easily than we could in the first couple of years. Are you confident that, at the end of this programme, you will be able to recover that £5 million and get it back up to speed? Or, at the very least, and the very worst, will you be £5 million shy of the total spend at the end of the programme?

**Mr Wilkinson:** Just on the numbers, when I said that it was end-loaded, I meant that £25 million of LFACA money has to be paid and has now largely been paid out. That is what I mean when I say that it has been end-loaded. So, we have made some adjustments to our budget for this financial year, and we are pretty confident that we come in there or thereabouts.



With regard to the overall programme, it is too early in the process. There are still a number of years to go, and, as you are aware, we have put in strategic projects and taken a number of measures to accelerate that spend. Undoubtedly, we would like to think that it would have the desired outcome, but it would perhaps be churlish of us to say that everything is going to be OK. It is good financial management to make sure that we keep a close eye on it and do everything that we can to make sure that it spends out.

**The Chairperson:** Maybe I am wrong, but if you have this scale of £0 to £80 million, and you have this projected tracker, if you like, is that basically what we are saying £30 million — the proposed spend — is at the moment? Are we tracking where we should be?

**Mr Wilkinson:** That is in-year spend.

**The Chairperson:** Does that mean that the in-year spend is £30 million?

**Mr Wilkinson:** We have spent £25 million to date. By the end of December, we were supposed to spend £30 million. However, there will be an underspend in where we were at the start of the financial year. That is why it is red.

**The Chairperson:** So, for this year, 2013, are we saying that we want to spend £30 million? What is the proposed spend? To put it in context, where are we in the whole grand scheme of things? Instead of having £30 million in isolation, what did we spend last year and the year before? What do we propose to spend this year?

**Mrs Keegan:** We have taken in axis 1, axis 2, axis 2 forestry, axis 3 and the fisheries fund, so if you look at those, you will see that we have basically set out the targets right across the board. You know that, for axis 3, for example, the target was £20.3 million, and we are talking about spend of around £9 million. So, that is where an underspend would be.

The target for axis 1 is £4.7 million, and we are probably going to come in at around £3.5 million. So, there is less of an underspend there. It is a strange kind of target in some ways. We have tried to look right across the board at our fisheries spend and at what we think we should try to get out there. To be fair, axis 3 is probably the one that is dragging it down a little bit, although as I said in answer to the earlier question, I am still confident that we are making progress on axis 3 and that that spend is starting to come up.

We have looked right across the board at the various programmes that make up the NIRD, and we have tried to say what we think we will bring out in this year as an in-year spend. I think that, because of the £20.3 million, axis 3 has made that reduction, but the rest of them are really making up for it in a lot of ways, which is why it is really only £5 million behind rather than more. That is because, obviously, fisheries are spending, axis 2 is spending and axis 1, which deals with the farming-related measures, is spending fairly well.

I do not know whether that answers your question. It is an odd target in some ways, because it takes us right across all the various measures.

**The Chairperson:** I suppose that it is hard to highlight the weakness in the whole system.

**Mrs Keegan:** That is why we need a detailed breakdown of them all after that that shows you —

**The Chairperson:** Excuse my ignorance if you have done this already and I have not picked it up. Forgive me if that is the case, but I would like a breakdown of that for my simple mind.

**Mr Wilkinson:** We have probably given you too much detail. Annex B goes through each element of the plan, profiled by quarter. Perhaps it would be useful to provide the Committee in future with a summarised version after annex B, and you can then drill down into that if you wish.

**The Chairperson:** Yes, I understand. To have it in context, I just want to see where we are in the whole scheme of things rather than just to have a snapshot of a yearly target. To be fair, if there is going to be more spend or an increase in the speed of spend, even if it is strategic, at least it would put it in context.

**Mr Wilkinson:** Just to clarify, do you want to see that for the entire programme, which is the £507 million, or do you want to see it in-year?

**The Chairperson:** The concentration is on axis 3, of course, but if you could provide that easily, it would be good so that we could have a complete picture and a context of the whole programme, if that would be in order.

I will move off rural development and back to the DARD HQ. Robert, this is your fault, because you raised it. Your target was very simple:

*"Complete the necessary appraisal processes to decide on the most suitable future accommodation for the DARD HQ by 31 March".*

Are we saying that that target is green simply because the Minister has made a statement on it? I would like you to explain to me, Graeme, what appraisal processes we have. Are you saying that we have done a business case assessment? Have we done an economic appraisal and an equality impact assessment? If we have done those three things, why is there an issue with DFP and why are we saying that it is a green target?

**Mr Wilkinson:** The report is saying that we are going through the process to complete a business case. I am advised that that process is progressing well, and we intend to have the first draft of the business case completed by the end of March. That was the target for the appraisal process. So, we are doing that economic appraisal. That is based on options at the Ballykelly site, and DFP's concerns were about our considering only the Ballykelly site.

**The Chairperson:** Is it not bad government to do an economic appraisal on only one site? I could probably name three sites in Northern Ireland that are comparable to the site in Ballykelly. There are also other sites that do not look anything like Ballykelly and that could be used as a new HQ. So, is it good government to do an economic appraisal on only one site?

**Mr Wilkinson:** We are doing an economic appraisal on the Ballykelly site, because we considered the various locations at an earlier juncture. There were, I think, 23 different criteria that were about the socio-economic and demographic factors in all the locations. The north-west came out as top. So, the Minister chose the Ballykelly site based on that analysis, which was done at the outset.

**The Chairperson:** Again, is even that good government? If you have a selection of sites and do not do some sort of economic appraisal of them all, how do you get to a point where you decide on either one, two or five?

**Mr Wilkinson:** I suppose, Chair, at some point, someone had to make a decision. That was based on the analysis that had been completed and the criteria that had been set out, and the sites were all scored. So, a process and a mechanism were in place to do that. Carrying out an economic appraisal on every conceivable site across the North would not be possible; it would take forever to complete that process. Based on the analysis and the information that was collected at the very outset, the Minister decided to go for the Ballykelly site. The next stage in the process is to consider options on that site, how best to configure it and to think about what will come up with the best value for money and is an affordable option on the Ballykelly site.

**The Chairperson:** Given what you said, and knowing the criteria that the Minister set for this, why are we not having a new HQ in Strabane?

**Mr Wilkinson:** The Minister considered the various options. The Government own the Ballykelly site, so we do not have the cost of buying a site somewhere else. Where value for money is concerned, it is better to have and to utilise our spare assets. It is part of government requirements that we utilise spare assets before considering buying additional land. That is part of the protocol.

**The Chairperson:** Why has the Department not taken the Bain report into account and what it said on hub structures? For instance, St Patrick's Barracks in Ballymena, which is a similar site to Ballykelly, could be slap bang in the middle of what is a regional hub in Ballymena. Why was the Bain report not taken into account at all?

**Mr Wilkinson:** I am not sure how, in the context of the Bain report, the 23 indicators were established. However, those 23 indicators were used to come up with the location. I cannot remember where Ballymena came in the scoring, but it was lower than the two locations in the north-west. That initial work informed how we came up with the locations, and our owning the site at Ballykelly is the reason why we chose it.

**The Chairperson:** Given that you are still doing an economic appraisal of this one site, which I do not agree with, and given that you are having this issue with DFP, why are you confident that you will have that in place by 31 March? Why, then, is it a green?

**Mr Wilkinson:** We are confident that we will have the first draft of the economic appraisal completed by 31 March. As I said in my introductory comments, more work is to be done on the equality impact assessment. Consultation with trade unions and staff has to be undertaken before we finally get to the approval process. Our target was to have the economic appraisal completed by 31 March. That is why it is green.

**Mr Byrne:** On the same issue, I still find it hard to work out how a proper economic appraisal, equality impact assessment or business case can be done if you decide on one location and then look for options in that site. How can you come to an objective assessment if you have not considered possible private sector design-and-build schemes that may be on offer to the Department?

**Mr Wilkinson:** How we take that forward is in the procurement strategy. Design and build will be one option, and private finance will be another. That is about the procurement process. Historically, design and build had been the preferred option in the public sector. Again, however, affordability will inform our procurement strategy.

**Mr Byrne:** You mentioned that Strabane is being bypassed. It appears that some rather spurious criteria have been used. I take it that, on the socio-economic criteria, Strabane came top of the list, with a score of, I think, over 70. Limavady was next on the list, with a score of 59.

**Mr Wilkinson:** As I said to the Chair, the overriding factor was that the Government owned that site at Ballykelly. Therefore, no additional land costs or purchasing costs were involved with that site. That is how the decision was made on the Ballykelly site.

**Mr Byrne:** If there were potential design-and-build private sector schemes on other sites that private developers offered, they might have been even more economically less costly than Shackleton Barracks.

**Mr Wilkinson:** I am not sure how that would operate in practice. Design and build is the construction part of the process. We decided that Ballykelly was the most economically advantageous in that area because we owned the site.

**Mr Byrne:** The story will continue.

**The Chairperson:** Robert, I hope that you are proud of yourself.

**Mr Byrne:** He is a master of throwing in the banana.

**The Chairperson:** We accept your answers, and, for what it is worth, if a ministerial decision has been made, we understand how it can be very difficult for officials to answer questions.

Moving on, I would like to ask about the green target on strengthening the TB and brucellosis eradication strategies and everything that that entails, including the wildlife research studies that aim to inform policy. I know that we have written to the Department asking for an update and detail on the wildlife intervention programme — I think that it is now called the test, vaccinate or remove (TVR) wildlife intervention research. There are also the badger sett surveys to consider. Can you give us an update on how many farmers have signed up for it and the percentage of farmers who have signed up in that 100 square-mile area?

**Mr Huey:** I am sorry, Graeme, I cannot help.

**Mr Wilkinson:** I am sorry, I do not have the figures for that. Some 600 letters were sent out, but I am not sure what the actual response was. I believe that there was a fairly high response rate, but I do not have the figures to hand.

**The Chairperson:** OK. Can we be provided with that as quickly as possible? I sense that the spirit of the Committee is that we are genuinely in support of this because we see it as progress to some degree. Hopefully, any information that you can get to us quickly will lead to support as we assess it. We do not want a vacuum to be created whereby we do not know what is happening. That will lead to members asking how they can support the project when they have seen nothing or asking whether there is movement because they have not seen anything. I would ask for that information as quickly as possible.

I think that the Minister talked about a target threshold for farmer numbers and percentages that would make this a viable project. I do not know whether you have set a target for the percentage of farmers that would have to come forward in that 100 square-mile area to make the project work.

**Mr Wilkinson:** I will need to come back to you on that.

**The Chairperson:** You will be glad to know that this is my final issue. It relates to goal 3, target 10, which is to:

*"Provide advice and guidance to support Councils during the first year of their enforcement role in relation to other (non-farmed) animals under the Welfare of Animals Act".*

How are councils coping? We hear mixed reports about some councils' capacity. I hear that there are times when their personnel are stretched. Weekend work on these matters does not exist for councils. Sometimes animal welfare issues are urgent, and, in some instances, they could be regarded as blue-light emergencies.

Your target in this instance is to monitor implementation. Given what I just said about some councils' lack of capacity to deal with these matters as best they can, what more information can you give us on that?

**Mr Wilkinson:** I am not aware of any resource issues or of councils being stretched in delivering the implementation programme. I will check with the SRO and come back to you if concerns have been raised, and I will advise you on the action that we are taking to address them. However, I am not aware of anything currently.

**The Chairperson:** Again, I can understand why the target is green. All that you said is that you provide advice and guidance and then monitor implementation. However, that does not really tell a story if there are issues with councils' capacity to enforce and police the matter. I have concerns about that. A target has been set, but it is like the HQ — you either have it or you do not have it. You have either made a decision to eradicate or you have not made a decision to eradicate. It is one of those targets that can easily be turned green.

**Mr Wilkinson:** I am just looking at the report. The councils appear to be quite busy. I see that there were 3,795 animal welfare complaints, which is a significant number. All those complaints need to be addressed.

**The Chairperson:** I am led to believe that that represents an increase in complaints compared with other years. What has led to that? Why has that happened? How have the resources that were allocated to councils, perhaps not financial but in guidance, supported the councils?

**Mr Wilkinson:** I think that the councils get some financial assistance to deliver the programme.

**The Chairperson:** They would argue that it is, perhaps, not enough. However, that is a fight for another day. If you can provide us with information on that, we would appreciate it.

**Mr Wilkinson:** Yes, OK.

**The Chairperson:** No other members want to ask questions on this. Thank you very much for your time and your answers today. I know that that was a long session.