



Northern Ireland  
Assembly

Committee for Agriculture and Rural  
Development

# OFFICIAL REPORT (Hansard)

DARD Headquarters Relocation

7 May 2013

# NORTHERN IRELAND ASSEMBLY

## Committee for Agriculture and Rural Development

### DARD Headquarters Relocation

7 May 2013

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

Mr Paul Frew (Chairperson)  
Mr Joe Byrne (Deputy Chairperson)  
Mr Thomas Buchanan  
Mrs Jo-Anne Dobson  
Mr William Irwin  
Mr Declan McAleer  
Mr Kieran McCarthy  
Mr Oliver McMullan  
Mr Ian Milne

**Witnesses:**

Mr Tom Kennedy	Department of Agriculture and Rural Development
Mr Gerry Lavery	Department of Agriculture and Rural Development

**The Chairperson:** I welcome Gerry Lavery, the deputy secretary in the Department of Agriculture and Rural Development (DARD), and Tom Kennedy, assistant secretary. Gerry, are you leading off with a presentation? After that, we will go straight into questions.

**Mr Gerry Lavery (Department of Agriculture and Rural Development):** Mr Chairman and Committee members, thank you very much for inviting us today. I am the senior responsible owner for the project and Tom Kennedy is the programme director. You know that headquarters relocation meets an Executive commitment in the Programme for Government to advance the relocation of the DARD headquarters to a rural location by 2015. The Minister is very committed to the project. She has undertaken to do everything possible to assist it and has outlined how it will improve the economy of the Ballykelly and Limavady area. It is a high-profile and very sensitive programme, particularly for our staff. It gives us an opportunity to innovate. Over the period of the programme, we will look at enhancing our digital service — what we call "digital DARD" — and at developing a wider suite of online services. We will look at improving how we handle our information to ensure that we have one record for a customer that is fully up to date and reflects all the interactions that the Department has with that customer, and we will make that one record available to staff, wherever they are. We will be learning to work as a dispersed Department. We will also maximise the use of our estate. We will look at our estate management and at how we operate in the different buildings that we already have. We will learn to work in an agile way and look at how we can manage the amount of travel that may be involved in working in Ballykelly.

We have forwarded to the Committee a briefing paper that deals with the various actions that we are taking at the moment, including our staff surveys, the business case, the equality impact assessment

(EQIA), ongoing engagement with the Department of Finance and Personnel (DFP), and, indeed, consultations with our own staff and trade union side.

In summary, our expectation is that the work will lead to a more highly skilled Department, operating from a modern, efficient estate, and using online services as our primary way of interacting with and meeting the needs of the rural population. It will be led from Ballykelly, but there will a dispersed network of facilities and back offices.

Tom will bring you up to speed on the shape of the programme of work and describe the options on the site.

**Mr Tom Kennedy (Department of Agriculture and Rural Development):** I have handed out copies of the slides. I will not go into a lot of detail, but I think that it would be useful to give you a quick feel for what is involved in the programme and make a couple of comments about the site itself.

The box diagrams give an indication of the work that has gone into getting this thing together. I will start at the top. The EQIA is obviously a very important part, and we did an extensive pre-consultation around that. We worked with Central Procurement Directorate (CPD) on the design options, and we issued a staff survey, the headlines of which I think you have seen. It is very important to feed that into the business case. We also looked at enabling some of the more advanced ways of working through the use of information and communication technology (ICT), and we did a fairly extensive bit of work around the financials.

All of that leads to an EQIA consultation document, which we sent you a copy of. That has gone out for a 12-week consultation, finishing on 5 July. That will feed into preparing the draft business case. Another aspect, coming down to the third tier in the diagram, is the staff survey. We issued a survey to the people directly affected and another one to the rest of DARD. In the next couple of weeks, we will hopefully issue a survey to the rest of the Northern Ireland Civil Service just to give us a handle on the number of people who might want to work in that location. We are also looking at new ways of working, what that might look like in three or four years' time and how can we maximise that. Of course, there is also an opportunity to look at the operating model for the Department. As you can imagine, there is a very big people issue involved, so the human resources strategy will be very important to sorting that out and making those changes. How we go about making the change itself and making sure that everybody is brought forward is important. All of that will then feed into an overall plan and then into the updated business case. As well as that, we will produce an EQIA report, depending on what comes back in.

In the end, where we want to get to is — the boxes could open out quite a bit, but I will not go over that today — to have in place the new ICT system, the new operating arrangements and, of course, the new accommodation itself. The accommodation will branch out into things such as design, the procurement of a design consultant, planning, tendering and construction. That is roughly where we are trying to get to. That gives the Committee the shape of the programme of work that is under way and that we are trying to move forward.

On the next page is an aerial photograph of the site. The upper site is the area marked in blue, and the "X" at the top is the existing runways. It is a fairly big site, with 750 acres. We are looking at the blue bit, where there is existing accommodation, and so on. The options that we are looking at are within that site. The dot indicates where Ballykelly village is, and to the right of that is Limavady.

The next page shows the options, which we have been working on with CPD and DFP's Land and Property Services. The bit at the top is the upper site itself, which we have looked right across. I will start on the right-hand side with sites 1 and 4. Site 1 would involve adding to some of the existing buildings there to give us the accommodation that we need. Site 4 would involve removing some of that and putting in a newbuild there. Site 2 would involve refurbishing and adding to the existing buildings. Site 3, on the left, would involve clearing the existing buildings and putting in a new development. The diagrams are for illustrative purposes only, to show some of the design elements that could be brought into play. However, we will get further design work done around all that.

CPD has produced a report for us. It is not finalised yet, because we have also asked it to look at the phasing of some of this. We have asked it how we might feed in with the transition model, if that is what we wanted to do, and CPD has given us some information around that space.

That is a little bit of a whirlwind run through what the site looks like. It will give you a broad feel for the site and what is involved.

**The Chairperson:** OK. Thank you very much, Gerry and Tom, for your presentation. I do not know what type of diagram it is —

**Mr T Kennedy:** It is a work breakdown.

**The Chairperson:** Excuse my ignorance. It seems to be very complicated. That is the first thing that I have to say. You might be giving us all the information, which we are grateful for, but I have to say this: DFP is bound to have a big say in this. Really, we cannot go any further. I am going to bring you right back to the start of the process, and then we will get into the nitty-gritty of the detail. Surely, for any Department to move forward, it has a case and a duty to provide a value-for-money and affordability aspect. I know that a strategic outline case was submitted to the central finance group, which is probably the most important group at this stage. It was submitted way back in October 2011. At that time, no reference was made to the Ballykelly site. Is the central finance group not waiting for the outline business case? Where does that fit in? It was also awaiting a long list of options and sites, but it seems that it is not going to get that. Where are we with DFP? What is the relationship at this time? What procedures have to be followed between DARD and DFP to make this work?

**Mr Lavery:** I suppose there are a couple of things to say. First, in process terms, the Minister has indicated that she wants a business case done that addresses the options available to us at Ballykelly. She gave a direction to that effect on 3 September last. Once we got that direction, we began the work that Tom outlined. It included the EQIA and the business case. That direction does not mean that you can do whatever you like. It means that you still have to look for the best, most cost-effective option on the Ballykelly site. We will be looking at those different options with an eye to achieving the best possible value for money. When we complete it, we will go back to DFP with the business case to see whether it comes up with a positive investment and supports a best value-for-money choice. We do not know what will happen at that point, because we do not know what the business case will show. We will either have to work with DFP on the basis of that business case or go back to the Minister to ask her for further direction. From there, we will move on to the issue of affordability and whether the Executive will have sufficient funds available in the timeline available to us.

**The Chairperson:** Is there a timeline for the outline business case?

**Mr Lavery:** At the moment, we hope to have it completed around the end of June, bearing in mind that the consultation period for the EQIA concludes on 5 July. We will want to reflect in the business case anything that comes out of that consultation. Therefore, part of it will be at a very advanced draft stage, and then we will get the final few days of the EQIA consultation. Hopefully, not everybody will wait until 4 July before giving us material. There is a bit of work to be done in the early half of July. That is our timeline.

**The Chairperson:** The only site-specific option in the strategic outline case that was put forward was the refurbishment of the existing buildings or the relocation within the Stormont estate. Therefore, how could DFP, with the knowledge and information that it has, ever assess whether the strategic outline case or, indeed, the new outline business case, for one site and four different configurations on one site, is the best value-for-money choice, considering that when you talk about relocating to rural areas, you are really talking about everywhere outside of Belfast? How can DFP, or the Executive for that matter, ever assess whether it is the best value-for-money choice?

**Mr Lavery:** That goes to the heart of why a direction was required in the first place. The fact is that because the parameters within which we are working on the business case cannot be assured to give the best value for money option in Northern Ireland, we must have a direction to work within those parameters. That is what we have from the Minister. When it comes to the dialogue with DFP, it will be able to bring to bear some of the other information that it has. Bear in mind that, at one point, DFP had worked up a large programme to deal with the entirety of the Civil Service estate within which it had options around the refurbishment of Dundonald House. So, it brings a fair amount of knowledge to the table. It may be that, with that knowledge and working within our parameters, we can come to a settlement. I do not rule that out.

As I said in my introduction, part of moving to a rural location is conferring an economic benefit on that rural location. Part of it is path-finding for other Departments and headquarters. Those intangible factors will have to be in the business case and will have to have some weight in it. It will be difficult because economists tend to look at Northern Ireland as a single entity. If you are not doing something

that adds to the Northern Ireland economy at that level, they tend to discount it. Obviously, moving the headquarters to a rural location, remote from Belfast, will be a very big step for the Executive. Therefore, we will try to argue that there is a benefit that needs to be described and weighted.

**The Chairperson:** I take your point. However, with regard to economists looking at the regional side of things, is it not the point that by moving a headquarters of whatever ilk or Department out into rural areas — we can all make the arguments for relocation into the countryside and I am sure that we all support it — that brings in the Bain report. I do not see Bain in this decision or the Department's work at all. The Bain report talks about hubs. It talks about hubs because moving out into them is not only beneficial to the Department, but to the area where it is planted. In order to get the maximum benefit and ensure that it is the best value-for-money choice, the two have to complement each other. Therefore, in my opinion, you would have to place the headquarters in a hub in order to get the maximum opportunity and potential out of both the headquarters and the hub or population centre where it is located. The Bain report does not class Ballykelly as a hub. There are so many other sites throughout the Province that are similar to the land that OFMDFM owns at the Shackleton Barracks site in Ballykelly that could have been used and would have been in the centre of the sort of hub that Bain talks about. How did we get away from the Bain report? Why did we not use that relocation, which has great potential for good? We have gotten to the point where we are taking a risk or a chance without any evidence to suggest that Ballykelly is the best site. I am not saying that it is not the best site. However, there is no evidence to suggest that it is. We have so much apparatus and so many reports to suggest that we need to go to the hubs in order to make this work both ways, but we seem to be ignoring and turning our face away from the Bain report.

**Mr Lavery:** I have three points to make in answer to that. First, we took account of the regional development strategy and the hubs that are designated within it. Tom will keep me right, but Limavady is one of those centres that is listed for development. Secondly, in the Bain report, a lot of the recommendations were about just what we are trying to do: agile working, mobile working and learning how to work in a way different to how we worked in the past. Thirdly, we expect to end up not as the only Department with a headquarters outside greater Belfast. The whole point of this is to prove that other Departments can do the same and can contribute to rural development and the development of the economy. We expect that our headquarters will not be the only hub within DARD. I have said that we intend to use the full width of our estate and ensure that the different DARD Direct buildings and campuses are used in an effective and efficient way to ensure that we deliver our services from a dispersed estate. So, from that point of view, what we are doing is really taking forward the Bain report, and trying to address what Bain saw as the key issues.

**The Chairperson:** You say that you will put in an outline business case by the end of June. When will you seek approval from the Executive?

**Mr Lavery:** We will go back to the Executive with that business case and look at whether they need to give further approval. What we ask the Executive for will depend very much on what is in the business case. However, there is a commitment to go back to the Executive once we have the business case complete.

**The Chairperson:** Let us move on to consider DARD's staff, and the survey that was conducted within DARD. It showed that 86% of staff are not content to work in Ballykelly. Of the remaining 14%, 9% indicated that they are only willing to be based in Ballykelly provided other arrangements are in place to allow them to work remotely for at least some of the time; and 5% are willing to work in Ballykelly as things stand. Of that 86%, the vast majority stated that they are willing to seek alternative posts within DARD or across the Civil Service. That will allow them a shorter commute than would be required for them to take up a post in Ballykelly. With regard to the decision to relocate to Ballykelly, did the Department and the Minister take into consideration the staff based in Dundonald House at present and the road networks and other ways of commuting to Ballykelly? If there is to be a sea change or a complete radical change of staff — and the Minister has noted that there are 1,400 staff working in posts closer to Ballykelly — how will the Department ever cope with that change and what expertise will be lost? We are talking about the full range of staff: clerical staff, technicians, scientists and everything else. Where do we sit? How are we ever going to manage that change?

**Mr Lavery:** I have said that that is a very sensitive issue for staff, and it is. That will not be easily done. However, having said that, we are going to have to develop ways of working that allow it to be done. Some of that will be swapping staff with other Departments. We will have to manage the pace at which we do it, so that we do not bring in staff at a rate where we are asking people to work without the benefit of experienced staff in the same area. We will be trying to maintain our levels of expertise.

We will also be looking at much more formal structures for people handing over from one post to another. I have memory of a situation that I would not recommend: in the early 1990s, I left one division on a Friday night. I stayed until 9.30 pm so that I could dictate a 16-page minute saying what was happening and what I expected to be done after I left. That may be an extreme form of brain-dump before you leave a post, but it is that sort of formal approach that we are going to have to get to allow people to hand over to somebody else, who may be from another Department but really wants to work for us in a post in Ballykelly. So, we are going to have to develop techniques for doing that and for mentoring people to ensure that we do not lose expertise and that we maintain the service.

The Minister has been very clear about her priorities. Ballykelly is very important to her, but it is not her only priority: she has other priorities that she has set out around CAP reform, the eradication of brucellosis and tuberculosis, anti-poverty work and the Agri-Food Strategy Board. She expects all of that to be delivered. She has also been very clear that she does not expect staff to be forced to move. By that, I take it that she means that she does not expect staff to be forced to move house to continue to work in the Department. If someone's post is one of the posts designated eventually to be delivered from Ballykelly, we are going to have to work with that member of staff, trade union side and the mechanisms that we have available to us to deliver the Minister's priority.

The EQIA has been clear that the Minister envisages a 10-year transition period, which would take us well into the 2020s. Eventually, we will end up in a position where most of our headquarters staff are resident within commuting distance of Ballykelly. So, there is time to allow people to adjust.

**The Chairperson:** I take your point with regards time. Any change should be measured, not only in the change itself and the effecting of change, but by the time put on it. That goes contrary to the Programme for Government target, which was to advance the relocation of headquarters of DARD to a rural area by 2015. So, there could well be sites in the rural parts of Northern Ireland that you could move to relatively quickly, which would be 15 to 30 minutes away from Belfast. You could have that completed by 2015 or very soon after it. Yet, you chose, under a Minister's directive, to plant in Ballykelly, which is a very difficult commute on roads that are not great.

You are hoping that people will move there, even though they may well have dependants in Belfast and children going to school in Belfast. People with disabilities will find it very difficult to commute to Ballykelly on a daily basis. You could pick a spot that is 20 miles up the road, north, west or south, which you can get to on good roads, yet you chose not even to look at that in your business case.

**Mr Lavery:** With respect, I said that the Minister made her selection, and we are obliged to work under the Minister's direction. I ask the Committee to consider the benefit. Say, for instance, we picked a site within 15 or 20 miles of Belfast, does the Committee believe that most of our staff would commute? Does the Committee believe that most of the people in Dundonald House would simply drive a little bit further each day? If so, what would we have proven on the future of rural areas in Northern Ireland? The prize here, if we can show that Departments can work in a dispersed way from rural locations across Northern Ireland, will be breaking the mould. We will not break the mould by occupying a building within 10 or 15 miles of Belfast. People will say, "That is a bit inefficient, but all right." With respect, that is all that you will get out of it, Mr Chairman. To some extent, I cannot say that Ballykelly was on my radar as a potential location but, when you look at it dispassionately, because it is at an extreme distance from Belfast, it offers the opportunity to prove the point and say that, if it can be done there, it can be done anywhere in between.

**The Chairperson:** If it is, indeed, to prove a point — you could word it differently and say "experiment" — why are we using DARD HQ to experiment on? As I said, the Bain report is very clear that it must be done within hubs. I feel that you could travel for 30 minutes in the directions that I mentioned — I used minutes as opposed to miles — and be in a hub. However, beyond that, it will take even longer to travel any distance because of — let us be fair — the road network, the rail network or any other form of commuting travel. Surely the road network should always have been part of the business case. Where will people who are currently located at DARD HQ go? What are their family circumstances? Where do they live? Where are they best placed to go? Surely that should all have been taken into account.

**Mr Lavery:** I will put it this way: you are taking a perspective, starting from here. We are all sitting in Stormont, and you are looking out and saying, "Why not move somewhere within half an hour of here?" With respect, if I were sitting in Tyrone or Londonderry, I might say, "Why not move some jobs within half an hour of me?" That is the difference. The issue is not about how we can move jobs within half an hour of greater Belfast, but how we can move jobs within half an hour of the other end of

the Province. That, as I say, is the opportunity to break the mould: to start from that perspective. I assume that my Minister, given that her constituency starts from that side of the Bann, looks at it from the point of view of the rural dwellers asking why they do not have access to more high-quality public sector jobs and are excluded from a career in a departmental headquarters unless they are prepared to move house. There are two perspectives.

**The Chairperson:** Yes, and I am not saying that we should not relocate to any county; I am saying that that should all be part of the business case. It should then be measured, and an informed decision should be taken with that mindset. At the moment, we have placed a point on the map and are trying to build a business case around that one site. We cannot demonstrate value for money for that one site.

I will move on. The Central Procurement Directorate has provided costs and timings for the construction of a new headquarters building, based on a number of workstations at Shackleton Barracks. What are those costings and timings?

**Mr Lavery:** Members will be aware that, when we set out on this exercise, we gave a ballpark figure. We expected replacing Dundonald House to cost anything up to £26 million. The figures that we are receiving are within that envelope, and we will use that envelope. I would prefer not to be drawn too tightly on figures because I will end up in a position where every developer that I ask to tender for work at Ballykelly will have one figure in their head for the cost of a building on the site. However, we are looking at working within that figure of £26 million.

**Mr T Kennedy:** Yes; that is right.

**Mr Byrne:** This is obviously an issue that I have some interest in; parochial considerations are a factor. I think that there are also more objective considerations. Gerry, you referred to the ministerial direction, which resulted from a unilateral decision by the Minister. How much prior consultation would the Minister have had with our senior officials regarding the merits or otherwise of simply unilaterally thinking about one site? Secondly, in relation to the hub issue, am I right in saying that it is not normal to use a needle to pick a point on the map and then design a business case around that? Thirdly, are there any prior examples of this type of decision-making — choosing a site and then building a business case around it?

**Mr Lavery:** Those questions are very wide ranging. There has been consultation with senior officials: we offered advice to the Minister and we did so well in advance of her decision on Ballykelly. A lot of that information is, by and large, in the public domain. We advised on the merits of a range of locations right across Northern Ireland and the Minister had that information available to her. We took account of the regional development strategy and other strategies in the criteria that we applied in weighing up the merits of the different locations. The top two locations, as you well know, Mr Deputy Chairperson, are in the north-west, and the Minister opted for that broad area. I am happy to say that, by doing so, she will ensure that quality public sector jobs are more available to the people of Strabane than they would have been had the jobs remained in Belfast. As for the approach of identifying a location and then developing a business case, I cannot honestly say that there is an immediate example. Perhaps I am sitting in one.

**Mr Byrne:** From 1928?

**Mr Lavery:** In all sincerity, there are two perspectives here. There is the perspective of those of us who are sitting in Stormont or in Dundonald House in the east of the Province, and there is the perspective of those who are not, and who are sitting, perhaps, in Strabane. They are not interested in whether jobs will be moved within 30 minutes of Belfast; they are interested in whether jobs are moved to within 30 minutes of Strabane.

**Mr Byrne:** I have one further question in relation to the widely canvassed view that £26 million would be the cost of the refurbishment of Dundonald House. That has almost become the going rate. How can you have good governance if no other greenfield sites are being examined where a purpose-built unit may be designed and built by a private developer to be compared against? Given that Shackleton Barracks has a well-established runway, and commercial aircraft arrived there some time ago, let us say that Mr O'Leary turned up in the morning with an offer of £30 million for Shackleton Barracks. Would that be considered?

**Mr Lavery:** Happily, the last question is for the Office of the First Minister and deputy First Minister as the current owners of Shackleton Barracks. We will certainly look at the range of options that may be considered in the business case. The issue, for instance, of a design-and-build option —

**Mr Byrne:** A 25-year lease?

**Mr Lavery:** Let me put it this way: that is almost, in a sense, the converse of where I am. If a developer were looking at a design-and-build option, they would look somewhere where there would be alternative tenants at a date in the future. By doing that, you start to narrow the claim of the rural community. They are unlikely, I would suggest, to look at the design-and-build option for a group of 600 or 800 staff anywhere outside urban centres.

**Mr Byrne:** I do not believe that you could get the same square footage, rentals or price ratio.

**Mr Lavery:** You can see my concern. I put it at no more than a concern. Of course we will happily look at a range of options. However, if we take a strong rural footprint, there may not be that many other organisations of our size that would be alternative tenants. That may make it less attractive to the private sector.

**Mr Byrne:** But if it had a 25-year lease remit, there would be enough payback into the future.

**Mr Lavery:** Office buildings now should last 50 years.

**Mrs Dobson:** I will start with an observation, because the Chair has highlighted most of the points in my first question. Of DARD staff, 86% say that they are not content to work at Ballykelly. Would it not have been more sensible for the Minister to have talked to her own staff, rather than making the statement that she made in February? Surely, Gerry, when the vast majority of staff express a wish to leave rather than relocate, you must realise that there could be serious implications for farming across Northern Ireland. I am concerned about that. Is there a danger with the staffing considerations that there will be an issue for the farmers, who will be forgotten? How are you going to handle that level of staff replacement? I take it that it would be unprecedented in the history of the Civil Service, here and elsewhere, for such a majority of staff to express a wish not to relocate? Do you want to answer that point first?

**Mr Lavery:** I think that it is a serious issue. First, it is understandable and not unexpected. The fact that our headquarters has been where it is since the early 1960s means that people have put down roots here, even if they were born elsewhere in Northern Ireland. They have, as the Chair alluded to, dependants and homes. We are living in a time when negative equity would be a consideration, even if they wanted to move. All those considerations have gone into staff making the decision to respond to the survey by saying: "No; I would not be happy to stay in my post if it moved to Ballykelly." We are going to have to cope with that and develop a way of doing it. The first alternative is to admit that we cannot move, which I do not think would be good for the rural economy. The second alternative is to say that our organisation is there for the benefit of staff rather than for rural economy reasons. I do not think that that is right either.

**Mrs Dobson:** Farmers will not be compromised by the loss of staff?

**Mr Lavery:** We will be working to deliver the business throughout the coming period. That is our objective. I have talked to our senior staff and told them that, as managers, I expect them to get their heads around the fact that they are going to have to deliver business objectives throughout a period when relocation will be an issue. They will be buffeted by a new comprehensive spending review. They will be buffeted by CAP reform or fisheries reform. They still have to deliver their business objectives. Relocation is one factor among a number. Let us not magnify it into something that it is not. It is going to be part of the context of how we do our business. Right the way through the organisation, as proven during the snowstorm, we have staff who want to serve the rural community, place a very high value on serving the rural community and want to deliver for farmers. They will not be putting themselves first.

**Mrs Dobson:** Before I go on, is that an assurance from you that farmers will not be compromised?

**Mr Lavery:** As far as I can give an assurance, I am happy to give an assurance that I will work to ensure that farmers' needs are not compromised by this.



**Mrs Dobson:** In your briefing, you refer, on a number of occasions, to the restoration of the buildings that are already on the site. Have those buildings been structurally assessed for their suitability to be restored? Can you give us a rough percentage breakdown of the buildings that will be new and those that can be reused, and a financial assessment of the savings that can be made for the buildings that can be reused, as opposed to a complete newbuild? Have you all that worked out?

**Mr Lavery:** We are not quite there yet. Some of that remains to go into the business case and the comparative assessment. That might be for a future date. You are asking for a level of detail that I certainly have not seen yet.

**Mrs Dobson:** When will we see it? When will it be available?

**Mr T Kennedy:** As Gerry said, we are working on getting that sorted out for the end of June. We have some other information to come in. We have clarified some things with CPD and some valuations with Land and Property Services. I expect, over the next four weeks or so, to have most of the information in. We will then do the analysis and number crunching on that.

**Mrs Dobson:** So we, as a Committee, will be able to scrutinise that before recess?

**Mr Lavery:** No. It is more likely to be after recess. The consultation period for the EQIA ends on 5 July. We need to build that into the business case as well. It will probably be at the start of the next session.

**Mrs Dobson:** Has the Department entered into any discussions with the army about the site? Are you concerned that an additional cost could be incurred by the decontamination of a former military site, especially in relation to munitions that may remain there?

**Mr T Kennedy:** Obviously, OFMDFM looks after the site. We have talked to it about that. CPD has looked at that as well. The response is that it is not unusual for that sort of site. The contamination would be very low. Indeed, the area that we are looking at on the upper site is where there was sleeping accommodation and so on, so contamination is very low. In any case, before we would go on site, we would do a further detailed contamination survey to assure ourselves that that was the case.

**Mrs Dobson:** Again, we do not know what the cost of that will be.

**Mr T Kennedy:** It will be factored into the business case.

**Mr McMullan:** What are the projected financial benefits for the north-west?

**Mr Lavery:** I do not have anything to hand at the moment, unless Tom has. There is the benefit of having spending by people in that area who would otherwise be spending a lot of their income in the east of the Province. There is the benefit of opening up the Shackleton Barracks site, hopefully in a way that encourages other occupants to come on site with us. Perversely, it may, in the long term, reduce the amount of travel across Northern Ireland by public sector workers, because we will be aiming to get to the point where 75% of our headquarters staff live within commuting distance of Ballykelly. That should reduce travel rather than increase it.

**Mr McMullan:** Am I right in saying that services would automatically follow the likes of a plan like this? When they see something being set up, will they automatically come to service relocation such as this?

**Mr Lavery:** That is our expectation and our intention.

**The Chairperson:** Can you elaborate on that? What services would you expect?

**Mr Lavery:** I suppose that it is everything from maintenance to ICT services. At the moment, happily, we are at a low point in the use of consultancy, but business consultancy is another one. Our draw on agency workers, etc, could start to build in and around Ballykelly. I am not giving an assurance to the people of Ballykelly that all of those services will suddenly appear tomorrow.

**Mr McMullan:** No, but, at this stage, it is a reasonable assumption that some of them may go there. I am not terribly convinced about these hubs. In some cases, yes, but, in a lot of cases, no. The economic hub that I am thinking about in my area in Larne has not done much good. If a hub is there, is that a benefit to the relocation, even though the hub is Limavady, which is basically down the road from Ballykelly?

**Mr Lavery:** That is the theory in the regional development strategy: if you cluster employers and jobs together, there will be an effect. To that extent, we have included the concept of the hub in the decision-taking criteria. As a Department, we will be aiming to look at that in how we develop the headquarters.

**Mr McMullan:** We talked about people not relocating, etc. Your report asks for time to package things together to be able to train up young people who are not in work to be able to avail themselves of work in the new centre. We will have the capability to fill those posts, if we give them time to get the packages put together, and basically bring a new workforce in.

**Mr Lavery:** That is a point that I will reflect on. So far, we have been thinking about the broad economic benefit. You have raised the question of community benefit. We have thought of that largely coming from construction and the effect of having a large employer in the area, with the catering services, and so on, that would build up around it. There may be other community benefits that we should look at. We talked about whether you could open up the buildings for community use. That is still an option, and there may be other community benefits around employment that we should also look at.

**Mr McMullan:** I was heartened to hear you say that a building like that would inspire confidence for people to come in and possibly become a tenant, or whatever way you want to put it. Is it not right that a sizeable number of people are already in employment here who are from the north-west area?

**Mr Lavery:** Yes, and that is the point that we alluded to earlier. Of the 25,000 or so people who are in the Civil Service, at least around 1,400 have postcode residences closer to Ballykelly than to Belfast. At the moment, those people are travelling to Belfast, by and large, for employment.

**Mr Buchanan:** I have no difficulty with the move of the headquarters, but the way that it has been carried out has put the cart before the horse. It has not been done at all correctly: you have identified a site and then sought to build a business case around it. If I were looking for funds for something, I would have to build a business case first, and it would have to be robust before I got any public money. To pick a site and then seek to build a business case around it does not stack up. No other organisation or Department that I know of would do that. You were asked for examples and were not able to give them. There are failings in the Department in that it went forward in that direction.

There is also an issue with the 86% of staff. It appears that there was no consultation with staff prior to any decision being made on where the Department was to relocate. You talk about retraining staff. Has any work started on that? Someone may have been in the Department for 20 or 25 years, with years of knowledge and experience in a Department in which things are changing weekly, and they are trying to keep up to speed. How long will it take to train new people who may not have worked in the Department and who will come in and take over those roles? That needs to become a matter of urgency.

What work is being done to encourage the 86% of staff, who say that they will not relocate, to change their mindset and move out a wee bit? It will be no difficulty for them to move a wee bit out of Belfast. We in the west have to come to Belfast all the time. It is the same distance from Omagh to Belfast as it is from Belfast to Omagh. There is no difference. It will be the same the other way about. So, it is about seeking to change the mindset of those people and encouraging them to move.

How can we be guaranteed that the move from Dundonald House to the new premises, whenever they are up and running, will be a smooth transition? How can we be assured that the relocation will not end up in a shambles, like a lot of other things in the Department of Agriculture? Unfortunately, a lot of things in the Department end up in a shambles. How can we be sure that that will not happen on this occasion and that there will be a smooth transition when you relocate?

**Mr Lavery:** Thank you, Mr Buchanan. Clearly, we are aiming for a business case that looks at the most cost-effective, value-for-money way to put a headquarters on the Ballykelly site. It will not address whether Ballykelly is the most cost-effective site available in Northern Ireland. To that extent, I think that we are on the same page.

We are now consulting with staff. We could not do so in advance of the decision because it would not have been clear what we were consulting on. If we had talked broadly about whether they were content to move to a rural location, they may have responded with an expectation of that location being five or 10 miles from Belfast. We are now in the position of having at least a bit more of the picture available.

You asked how we will go about changing the mindset of the 86%. Now that we have a decision available, we will be discussing the available options with those people as to how, business area by business area, we will keep the business going; how we will deliver the new headquarters; and how that will impact on individuals. We will work with staff on an individual level about whether they see themselves swapping posts, working in Ballykelly, or working somewhere in between. As I alluded to in my opening remarks, there are lots of options for working in a dispersed and agile way. We want to explore those options.

We have not yet begun to retrain people for positions in DARD. That will very much depend on the outworking, business area by business area, of how they see themselves staffing their function for the next several years in a way that allows them to continue to deliver business needs.

Can I guarantee that there will be a smooth transition? I have already given an assurance today that I will work to ensure that farmers' needs are not undermined. I will work to ensure that the transition is as smooth as possible. That is about as far as we can hope to go with any sort of credibility.

**Mr McCarthy:** I have sat listening for nearly an hour, and I am very disappointed at the manner in which the 86% of your staff have been treated. They quite clearly said that they did not want to move, but you are forcing this through. It is perhaps not your doing, but it seems to me that there has been a predetermined effort to go to Ballykelly, whether that is the right site or not.

I am going to stand up for my constituents who work in Dundonald House, and who probably have done so since its inception in 1960. I think that it is grossly unfair that somebody is now forcing them to either lose their jobs or go somewhere they do not want to go. No matter what Gerry Lavery says to us today, things are going in that direction, and I think that it is grossly unfair. At the end of the day, £26 million has been spoken about, but I am convinced that we are going to finish up with much more than £26 million.

The vast majority of staff in Dundonald House will be grossly displaced. They do not want to go. Should we start a media campaign? Should we go to Stephen Nolan in the way that happened last week when residents were going to be turfed out of their old people's homes? Now, we have staff who are going to be turfed out of where they have been employed for 40 years. They have no choice but to go to Ballykelly or be out of work. The man is speechless.

**The Chairperson:** He is thinking.

**Mr Lavery:** No. I do not want to be glib about this. Bear in mind that I am one of those staff, though not necessarily one of the 86%, who are anonymous.

**The Chairperson:** We could ask you to clarify that position, but we will not.

**Mr Lavery:** It is not a case of, "Go to Ballykelly or lose your job". There is no provision anywhere in our business case or our thinking for a redundancy scheme. There is no thinking that anybody is going to be unemployed as a result of this decision.

That is why I do not want to be glib — I am not saying that people's lives are not going to be changed by the decision. Some will volunteer to go to Ballykelly; others will not wish to go to Ballykelly and will want to swap with someone in another Department. It will be a major change in their career; so, I am not saying that this will not change their life and their career, but it is not the case that they will be unemployed or lose their job. We have to keep this within bounds.

As soon as we talked about moving to Ballykelly, people leapt to an extreme position and asked why they would want to live in Ballykelly. Without offence to Ballykelly, I would say that that is not the issue: it is whether they would live within commuting distance of Ballykelly, which, even for the people in Dundonald House, is around 30 miles or so. Within 30 miles of Ballykelly there is a very wide variety of locations and scenery available. I do not want people to paint themselves into a corner and think that this is about going to Ballykelly or losing their job.

**Mr McCarthy:** So, that is a guarantee that nobody will lose their job out of this? That is another guarantee.

**Mr Lavery:** We have no provision for anyone to lose their job, and I do not see any reason why anyone would lose their job out of it. However, if somebody was expecting to work until they were in their early 60s and found, at age 60, that the choice was either to move to Ballykelly with their work or change Department, they might find that that was too big a life choice and they might decide to retire at age 60, as they are entitled to do. Again, that would be life-changing. I do not want to minimise this or sound glib about it. It would be life-changing, but not as dramatic as situations that people in the private sector sometimes face.

**Mr Irwin:** I apologise for not being here for your presentation. I had a number of other meetings and had to ask questions of relevant Ministers. I suppose that, if you were talking to Gregory Campbell, he would think that it was good thing in that it would bring jobs to Coleraine and the surrounding area. I am not so sure. There are pluses and minuses in any move.

It has been mentioned a few times that 86% of staff do not want to move to Ballykelly. When you look at it, it is even worse, because, as things stand, only 5% of staff are willing to work there. Of the remaining 14%, 9% said that they would be willing to work there, provided that they would be able to do some work from home or from somewhere else and would not have to work full-time in Ballykelly. So, the figure is probably worse than 86%. You are left with 5% of staff who, on the face of it, are prepared to go to Ballykelly. Are you concerned about that? Do you think that it will create problems?

**Mr Lavery:** I am very concerned about it. It means that it is going to be a difficult move. It will also require a lot of work; and I have said that it will require a lot of work around our HR strategy and swapping staff with other Departments. It will also require a lot of work on our technology and in reporting staff in new ways, and a lot of work will have to be done to ensure that staff hand over knowledge to one another in a very organised way.

Do I think that it is doable? Yes, and we will work to ensure that it is a smooth and effective transition. It is a big hill to climb, but if we do not climb it, we will be saying, effectively, that rural Northern Ireland is never going to be able to aspire to this quality of public sector employment without urbanising and moving to Belfast. That is the objective: to show that it can be done effectively. Otherwise, we will just have a one-off exercise that will leave one Department with its headquarters in a rural location and others saying: "That did not work terrible well; I certainly would not try to do it." We will try to do this so that people can look at it and say: "Actually, we could do it if the ministerial will were there."

**Mr Irwin:** There is a lot of difficulty. As you know, the heart of government is here at Stormont. Will it create difficulties for you when you have to come to Committees, etc?

**Mr Lavery:** I look forward to the Committee looking at the sort of technology and changes that it might wish to see. There is no reason why you need to have me here in person; you could have me on screen. There are options.

For example, I always expected that we would have a lot more video conferencing, and conferencing using monitors on our desks. I also expected that we would have more access to iPads, and that we would use that sort of technology in headquarters. If you had asked me when I thought that that would happen, I would probably have said about 2020 as there are barriers, such as the self-imposed security controls that we have that ensure that information does not leak. This project will bring this forward faster for the Department and, because it will be faster for us, it will be faster for the Civil Service. As we will be demanding change, it will speed up the pace of change, even, I would suggest, for the Assembly. The Committee may not want to ask staff to come down from Ballykelly; it may want a different technology solution.

**Mr T Kennedy:** I know that the Finance and Personnel Committee is looking at flexible working, and it will be interesting to see what comes out of that to support some of this. Certainly, we want to try to push the boundaries a little bit.

**Mr Irwin:** We might not be able to put as much pressure on you if you are on screen.

**The Chairperson:** We have not got to the point of missile-throwing yet.

**Mr T Kennedy:** You could get a little buzzer or something to give us a jolt.

**Mr Milne:** I am sorry that I missed a lot of your presentation, and I probably missed some of the stuff that has been going on here. The answers may have been given already to the simple questions that I want to ask. We are talking about 86% of staff. How many is that? Was the question put to the staff that they "may" be moving or that they "are" moving? The reply that you get to an initial question may be different to the answer that you would get if staff were told that they were moving tomorrow morning.

**Mr Lavery:** In very round numbers, the Department has about 3,000 staff spread across Northern Ireland. About 850 are based in Dundonald House and Hydebank, and it was those 850 or so who were surveyed, because they will be directly affected by the decision. Not surprisingly, 86% of them said that they were not content to move to Ballykelly if their jobs move there. We are now surveying the rest of the Department to see what the appetite is to work in Ballykelly, and then we will survey the rest of the Civil Service to see what the appetite is there. We have started with the group that is affected most directly.

Will people change their minds? I think that people have a natural reaction to news such as this, and it is one of shock and concern. However, I hope that when they see that we are going to take our time over this; that we are going to open up options, and that we are going to respect people, their obligations, and their family obligations, a better picture may emerge. When I first mentioned agile working, people's reaction was that they would be able to work at home. That is an extreme form of agile working. It might mean working in our Mallusk office, which happens to be very conveniently at the end of the motorway. It is about letting people become accustomed to the issue and then gradually getting to the point where I can make them a much more genuine offer about what it would mean for them and how we could go on to deliver the business and respect their obligations to their families, etc. I hope that we will be working with staff. We are engaged very closely with trade union side on all this. We are trying to come up with a way that respects the staff who have put a lot of their lives, in many cases, into the Department.

**The Chairperson:** This is a very important issue, and you are right, Gerry, to not be glib or flippant about it. I respect the way that you have handled this matter with the Committee today and how the Department has handled the process. You have been measured in your response and you have taken time to think about it, and I appreciate that.

You gave us a breakdown of the staff that DARD employs, and you said that 850 of them are employed in Dundonald House. Therefore, it is fair to say that the majority of your staff are employed in rural areas. Why the great experiment that is Ballykelly? We can all define rurality in many ways, and we all have our own ideas of what is rural and what is not. How rural is Ballykelly? How far is it from the city of Londonderry? I am asking you that because I do not know. Is it 10 miles?

**Mr Lavery:** It is between 10 and 15 miles.

**Mr T Kennedy:** It is 12 miles.

**The Chairperson:** So, you could do it in 15 minutes. Are we not just swapping employment from one city to another? I will put Oliver McMullan's point to you; why, with respect to ICT maintenance, consultancy and catering services, would anyone relocate to a building in Ballykelly, if that is only 12 miles, or 15 minutes, from the city of Londonderry?

**Mr Lavery:** I will answer the first question first. Ours is the most dispersed Department in the Civil Service for the very good reason that we serve the rural population. When dialogue opened up with George Bain around the future location of public sector jobs, we were, in one sense, the obvious Department, if any Department was going to attempt to relocate its headquarters, because we have

the drive to serve the rural community. No other Department is going to stick its neck out, so it had to be us.

If we really believe in a vibrant rural economy with public sector jobs as part of the guarantee that that economy will thrive, it has to be us who go out. No one else is going to stick their neck out and say that they will go to a rural location. This is part of what we believe in, and to that extent that is why it is us. Over 2,000 of our staff are already based across rural Northern Ireland, but we would like to take the headquarters there and show that that also can be done.

How rural is Ballykelly? That is a fair point; it is on the urban fringe, but the Civil Service perception is that it will be a rural location, and perception is half the battle. It is about showing that we can work remotely, away from Belfast and the Stormont estate. I am not going to tell you that Ballykelly is something that it is not. Having visited the site, I would suggest that it is more a village than a suburb or a town, and the area would count as being rural. I have visited farms in the area, so it is a rural location, but it is certainly accessible from Londonderry.

**Mr Irwin:** I just want to touch on what the Chairperson said, because he made a valid point. There are around 850 staff in Dundonald House. What percentage of those staff are not from the greater Belfast area? How many are from outside Belfast?

**Mr T Kennedy:** Seventy-five per cent are from the catchment area.

**Mr Irwin:** So, about 25% could be from rural areas?

**Mr T Kennedy:** Yes.

**The Chairperson:** OK. Thank you for your time, gentlemen. I feel as though I have given Ballykelly a severe kicking today, but I did not mean it to come across that way. I like the place very much and I have spent a lot of time in it, particularly in Shackleton barracks. I have a lot of fond memories of the site and the area.

Nevertheless, we have to scrutinise these procedures, and we feel that there are a lot of blanks. There are a lot of processes that, perhaps, as Tom said, put the cart before the horse, and you have gone back to front on a lot of these issues. I would have preferred that we questioned you on the range of options for different sites, but that is not the case and it does not look like we are going to get to that position. It is fair to say that the Committee has major concerns about the process that has been conducted up to this point.

Thank you for your time. You have spent a lot of time with us and you have answered all our questions as well as you could do so.