



Committee for Culture, Arts and Leisure

# OFFICIAL REPORT (Hansard)

October Monitoring Round: DCAL Briefing

27 September 2012

# NORTHERN IRELAND ASSEMBLY

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

Miss Michelle McIlveen (Chairperson)  
Mr William Irwin (Deputy Chairperson)  
Mr Dominic Bradley  
Mr David Hilditch  
Ms Rosaleen McCorley  
Mr Michael McGimpsey  
Mrs Karen McKeitt  
Mr Oliver McMullan  
Mr Cathal Ó hOisín  
Mr Robin Swann

### **Witnesses:**

Mrs Deborah Brown	Department of Culture, Arts and Leisure
Mr Ciaran Mee	Department of Culture, Arts and Leisure
Mr Arthur Scott	Department of Culture, Arts and Leisure

**The Chairperson:** Good morning. Welcome to the Committee. If you would like to make your opening statement, we will follow it with some questions.

**Mrs Deborah Brown (Department of Culture, Arts and Leisure):** Thank you. Good morning. I am sure you all know that I am Deborah Brown, the finance director at the Department of Culture, Arts and Leisure (DCAL). With me are Arthur Scott, the head of culture, and Ciaran Mee, who is here as head of sport in place of Colin Watson this morning.

You will have received the Department's proposals for the October monitoring round. This is part of the normal monitoring process, following on from Budget 2010, where we set out our strategic objectives and aligned our budgets accordingly over four years. The monitoring round is the opportunity to make some revisions to those budgets and to bid for any pressures, render any easements, declare any reduced requirements and transfer budgets between service areas at de minimis level.

I am sure you are also familiar with the public expenditure structure, where we have the departmental expenditure limit, which has three categories: recurrent, which is our administration and resource budget; the capital budget, which includes the capital grant; and the ring-fenced areas, which are areas such as Invest to Save. We have to apply to the Department of Finance and Personnel (DFP) for movements between those categories, and those are known as reclassifications. Also, within the recurrent category, there are budgets for depreciation and impairments, which are ring-fenced and, again, any movements between those are subject to DFP approval.

Also, I will just make you aware of the de minimis threshold of £1 million. Normally, the Department would action a number of de minimis internal transfers as part of the monitoring rounds.

To turn to the detail in our submission; we are not proposing to make any resource bids to DFP as part of this round. In capital, you will have noticed that the Department is placing a bid against the Balmoral site sale. You will be aware that in the June monitoring round, we had thought that the sale was imminent and had declared that sale as part of that round at £1.5 million. Unfortunately, the sale has fallen through, and we are now bidding to cover that pressure. We are able to cover some elements of it ourselves. Therefore, the bid that we are placing is for £1.2 million.

We are not surrendering any resource reduced requirements, and we are not surrendering any capital reduced requirements. You will notice in the table some small reallocations between categories. We are not proposing any reclassifications in this round, and we are not seeking any internal reallocations above the de minimis threshold. We are proposing a number of small de minimis reallocations to do with some housekeeping and managing some of our internal pressures, but they are very small.

The Department is making some technical transfers as part of the October monitoring round of an additional £224,000. The majority of that relates to £200,000 in funding that is coming into the Department from the Department of Enterprise, Trade and Investment (DETI) for the decade of centenaries celebrations.

To summarise, the planned resource spend for the current financial year is £116,268 million, as described in Annex B of our budget table, and the capital spend is planned to be £22.5 million, which is set out in Annex A of the table. That summarises the Department's proposals for the October monitoring round. I am happy to take any questions that you may have.

**The Chairperson:** Thank you very much, Deborah. It is disappointing that the sale of the Balmoral site has fallen through. You said that you are bidding for £1.2 million for capital pressures: what are they? Are they for the fisheries weed harvester, and so on, that were indicated in June monitoring?

**Mrs D Brown:** No. When we placed our bid the last time around, we had been able to use the £1.5 million from the Public Record Office of Northern Ireland sale to cover the £1.5 million of slippage on the 50 metre pool. Now, because that £1.5 million receipt cannot be realised, we have that pressure, so we are looking at how we can manage that. In Annex A, you will notice some easements against Electronic Libraries for Northern Ireland and there is a small easement against regional stadiums and some other reallocations. The net effect is around £291,000 of easements that we are going to use towards the £1.5 million, and so we are bidding for the £1.2 million of the remaining receipts that we cannot cover ourselves.

**The Chairperson:** Do you have an update on the 50 metre pool development?

**Mr Ciaran Mee (Department of Culture, Arts and Leisure):** We are still on track for achieving the 50 metre pool development. The timescale we are working to is February of next year, and, at the moment, we are still on track with that.

**The Chairperson:** So, that is one that is on target. Do you have detail on how the £200,000 that is coming from DETI for the decade of centenaries is going to be spent, and whether there is any match funding from DCAL? Also, this was an agreement made by the Executive about six months ago, so why has it taken so long for it to come into the process now?

**Mr Arthur Scott (Department of Culture, Arts and Leisure):** There is £100,000 in the £200,000 budget that is intended for PR and event management support, and around £60,000 is for graphic design and brand development.

**The Chairperson:** Sorry; could you speak up a wee bit?

**Mr Scott:** Sorry. The budget is broken down as follows: there is £100,000 for PR and event management support; £60,000 for graphic design and brand development; and the remaining £40,000 is likely to supplement these budgets in areas that the Minister of Enterprise, Trade and Investment and the Minister of Culture, Arts and Leisure will agree. As regards the timing, it is just because of the

process. The commitment was given and the work went ahead on the basis that this technical transfer would be put in place.

**The Chairperson:** Is there much funding from DCAL? Is it the same amount of money that is going to be spent on the decade of centenaries or is that not clear?

**Mrs D Brown:** We have not allocated any funding towards it at this point.

**The Chairperson:** Is there a work schedule in relation to the PR events and the graphics, and so on, or are they being targeted at specific celebrations or commemorations?

**Mr Scott:** I do not have that detail with me. Another colleague who has been dealing with that reports to me. I understand that it is all on track, but I can write to the Committee with the detail.

**The Chairperson:** I am just mindful that we are celebrating quite a large commemoration, particularly this weekend, and if the moneys are only coming through at this stage, that opportunity may have been missed.

**Mr Scott:** I think, as I explained earlier, that it was just going through the system. Actions were ongoing and were being taken. A consultant was appointed and work was ongoing between DETI and Steve McGowan in our Department. Activities have been completed. In that sense, I am not aware that any opportunity was lost because of the technical transfer issue. I will write to you with the detail of what has been achieved and what is planned.

**The Chairperson:** Thank you. What is the detail of the £403,000 required for arts infrastructure?

**Mrs D Brown:** There is a proposal on the table at the moment for a ticketing system. We have not got the business case in yet, so what we are saying is that we are setting that money aside pending our assessment of the business case. The business case will obviously have to stack up, but we have not actually assessed it yet. However, given that we have another monitoring round, it is prudent for us to set it aside at this point in case that does stack up. If not, we will look at other opportunities to spend it or give it back in the January monitoring round.

**The Chairperson:** So, the detail will follow?

**Mrs D Brown:** Yes.

**Mr Irwin:** In June, you advised that around £7.5 million to £8 million was spent on the regional stadium project. Some £132,000 has been moved in this monitoring round. Is the regional stadium project still on target to spend the money?

**Mrs D Brown:** Yes. We have informed DFP of the revised profile of the spend. We knew when we got the comprehensive spending review (CSR) settlement that we did not have clarity on what expenditure would be incurred, but we now have a profile of that spend and we have informed DFP and the Executive of that revised profile. Hopefully, we will be able to secure the additional funds that we need next year. We will spend £110 million within the CSR period. That is still the intention, and the plans at the moment indicate that we are progressing well in that regard.

**Mr Hilditch:** I want to ask a supplementary question to that. Have the locations for the regional stadiums been identified at this stage?

**Mr Mee:** Yes. The regional stadiums are the three major stadiums of the three ball sports; that is, Windsor Park, Ravenhill and Casement.

**Mr Hilditch:** There is some confusion among some sports in relation to the term "regional stadiums". Some thought it referred to certain locations for their sport in various counties.

**Mr Mee:** No, when we are referring to them, we mean the likes of Windsor Park —

**Mr Hilditch:** I just wanted that clarification. Thank you.

**Mr D Bradley:** I want to ask you about the £355,000 that has been reclassified from capital to resource. What is the history of that?

**Mrs D Brown:** It was done as part of the June monitoring round. That was money that was reclassified for Odyssey Trust Company funding. It had the funding and it needed reclassified. That was approved by DFP and went through as part of the June monitoring round. It was just a reclassification.

**Mr Ó hOisín:** Has the £6.5 million for the City of Culture been reassessed recently? There has been some concern that there may be an underspend, or, indeed, an overspend, in respect of that.

**Mr Scott:** There are regular oversight meetings, both by the Office of the First Minister and deputy First Minister (OFMDFM), in relation to the total government help required to assist the successful delivery of the City of Culture, and by DFP.

**The Chairperson:** Sorry, Arthur, can you speak up. I cannot hear you.

**Mr Scott:** Sorry, Chair. There are regular oversight meetings by OFMDFM and DCAL to monitor the progress towards the City of Culture project and ensure its successful delivery. The reports provided by the Culture Company and Derry City Council suggest that the profile of £6.5 million will be spent during this period. In fact, an oversight meeting is due to take place this Friday. There are some issues around the procurement conditions that the Department set out in its letter of offer, but we are optimistic that those can be addressed. We still forecast that that is what we will spend. That is what we expect to spend.

**Mr Ó hOisín:** When was the most recent oversight meeting?

**Mr Scott:** They are held periodically. I cannot recall exactly when the last one was, but it was probably within the past four weeks. In addition to those set-piece oversight meetings, DCAL has a weekly meeting with the senior responsible owner of the project, namely the chief executive of Derry City Council, and the chief executive of the Culture Company. That happens on a weekly basis and brings to the Department's attention any major issues or risks.

**Mr Swann:** There is a very small figure of £55,000 for Tollymore.

**Mrs D Brown:** At the end of the last financial year, there was a retention figure for Tollymore that was not accrued. That should have gone in last year, but it only came to light this year. That is why it is in the funding only this year.

**Mr Swann:** So, £55,000 was allocated. Is there any connection between the Mourne mountain bike SSI and the Tollymore moneys?

**Mr Mee:** No. The Mourne mountain bike figure is the contribution that we are making to the development of a mountain bike trail. The project is led by the Northern Ireland Tourist Board and DETI, and that figure is the DCAL contribution.

**The Chairperson:** How are the savings efficiency targets monitored in DCAL?

**Mrs D Brown:** The savings delivery plans are all on the website, and they indicate how the bodies are managing their budgets. All the arm's-length bodies have business plans that articulate how they are living within those budgets. Those business plans are monitored regularly and discussed at accountability meetings to make sure that they are on track.

**The Chairperson:** You supplied us with the majority of the savings delivery plans, and one is still outstanding. What is the progress on that one?

**Mrs D Brown:** We are in discussion with National Museums Northern Ireland about its savings delivery plans. There was a meeting with the chief executive of National Museums Northern Ireland a couple of weeks ago. It has provided us with further figure work, which we are having a look at at the minute.

**The Chairperson:** The Committee is working with you to arrange a date for you to come to brief us on the plans.

**Mrs D Brown:** Yes, you have asked for a presentation on the savings delivery plans and the Programme for Government delivery plans.

**The Chairperson:** Where are you in relation to the Programme for Government delivery plans?

**Mrs D Brown:** Those are with our Minister for sign off, but they are all done. We have three Programme for Government delivery plans: for the stadiums, the creative industries and the World Police and Fire Games. Obviously we contribute to the City of Culture Programme for Government commitment, but that belongs to OFMDFM.

**The Chairperson:** Do you have a timescale for those being signed off? I am conscious that other Committees are receiving briefings on the Programme for Government delivery plans.

**Mrs D Brown:** I imagine that that will be very shortly. They are with the Minister at the minute. I hope that we will get them to you very quickly.

**Mrs McKevitt:** The figure for library vehicle replacement is £345,000. Does that include mobile libraries, as there is a review of those at the minute?

**Mrs D Brown:** I do not know the detail of that; I am sorry. I will have to come back to you on that one.

**The Chairperson:** No other member has indicated. Thank you all for coming this morning.