



Northern Ireland
Assembly

Committee for Culture, Arts and Leisure

OFFICIAL REPORT (Hansard)

October 2014 Monitoring Round: DCAL
Officials

29 September 2014

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Nelson McCausland (Chairperson)
Mr Gordon Dunne (Deputy Chairperson)
Mr Dominic Bradley
Mr David Hilditch
Mr William Humphrey
Ms Rosaleen McCorley
Mr Michael McGimpsey
Mrs Karen McKeivitt
Mr Cathal Ó hOisín

Witnesses:

Mr David Carson	Department of Culture, Arts and Leisure
Mr Stephen McGowan	Department of Culture, Arts and Leisure
Mr Rory Miskelly	Department of Culture, Arts and Leisure
Mr Arthur Scott	Department of Culture, Arts and Leisure

The Chairperson: Thank you for coming along today to the Committee. The paper that has been provided is in members' packs, and they have had a chance to look at that. Just before we do that, I presume that you have the response to the earlier correspondence from June about the June monitoring round. A paper was submitted to us from the Minister about that.

Sorry, I should have welcomed David Carson as the new finance director.

Mr David Carson (Department of Culture, Arts and Leisure): Thank you, Chairman.

The Chairperson: In pages 6 to 14, those items have been identified. I was interested to read through it as I am new to the Committee. Maybe members have questions that they want to raise on any of those points. Annex A on page 9 relates to the use of internal easements. Those things are done internally, so they are not dependent on anything. It states that £187,000 was put forward for the funding of the Líofa programme and £99,000 for its website maintenance, so you are talking about £286,000. Is that the total cost of the programme, or is that only a portion of the programme?

Mr Carson: I do not have the detail of that particular programme with me today, but I am happy to respond in writing with the detail behind that. I have some remarks in relation to the outcome of the June monitoring round. If the Committee would find that helpful, I can briefly summarise it.

The Chairperson: I am happy to take those, and then we will go back to individual items.

Mr Carson: At the outset, I want to apologise for the delay in providing a written briefing for the meeting. As you know, the monitoring round is taking place in particularly challenging circumstances, and the outcome of June monitoring took longer than usual to fully agree. That, in turn, meant that much less time than usual was available to carry out the second in-year exercise. There are still a number of areas of remaining uncertainty, which are likely to have a significant impact on the Department's submission once clarified. However, I want to reassure you that we do appreciate your frustration and take very seriously the Department's obligations to the Committee. We shall be letting the Committee have the submissions that we are making as part of the October monitoring round exercise.

Turning to the outcome of June monitoring, I will deal first with the capital budget. We made a surrender of £35.3 million in respect of the stadiums programme. That was as a result of delays caused by the judicial review (JR) of state aid. The stadiums budget is ring-fenced and reduced requirements cannot therefore be used to fund other bids. The Department had bid for £13 million across a number of areas, and the Executive allocated £3.2 million. Libraries received £1.5 million to allow for the completion of Lisnaskea library and the commencement of the replacement of the library at Moira. The Department was allocated £1.1 million to underpin DCAL's agenda on promoting equality and tackling poverty and social exclusion. Funding was intended to support a number of projects; for example, the refurbishment of facilities at Lisburn Racquets Club and the construction of a handball alley at Coláiste Feirste. The final element was £0.6 million allocated to the Department to support the Executive-endorsed strategy Together: Building a United Community (T:BUC). That was used to fund improvements to disabled access at a number of sports facilities and a mobile arts exhibition vehicle, ArtCart. The Department also bid for £2.8 million in respect of the City of Culture legacy, of which the main elements were the north-west sports village and the boxing programme. While that was not successful, the Executive did agree that DCAL would have first call on that amount in October monitoring if sufficient budget should become available. Altogether, that left some £7 million unsupported. However, bids have been further scrutinised and, with the passage of time, a number are no longer viable within the current year. The Department intends to bid again in the October monitoring round for £4.1 million, which I will come back to later.

I turn now to the resource budget. The Department made bids of £6.9 million in total. The Executive allocated £1.8 million, with £1 million going to cultural programmes and £0.8 million against T:BUC. As a result of funding not being allocated until August 2013, the Department prioritised its bids and scaled back bids where appropriate. The cultural programme allocation has so far been deployed to Northern Ireland Screen, sports governing bodies, the Gaeltacht Quarter cultural programme and the east Belfast festival. The T:BUC allocation has so far been deployed across mainly sports-related areas, including Midnight Soccer. A bid for the City of Culture legacy funding was, again, not successful. However, the Department is actively working with its arm's-length bodies (ALBs) and other stakeholders to realise synergies and maximise investment in taking forward the legacy of the City of Culture. We are doing a great deal in that area currently.

Before I conclude my remarks on the outcome of June monitoring, I will say a brief word on the 2.1% savings that Departments were required to make following the monitoring exercise. For the DCAL family, that equated to a budget reduction of some £2.1 million. The Department and its ALBs are delivering those savings through a range of measures, including staff vacancy management, reductions in planned maintenance and delaying or reducing the size of programmes. DCAL has strived to share the cuts equally across the DCAL family, but, in some instances, one-off additional easements have been used to offset some of the pain for the more vulnerable sections. None of those measures are palatable and, directly or indirectly, they will have effects on front line services. Given the size of the budget reductions in the current CSR period, it is no longer possible to protect front line services by concentrating savings in administrative functions.

That concludes what I wanted to say in respect of June monitoring, Chairman. We are happy to take questions on any aspect of that, if it would be helpful.

Mr Humphrey: In relation to the June monitoring, I will be blunt: why the delay in coming to the Committee to discuss these issues and this paper?

Mr Carson: As I said, the outcome of June monitoring was that the allocations that the Department received fell some way short of what we had bid for. In view of the time that had elapsed since agreeing June monitoring, we needed to revisit the Department's business areas to see what state

those bids were in and the degree to which allocations could be employed on a prioritised basis to get the best outcomes. That process took some time. That was the main factor in the delay.

Mr Humphrey: I asked a question in the House on 25 March about the Líofo project and the promotion of the Irish language. Everybody knows that that project is very dear to the Minister's heart. I asked about figures and am still waiting on a response to that. I have written to the Minister and am still waiting on the response. The question was about the expenditure by the Department on the project, including advertising, and I also asked about an Ulster-Scots equivalent. I will come back to Ulster Scots in a moment. Has anyone got the figures on the budget for Líofo? I certainly have not got them in response to a tabled question.

Mr Carson: Those figures will be available. I will need to go back, Mr Humphrey, and get the detail on those. I am not aware of that position.

Mr Humphrey: You will appreciate, Mr Carson, that, if the figures are available, as you are telling me they are, and I have asked a question and written a supplementary letter but have not got them, it raises one's suspicion around it. But if you could forward those on, that would be good. I would appreciate that. You said that you will have to go away and look at business areas, and I am pleased to hear that.

The second part of the question is this: what has been done in relation to Ulster-Scots funding?

Mr Carson: Perhaps I could ask Arthur Scott to comment on that.

Mr Arthur Scott (Department of Culture, Arts and Leisure): I understood the second part of your question to be around an Ulster-Scots equivalent initiative along the lines of Líofo. There have been discussions between the Ulster-Scots Academy, the ministerial advisory group and the Ulster-Scots Agency on launching an initiative along similar lines to the Líofo campaign, and I think that the proposals for that are still being developed.

Mr Humphrey: So, basically, a working group has been set up. Is that what we are talking about, Arthur?

Mr Scott: Yes.

Mr Humphrey: And that is the academy, the MAGUS and the agency, is it?

Mr Scott: Yes.

Mr Humphrey: OK —

The Chairperson: Can I ask you for some clarification on that? Is it a formal working group with minuted meetings and so on?

Mr Scott: Yes, it is a formal working group, Chairman, supported by the secretariat for the MAGUS.

Mr Humphrey: The information I have here, Arthur, which I wrote for and got, states that a working group was set up and is chaired by Brian McTeggart. Is that right?

Mr Scott: He is the secretary of the group.

Mr Humphrey: So, if he is the secretary, who convenes it?

Mr Scott: It would be convened by the ministerial advisory group chair, Bill Smith or —

Mr Humphrey: How many times has it met?

Mr Scott: I would not have that detail with me today, but I can write to you.

Mr Humphrey: Could you, please? I would be interested in the answer to this in relation to Líofo. A working group would have to be set up and a business case put in place, I presume, with regard to Ulster Scots. I understand that a bid was made for money. That was secured. The money that was secured for the bid allowed a paper to be worked up. Is that right?

Mr Scott: I do not have that detail.

Mr Humphrey: Right. That is my understanding; I am happy to be corrected.

Mr Scott: Generically, if there is a project proposal, the situation that you outline is the format. There is normally a proposal and a business case approval. Then, the project would go forward and be evaluated.

Mr Humphrey: Presumably, the business case proposal is costed and there is a budget alongside it, yes?

Mr Scott: The MAGUS could either meet it from its existing resources or in partnership with the agency or any other partners who are interested in that particular initiative.

The Chairperson: Sorry, I could not quite hear that. The funding for an equivalent would come from where?

Mr Scott: The MAGUS could either meet it from its existing budget or a collaboration between the MAGUS and interested partners such as the Ulster-Scots Agency or any other interested party. There is a range of options for funding.

The Chairperson: Why would it take it out of existing resources when that was a separate pot that was created for one linguistic tradition?

Mr Scott: The academy has three project strands, one of which is language, so it would be considered as a language initiative. Therefore, it would get —

The Chairperson: Yes, but Foras na Gaeilge has language initiatives all the time. That is what it does. Why would it not be taken out of its budget? Why is there a separate budget for one language tradition but another is asset-stripped in order to pay for it?

Mr Scott: Sorry, Chair, if your question is about why there is a separate funding stream for Líofo, I have informed the Committee on many occasions of the origins and history of how Líofo was set up and delivered by the Department. There are separate business cases for each initiative in Líofo. There is no set budget. They are proposals and they are considered in the context of the funding that is available to the Department. There was a desire to replicate a similar initiative along language for Ulster Scots. As I understand it, the ministerial advisory group is taking the lead in working with the agency to develop a similar approach. I am just outlining for the member how that approach will be taken forward.

Mr Humphrey: I just want to get this clear. It is my understanding that a bid was put in and money given to work up a paper to allow a bid to go in for an equivalent. My understanding is —

Mr Scott: The Ulster-Scots Academy has a budget this year of £508,000. If it does not have sufficient resources within that for a project proposal, it can, provided that there is a suitable business case, submit a bid to acquire additional funding to take forward the project.

Mr Humphrey: So, the group is set up, a bid goes in, a paper is worked up and, now, the paper, whatever it might propose — and I have not seen the paper — has to go for a bid as well. Now, I will just point out what the Minister said in a reply. She said:

"I have already spoken to people from the Ulster-Scots community, and I appreciate that the language pressures are not the same. We are comparing spuds and apples. We need to look at culture and heritage, which are very important."

She goes on to say:

"I can assure the Member and other Members who have an interest that I will look at any initiatives that come forward with a view to giving them full support."

What the people I represent, my party and I want to know is, with regard to working groups being set up, bids being made, business cases being established, budgets being set in place — of course, that is right; there is no set budget for Líoifa — was a similar approach taken to Líoifa being set up to that which is currently having to be gone through by the Ulster-Scots Agency? I am not saying that what is happening to the Ulster-Scots Agency is wrong, but it is if it was not done for Líoifa. I would like somebody to provide the answer to that, because if it is apples and spuds — whatever that means — quite frankly, it is beginning to look like it is. We need equality on these issues.

I appreciate that the Irish language is much further down the line than Ulster Scots and, therefore, will have more money spent on it; I have absolute sympathy with that point. That said, there are huge pressures on the Ulster-Scots Agency's board and its budget. I asked for extra resource, and initial responses were that extra resource would be provided. There has been no extra resource, apart from money to work up a paper and a working group. I do not know how many times the working group has met since 25 March, because I do not, and cannot, get any information about the question that I asked on 25 March.

Mr Scott: I do not think that proposals from the working group are at that stage yet. I do not have the detail with me, but I am not aware if it has firmly decided on what is the best way to take this forward. In conjunction with the academy, a spelling and glossary list has been produced, and an orthography panel has been set up, which are supports for the linguistic requirements of the Ulster-Scots language. So, the Department is committed, and it is committed to taking forward the initiative. I am not aware that those discussions have finally resulted in what is the definite way forward on how a similar Ulster Scots/Líoifa approach would be implemented.

Mr Humphrey: With respect, Arthur, are those things that you have just talked about a direct result of a commitment to give extra resource?

Mr Scott: Those are a direct result of the resource that was given to the Ulster-Scots Academy ministerial advisory group —

Mr Humphrey: So, it is not extra resource; it is the money that is there.

Mr Scott: It is extra in the sense of what the Chair said. He made the comparison between Foras na Gaeilge and the Ulster-Scots Agency, both of which are funded under the Good Friday Agreement. In that sense, the money that is given to the Ulster-Scots ministerial advisory group is additional funding.

Mr Humphrey: Let me make it very clear: it is not additional funding, further to the question that was asked and the answer given on 25 March.

Mr Scott: As I have told the Committee on many occasions, there is a business case for each spend on Líoifa. We have that information. David and I will undertake to go back and expedite this information for you.

Mr Humphrey: I take it that that is a no. Can I then ask —

Mr Scott: Sorry, it is not a no. I made the point, and the Chair made the point about funding for Foras na Gaeilge and additional funding for Líoifa. The funding is given to the Ulster-Scots Academy ministerial advisory group —

Mr Humphrey: Arthur, with respect, I asked you the question. I am talking about the question that I asked you, not the question the Chair asked. I am talking about my question, which was in response to my question in the Chamber on 25 March. That is what I asked you. What is the answer to that?

Mr Scott: We will provide you with the information of what has been spent.

Mr Humphrey: Finally, you say that there is no set budget for Líoifa. What does that mean?

Mr Scott: The Committee has asked many times whether there is a budget for Líofa. Líofa is a series of projects around the Líofa initiative. In that sense, there is not an opening budget line. As with other parts of the Department, project proposals come along during the business year and are put up along with other business cases. If they are supported, the project or initiative goes ahead. It is carved out of the overall departmental budget. There was not a long-standing budget for it.

Mr Humphrey: In response to that, is there an open chequebook policy in relation to this?

Mr Scott: David has outlined the overall position that faces the Department, so I do not accept that there is an open chequebook. There are priorities, and decisions are taken.

Mr Humphrey: Was there a business case for the anniversary event that was held in Custom House Square? Was there a ceiling on how much money should be spent on that? Who authorised that?

Mr Scott: That was two or three years ago; it was the first event. Yes, there was a business case, an equality impact assessment and a post-project evaluation. It was an appropriate business case.

Mr Humphrey: Was the budget exceeded?

Mr Scott: No. From memory, it came in under budget, and the set objectives were achieved.

Mr Humphrey: I appreciate that. Thank you for the answers, but, Chair, a number of things are outstanding. The Department and the Minister have failed to answer questions, and here we are, over six months down the line, with still no reply to them. I would appreciate a response.

The Chairperson: The difficulty is that, because there are no answers to something that was asked for six months ago, people are asking questions in the context of not having all the information that they are entitled to. I know that other Committees have raised issues about the speed with which information is provided to them. That is an issue that Committees sometimes raise, but I am not aware of any Committee in which people have been waiting for six months. That is quite bizarre.

I am aware of the origins of the MAGUS money, and it was maybe not entirely devoid of an equivalent. I think that that has been delivered more than enough on, but that is for another day.

Mrs McKevitt: Thanks for coming this afternoon, although the meeting may be rushed, as it is a sitting day. Is the Department reprioritising or reallocating moneys internally? If it is, how did you make the decisions on where it was to go?

Mr Carson: Do you mean the June monitoring round allocations or more generally?

Mrs McKevitt: The June monitoring round.

Mr Carson: As I said, all the areas that made bids would have been revisited to determine the various needs and to prioritise those needs to make the allocations. That process would have been gone through. As there was such a difference between the level of bids that had been submitted and what was eventually allocated that process took a little longer than it would normally have done.

Mrs McKevitt: You also spoke about delaying or reducing the size of programmes. Will you give the Committee an idea of what type of programmes would be affected? Are the library job losses included in any of those?

Mr Carson: When business areas are faced with having to make cuts, there is really only a limited number of places that they can go to to take action. You would be looking at areas of discretionary spend. Most of the budgets that business areas have are comprised of fixed items, where those commitments are made. A large part of budgets, between 60% and 70%, relate to staffing, either for employment contracts or people in posts. Beyond that, you would perhaps have people who are employed temporarily on agency contracts, and there might be scope to do things there. You can obviously bear down on your vacancy levels and, when people leave the organisation through natural wastage, there is an opportunity to suppress posts and make budget savings, but that is at the periphery in overall financial terms.

Outside of staffing, there will be a number of fixed costs that relate, for example, to the premises, such as rates and light and heat costs. There is a very limited amount that can be done in that area.

Really, you are looking at things like planned maintenance expenditure, research programmes, marketing programmes and stock replenishment, which I know the libraries have been looking at, and outreach programmes that engage with the public. Front line services will be impacted. That is a very brief overview of what business areas are having to do.

Mr Dunne: It is good to be in the Committee for my first meeting. Thanks very much for coming along this afternoon.

We are all very much aware of the success of the Titanic Quarter. When I was a member of the Committee for Enterprise, Trade and Investment, I was reminded of how successful it has been and of the various returns that have been made on it. Will you give us some information on the requirement of that spend of £416,000 and what is involved?

Mr Carson: My knowledge is limited, Mr Dunne, having just arrived at the Department. However, I understand that it represents the difference between the original estimates of the running costs in the business case and what those costs turned out to be in reality. I am not sure how the additional element arose, but I know that it was within the 10% envelope. Some latitude is given in business cases as recognition that business cases are estimates at one point in time and that, when the thing is built and operational, there can be some variation from those estimates. It is within the tolerance limits, but it is still a significant sum.

Mr Dunne: Is it to do with the sheer volume of throughput?

Mr Carson: I am not sure.

Mr Dunne: Perhaps you could give me that information later.

Mr Carson: Yes.

Mr Dunne: Item 14 shows the cost of a six-month secondee in sports branch to support T:BUC is £60,000, which seems quite excessive. Table 2 shows that salary cover for secondment for 2014-15 is £110,000. Obviously, people in sports branch are very well paid.

Mr Carson: I know that that was the bid. There would not necessarily have been any money allocated against that. On the six-month secondee costs, again I am afraid that I do not know the detail. However, I do not think that it would relate just to personnel costs. There would be other associated costs as part of that.

Mr Dunne: Like office costs or something?

Mr Carson: Yes. It depends what was involved with the post. There may be additional costs in relation to the work that they were being asked to do. Again, if I can provide more detail on that, I will.

Mr Dunne: OK. I have just a couple of other points. Annex B shows that the bid for the Gaeltacht, which I understand is the Irish language quarter, was £249,000. Was that bid carried forward? In other words, has that funding been committed? We are talking about June here; aren't we?

Mr Carson: If you bear with me, I will just check. Some money was allocated against the Gaeltacht quarter, but it was not £249,000. Roughly half that amount was eventually allocated against that.

Mr Dunne: So, £125,000 roughly. What was that for? Do you know?

Mr Carson: I am afraid not. Arthur may be aware of the reasons.

Mr Scott: Part of it is for staff costs. Forbairt Feirste is working as a partner with the Department to take forward the implementation of the Gaeltacht quarter action plan, which is a 20-year plan designed to regenerate the local economy using the language and culture as a vehicle. There is a small

amount, around £25,000, for programme costs for a number of events that will be used to highlight the valuable work that is being done in the Gaeltacht and to encourage further investment into the area.

Mr Dunne: OK. Item 16 shows a £750,000 bid for a cultural programme. What does "cultural programme" mean?

Mr Carson: It is a range of various cultural activities. It built on previous programmes and the success that had been achieved there. A package of events was put together again to allow a bid to go forward.

Mr Dunne: How much of that was spent?

Mr Carson: How much of it was spent or how much was allocated?

Some £350,000 was allocated against the cultural programme.

Mr Dunne: In that cultural programme, would there be a spread across? Or is it all Irish language, or most of it?

Mr Scott: It is a partnership which the Department has with Féile. The other partners who are working on the programme —

The Chairperson: Sorry. The tables in here creak terribly for some reason. I thought it was me, but Karen is also having difficulty hearing. We will move to another room very soon, but if you could just speak up a wee bit.

Mr Scott: The Department is working with a lead partner, which is the Féile, but the other funding partners who will be putting together the programme of events are: the Belfast Film Festival; the 174 Trust on the Antrim Road; The Spectrum Centre on the Shankill Road; and ArtsEkta. So the money allocated is £350,000 for the cultural programme, and the business case is still being worked on. The programme being developed will be divided among those organisations.

Mr Dunne: OK, thanks very much.

Mr Hilditch: You are very welcome gentlemen. A lot of the ground has been covered. Have you any details about the midnight street soccer programme? Is it specific to a certain area, or is it a general fund?

Mr Carson: Again, my knowledge is limited, Mr Hilditch. However, as I understand it, that is an initiative that is community-based and stretches across a number of areas. I think that it has been very successful in engaging with members of the community who might not get access to this sort of activity.

Mr Hilditch: I probably should have declared an interest at the start, because I am involved in one of the programmes. The reason I ask is simply that, from my experience in that sort of thing, a lot of the money comes from the Department of Justice, assets recovery, policing and community safety partnerships (PCSPs), youth intervention, good relations money and, indeed, local councils. I am looking at the £150,000 or whatever. Is there a possibility that there might be double funding of some programmes? Do not get me wrong. It is a very successful programme; there is absolutely no doubt about that; and I support it 100%. I am just looking at the figures and, as I know where the money comes from for such programmes in general, I am comparing it to the money that is in this document.

Mr Carson: I would very much doubt it. I cannot say categorically, but I do not believe that there would be any double funding or anything like that. That would all have been gone into before any allocation would have been granted.

Mr Hilditch: I am just raising the issue, that is all.

The Chairperson: Just to get clarity on the point that is being asked about, there. If I understand the paper correctly, it is being run by North Belfast Play Forum.

Mr Carson: That might be one of the bodies involved.

The Chairperson: I cannot see anybody else mentioned here. It is not terribly clear. It says:

"MSS is best placed to deliver the programme at a community level".

Does that mean that they would be delivering just in North Belfast, just at the Waterworks, or across Northern Ireland?

Mr Carson: I am not sure, Chairman. Stephen, have you any information on that?

Mr Stephen McGowan (Department of Culture, Arts and Leisure): No, Chairman, I am afraid that I do not. That is another matter which we will follow up with information for you. I am not aware of the detail of it.

The Chairperson: It is just that on page 7 of our paper, there is attachment number five, item 5:

"Midnight soccer — Joining up and IFA Engagement."

It would be interesting to know just how widespread it is or whether it is very localised.

Mr Hilditch: I thank you for your intervention, Chair. Being involved, I know that a good six-month programme can be run for somewhere between £10,000 and £15,000 in a certain area. That is why I wonder about the general figure given here, and how much value we might get for that. As I have said, do not get me wrong; it is an absolutely fantastic programme. I am just looking at it from my personal background.

Mr McGowan: I could be wrong, but I believe that Sport NI is involved in the delivery of it, but we will get clarity on that matter for you.

Mr Hilditch: Thank you very much.

Ms McCorley: Go raibh maith agat, a Chathaoirlioh. Thank you very much for coming back to the Committee. A lot of questions were asked about Líofo and about the Irish language. I know that the Department has supported Irish language projects in various places. Do you feel that the Líofo programme has met its commitments? Would you say that it has offered value for money?

Mr Carson: Again, I think that Arthur is best placed to comment on that.

Mr Scott: I think that, at this point, it is delivering against the original objectives that were set out for it. Almost 7,000 people have signed up for Líofo. The website provides a valuable source of information and tools for people to improve their language skills and points them to where they can pursue it further through language classes. The advertising campaign, which was approved by the Executive, increased the number of people signing up. In bringing the language across the community to those who want to study it and improve their competence in it, it is delivering, but we will obviously carry out a full appraisal to assess that.

Ms McCorley: OK. I have a question about the £35 million that has been surrendered for the stadia project. How does that leave things?

Mr Carson: Rory is in charge of Department projects, so he will comment on that.

Mr Rory Miskelly (Department of Culture, Arts and Leisure): I can certainly give an overview of the stadium programme. Some members may be aware that Ravenhill successfully opened to the public back in April. There is ongoing work on the education and heritage centre that will be completed at the end of the year. Work started on site at Casement Park back in May and is progressing well. We have had an ongoing issue in the Casement project, which was a combination of the previous stadium and the judicial review. The judicial review is still a live issue in the High Court, which is where I have come from this morning. It is ongoing. We have made arrangements and profiled on the basis of a decision being made at the end of October. That is the basis for the current projections and easements.

Ms McCorley: Presumably, if a decision comes from the judicial review that is in your favour, you see the project going ahead and meeting its time commitments?

Mr Miskelly: We have profiled the financial predictions on the basis of a positive outcome at the end of October. That would see activity starting in November. The easing of that position is reflected in the current adjustments. It was a regrettable position to be in with any capital programme, but we have a window to deliver the programme within the existing financial envelope. However, I stress that the outcome over the next weeks is the key element.

The Chairperson: I have one question before we move to the October monitoring round. Annex A mentions:

"As part of the development of the DCAL priority to create an Ulster Scots Academy, formal public consultation exercise is required, planned for June-September".

Has that started?

Mr Scott: The Department is still working on the consultation document for an academy, but the intention is to launch that consultation shortly along with the consultation on an Irish language academy. That will be a three-month consultation, so I anticipate that, if it starts in October, it would end around December. The Department will then consider responses received with a view to a decision being made in January or February, and that would then be sent to DFP for consideration.

The Chairperson: I hope that the people waiting for an Irish language academy do not have to wait as long as the Ulster Scots have been waiting for an Ulster-Scots academy, because that has only taken 10 years.

We will move to the October monitoring round. Would you like to speak to that?

Mr Carson: OK. Thanks, Chairman. I will begin this time with the resource budget side. Our understanding is that the position is very tight across the block and that, therefore, bids stand a negligible chance of success. The Department has identified inescapable pressures of some £850,000. It has also further pressures in depreciation, a ring-fenced area of budget, of around £600,000. While the position on bids remains to be clarified, we are, in the circumstances, trying to manage those pressures downwards and to deal with any balance by reprioritising and redeploying budget from elsewhere. However, that is extremely challenging in light of further proposed savings in the current year.

Beyond inescapable pressures, we are also considering bids identified that amount to just over £600,000 that had been put forward for a number of other projects. A decision will be taken shortly on whether those should proceed to DFP.

The Chairperson: The figure that you just quoted was —

Mr Carson: Just over £600,000, which is in addition to the inescapable pressures that the Department has. Business areas have identified further areas for funding.

The Chairperson: That is a depreciation. There is mention of —

Mr Carson: Perhaps the note does not refer to those.

The Chairperson: I think that that is going to be one of the difficulties. That is already one figure to emerge that was not in the paper provided to us.

Mr Carson: I think that the reason for that is probably because there may be very little chance of those bids going forward, given the overall financial position. However, that remains to be finally determined —

The Chairperson: What is that £600,000 for?

Mr Carson: There were additional areas where business areas asked for funding. There was a range of things, and I do not have the list in front of me. There were extensions to existing programmes, and there was some money for languages — the sign language programme group. It was a number of small projects. A visitor-user survey was another area that was included. Those are just some examples; it was a range of small things.

I will deal now with the prospect of further budget cuts. In the June monitoring, the Executive agreed to consider a further 2.3% cut to resource budgets in the October round, and we are also aware that there are other pressures around the system that may require Departments to produce further savings. While the Executive have yet to reach agreement on the level of savings required for the current year, as a matter of prudent financial management the Department has been planning on the basis of having to meet the 4.4% savings and has also asked business areas set out the impact of achieving the higher figure of around 6%.

Finally, I would like to address the capital position, starting with the pressures and proposed bids. We arrive at October monitoring with inescapable pressures of just under £2.4 million. Those are largely around City of Culture legacy work —

Mr McGimpsey: Chair, on a point of information, I have gone to the October monitoring papers on page 18 of the file. I have one and a half pages. Is that all we have to look at? We are running through small amounts, and now we are going on to other stuff. Is this the sum total of the information that we have been given? I have to say that it is not very good.

The Chairperson: I think that that is a similar point to one I was making earlier, and maybe others indicated the same. It is difficult to comment on something that is so partial, and bits are being added during the meeting that are not in writing. My understanding is that there should be a full written report to the Committee. I was comparing it with the monitoring round for October that was given to another Committee, and that one was significantly longer, more comprehensive and more detailed. It is impossible for members to comment when figures are added like that. We will return to that point, which Michael, rightly, has raised.

Mr Carson: As I said, the Executive agreed in June to a first call in October monitoring for the City of Culture legacy work, provided that sufficient budget becomes available. Therefore, we intend to submit a bid for the City of Culture requirement, which is now reduced to £2.1 million. We also propose to bid for just under £1 million for essential maintenance at National Museums and for funding of £1 million to construct a Seamus Heaney interpretative centre. Other potential bids are also under consideration.

Against that, the Department will surrender a reduced requirement for the stadiums programme. The key contributing factor is a judicial review on Casement Park, which Rory referred to and which has held up the commencement of the construction work. A lesser issue is the discovery of asbestos at Windsor Park, which has slowed progress there. As a result, we will surrender a reduced requirement of at least £22 million in October monitoring. That could increase, depending on the outcome of the judicial review. Assuming that the value of £22 million does not change, we will surrender just over £57 million from the stadiums budget as a result of factors outside the Department's control. Slippage this year will, of course, lead to an increased requirement for budget next year. We are liaising closely with DFP to ensure that it is kept informed of developments. That completes my summary.

Mr Humphrey: You mentioned surrendering £57 million for the two stadia. Where exactly are we with the judicial review on Casement Park?

Mr Carson: Rory has been attending court each day, so he is best placed to answer that.

Mr Miskelly: It is an ongoing action, so I do not think that it would be appropriate to get into any level of detail, and I am not in a position to do so. The action is being taken by a residents' group and concerns the DOE and the granting of planning. I welcome the fact that the current process in the High Court will finally bring clarity. The Department and the project team are mobilising so that they will be ready. Should we have a ruling in favour of the project, we are ready to hit the ground running. Until that process is concluded, I am unable to comment any further, certainly on the detail of the court case.

Mr Humphrey: You talk about clarity. Are journalists sitting in on the court case?

Mr Miskelly: There is some limited press coverage.

Mr Humphrey: So journalists can sit in and then report in the press, and you cannot tell this Committee.

Mr Miskelly: Certainly, if there are any specific aspects, ask. The case is being brought against the DOE and its process of granting planning permission.

Mr Humphrey: I know that, but where exactly are we?

Mr Miskelly: We are at day 5. The application on behalf of Mooreland and Owenvarragh Residents Association (MORA) finished presenting its case at lunchtime today, and it is expected that the DOE will take to the stand over the next two days to respond.

Mr Humphrey: I presume that the clarity that you are talking about, Rory, is —

Mr Miskelly: The outcome of the decision.

Mr Humphrey: Yes. Is the Department confident of the outcome?

Mr Miskelly: The Department is robustly defending its position. That is the stated position. I have no reason to doubt DCAL's report on that position.

Mr Humphrey: I know that you cannot answer this question definitively, but when do you think that we will have a decision?

Mr Miskelly: We believe that the end of October is realistic. There have been indications that the ruling will be as expedient as possible.

Mr Humphrey: Is the asbestos found at Windsor Park in the old south stand?

Mr Miskelly: It is. We are assessing the programme implications. It is probably likely to add somewhere between a month and six weeks to the master programme. There is some re-sequencing of activities. The key focus, obviously, is on mitigating the overall impact. It is unfortunate and was genuinely unforeseeable, and the team and the IFA have responded very well with mitigating measures, frankly.

Mr Hilditch: Obviously, the Windsor Park situation will require more money.

Mr Miskelly: No, within the constraints of the programme, and certainly for each of the individuals involved, there is a construction contingency, which, by its nature, is for such things that inevitably arise — unforeseeable events. So there was an identified budget, as is standard practice in capital delivery, and it is within that.

Mr Hilditch: It falls within that.

Mr Miskelly: Yes, so there will be no additional programme costs because of the asbestos.

Mr Hilditch: Given the delay, is any of the money being handed back, the £57 million, for Windsor? Do you know how much that is?

Mr Miskelly: At the moment, we have profiled it at between £5.5 million and £6 million.

Mr McGimpsey: It is difficult to get a lot of sense out of this, David. You left June monitoring with £843,000 of inescapable pressures uncovered, and you have picked up another £610,000 in depreciation, which leaves you £1.45 million short. You say that you will make up that shortfall internally by prioritising and so on.

Mr Carson: We are working to try to manage that down.

Mr McGimpsey: So you will manage that. That is quite difficult, but you reckon that you can do it. In addition to that, you have £2.37 million on the City of Culture and £900,000 on National Museums. You are hoping that the Executive will give you some of that. That does not look likely now, but there is hope. What happens if that money does not come across? What will you do?

Mr Carson: That is on the capital side. It will present us with a major problem, but we will look at the scope of our overall capital budget to see whether we can address any of that pressure from within that.

Mr McGimpsey: All right. You have no reduced requirements, and that leaves you the Executive. All things being equal, you manage your re-prioritisation and somehow or other cough up the capital that we have just talked about. You have no reduced requirements, so nothing is coming from there, so you go then to your resource budget, and you are being told that you will face a further cut of 2.3% in resource. Did you mention that there was more money to come off? Did I hear you say that there was another letter saying that you should be prepared for that?

Mr Carson: We are aware that there are other pressures around the system, and I think that meeting those will require additional savings. As I said, there has been no decision at this stage.

Mr McGimpsey: We are talking in the dark, but it all looks incredibly difficult. What sort of money or percentage cut do you think that you are looking at? Has anybody told you? Is it 5% or 10%?

Mr Carson: The figure that has been talked about is 6%.

Mr McGimpsey: That is in addition to the 2.3%.

Mr Carson: No, that is in total. We had the 2.1% agreed following June monitoring, and an additional 2.3% was deferred. No decision has been taken on that yet, but we have looked at how we could meet it. There is a further 1.6% on which we are trying to get an assessment of what the impact would be should we have to make that saving.

Mr McGimpsey: Do you have any notion of when you will be able to come and give us the details of all that?

Mr Carson: Those issues are being looked at. I cannot commit to a particular date. There will have to be dialogue and scrutiny, and representations will have to be examined in detail. These are all very sensitive issues, so, although I understand the Committee's interest, I am reluctant to give a specific timescale, because these things are being dealt with, and we are in territory that has not been covered before.

Mr McGimpsey: I am not asking you for detail of who will lose what; I am just asking you to give us a notional percentage and amount.

Mr Carson: Once a position begins to emerge that can be stood over, I will be happy to inform the Committee of it.

Mr D Bradley: Good afternoon, gentlemen.

David, you said that the expected total surrender on the stadia is £22 million. Is that right?

Mr Carson: Yes.

Mr D Bradley: You then quoted another figure for the total capital surrender. Sorry, I did not quite catch that. What was it?

Mr Carson: It was £57.3 million in-year.

Mr D Bradley: That seems a huge amount for a small Department to surrender on the capital side.

Mr Carson: There are two key issues. The first, which Rory covered, is that a judicial review is under way. The other is the state aid issue. There was a challenge earlier in the year, and Rory also has the detail on that.

Mr D Bradley: That concerned Linfield and Windsor Park. You said that you are surrendering £22 million on the stadia and that you are surrendering £57 million in capital. That leaves £35 million. How is that £35 million broken down?

Mr Carson: That was surrendered at the first monitoring round, and it represented the difference between what was actually spent and what we had been allocated to spend within the capital programme. There is a significant timing issue as a result of the legal challenges. Rory, as I said, has the detail.

Mr Miskelly: The lion's share is due to the delay in the drawdown of the construction contract for Casement Park. A year ago, it was profiled that it would be well in hand by now. That accounts for just over £60 million, and, as my colleague David explained, the judicial review procedure and the stadia issues have led to significant slippage within the year. That is a large proportion of it.

Mr D Bradley: What is the cumulative surrender on the stadia?

Mr Miskelly: The total, in-year, is —

Mr Carson: That is the £57 million.

Mr D Bradley: So the total is from the stadia.

Mr Miskelly: Yes.

Mr D Bradley: That is fair enough, thank you. You said that, if bids were not met, you would have to look again at the capital budget. You seemed to indicate that there was a bit of fat or flexibility in your remaining capital budget that you could redistribute to meet other pressures. Where is that flexibility or fat coming from?

Mr Carson: We will have to look at that very closely. I would not like to suggest that there is money sloshing about that is unallocated.

Mr D Bradley: You are saying that you would stop planned capital projects and divert that money to meet inescapable pressures.

Mr Carson: Yes, we may be forced to reprioritise that money if bids are not met.

Mr D Bradley: When could the Committee expect to be apprised of that?

Mr Carson: That will follow the outcome of October monitoring, so we could update the Committee then.

Mr D Bradley: Have you any idea at the moment of the extent of the sum that you might have to take from the capital programmes?

Mr Carson: The main capital bid that we intend to make relates to the City of Culture legacy programme. We are bidding for £2.1 million. At June monitoring, the Executive, as I mentioned, made a commitment that, if a sufficient capital budget was available, it would be funded. We are very hopeful that that will remain the case. That is the key area that we are bidding for.

Mr D Bradley: You mention £2.8 million in the paper:

"The Executive agreed a first call in October monitoring on £2.8m of capital budget (for City of Culture)."

Mr Carson: Yes. With the passage of time, that expenditure could not be committed in advance of the funds becoming available, so, with only five months now left in the financial year, the bid has reduced accordingly. I think that it relates mainly to a boxing programme and the work envisaged there. That is where the main impact of that reduction has been.

The Chairperson: The paper says £2.8 million, but things have moved on. It is a pity that that is not in the paper — then we would have something to work on. It is hard to remember all the figures that are quoted, but, if they were down in writing, that would be helpful.

Mr Ó hOisín: Further to the City of Culture legacy moneys, where do the Coleraine and Dungiven projects sit within that?

Mr Carson: The Coleraine and Dungiven projects? I am not sure what the position is there. I would need to get the detail on that for you.

Mr Ó hOisín: Thanks. A bid of £1 million for the Seamus Heaney interpretative centre was mentioned. I may have got this wrong, but I understand that it is a £3.6 million project in conjunction with Magherafelt District Council. Are there any further moneys there or is that £1 million for just this financial year?

Mr Carson: I think that that is the extent of our proposed investment, but Arthur can provide more detail.

Mr Ó hOisín: That is it in total.

Mr Scott: We are working with the council and expect to receive a business case later this week to allow us to finalise just how much our bid will be. Obviously, the money would end in March, so our commitment would be in this financial year.

Mr Dunne: Rory, I understand that Casement Park residents have taken a case against the DOE. What happens if the DOE loses? Who is liable for the legal costs?

Mr Miskelly: I would need to check that, to be honest, and come back to you. At the moment, they are covering their costs.

Mr Dunne: To date?

Mr Miskelly: To date, the DOE has covered its costs, as has the residents' group

Mr Dunne: If the residents win the case, what happens?

Mr Miskelly: It depends, I presume, on how costs etc are awarded in the final outcome.

Mr Dunne: To date, has DCAL incurred a cost from this?

Mr Miskelly: No.

Mr Dunne: Is it the case that it does not expect to?

Mr Miskelly: That is correct.

Mr Dunne: The issues, then, are the budget and being unable to move forward on the project.

Mr Miskelly: That is the key driver for us: the financial position and its effect on the ongoing financial profiling.

Mr Dunne: The sooner it is resolved, the better, then.

Mr Miskelly: Absolutely.

The Chairperson: You quoted a figure of £57 million that was surrendered for the stadia. How much has been spent this year, or how much will be spent by the end of the year?

Mr Miskelly: I would need to come back with an exact figure.

The Chairperson: Presumably, if we are surrendering £57 million, not much has been spent.

Mr Miskelly: No. As you know, up to 2013-14, the lion's share was for rugby. Some £8.7 million was committed against rugby; £2.5 million was committed at Casement for pre-construction activities; and £610,000 was committed at Windsor Park. In 2013-14, one of the stadia was, largely, completed, but it was a smaller project.

The Chairperson: You can come back with figures on that. The paper sent to us mentions depreciation and further pressures. How does depreciation arise suddenly as a pressure? Is it not anticipated?

Mr Carson: The budget was set at the commencement of the CSR period, which, I think, was back in 2010. Movements in the asset base affect the depreciation charge, but the main factor in the additional amount that we are bidding for in October monitoring is the revaluation of assets in Waterways Ireland. That has led to an additional requirement.

The Chairperson: Electrical maintenance for National Museums was about £900,000. Had that not been anticipated?

Mr Carson: I am not sure of the background to why that had not been identified. I think that it may have been a subset of a previous bid in June monitoring, but I will need to clarify that for you, Chairman.

The Chairperson: Please do. Finally, I am jumping back because the two issues are interconnected. Table 1 in annex A shows the internal easements for June. Were all of those met? Does that mean that all the pressures listed were all met, or will be met, through internal easements? Are all those definitely covered, meaning that they will not appear again?

Mr Carson: Yes. They are being met.

The Chairperson: Were any not met?

Mr Carson: I am not aware of any not being met.

The Chairperson: Are there any others that were not met?

Mr Carson: Any others?

The Chairperson: Pressures.

Mr Carson: There are additional pressures, which we have now identified, of about £800,000.

The Chairperson: What I am getting at is that, when that was done in June, were any not put on that list because they could not be met from internal easements?

Mr Carson: I do not believe so, Chairman.

The Chairperson: OK. Will you confirm that to us?

Mr Carson: I will.

The Chairperson: Members have covered a fair bit. The main issue is to get fuller presentations with more detail, so a fair amount of additional material is forthcoming. There will be no Committee

meeting on Thursday of this week as we will be away, but there will be one the following week. If we could have that information for then, it would be really helpful.

Mr Carson: OK, Chair. Thank you very much.