



Northern Ireland
Assembly

**COMMITTEE
FOR THE OFFICE OF THE
FIRST MINISTER AND DEPUTY
FIRST MINISTER**

**OFFICIAL REPORT
(Hansard)**

June Monitoring Round

26 May 2010

NORTHERN IRELAND ASSEMBLY

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FOR THE OFFICE OF THE FIRST MINISTER AND
DEPUTY FIRST MINISTER**

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Members present for all or part of the proceedings:

Mr Danny Kennedy (Chairperson)
Mrs Naomi Long (Deputy Chairperson)
Mr Barry McElduff
Mr Francie Molloy
Mr Stephen Moutray
Mr George Robinson
Mr Jim Shannon

Witnesses:

Mrs Jackie Kerr) Office of the First Minister and deputy First Minister

The Chairperson:

Good afternoon Jackie, thank you for joining us again. We are discussing the June monitoring round. Please make a short presentation or take us through the papers that were forwarded to us. The session is being recorded by Hansard.

Mrs Jackie Kerr (Committee for the Office of the First Minister and deputy First Minister):

Thank you. I apologise that the papers were late in arriving, and for the impact that that has had on the Committee's time to consider them.

This is the first monitoring round of the year. A key feature of the Department's proposals is that a significant number of bids have been made, amounting to £7.3 million. Most of those reflect developments following the devolution of justice and policing powers in April and the outcome of the political discussions and negotiations at Hillsborough. Specifically, those include the cost of the Attorney General's office; the sponsorship of that office; the Northern Ireland Judicial Appointments Commission and, when they are established, the parading bodies; the cost of work on parading; and the consultation, legislation and set-up costs for the new body. The timetable assumes Royal Assent for the parading legislation by December, which would mean that the new body would be operational from January 2011.

The other feature of the bids and the consequences of both devolution and the Hillsborough agreement is the transfer of four additional military sites to the Office of the First Minister and deputy First Minister (OFMDFM): St Patrick's Barracks in Ballymena; Shackleton in Ballykelly; and Lisanelly and St Lucia in Omagh. There is a bid in the proposals for the maintenance and security of those sites upon transfer.

There are other, smaller administration, resource and capital bids. The most significant outside of those relating to the devolution of justice and policing and Hillsborough is that for Ilex, which is a £2 million capital bid to take forward work on the parade ground at the Ebrington site. Only a very small amount of reduced requirement is declared in this round: £600,000. Members will have seen from the papers that it is proposed to use that to offset some of the pressures that have been registered.

Finally, there is a reclassification proposal, of which the Committee has some details in the covering paper, which relates to the operating costs of the offices in Washington and Brussels. Currently, the salaries and running costs for those offices are classified as administration cost spend. However, in the recent review of the Department, those offices were identified as front line services involved in the promotion and marketing of Northern Ireland abroad and consistent with the wider international relations programme in OFMDFM. Therefore, our proposal to the Department of Finance and Personnel is that all spend in that area is reclassified as resource spend. When the three areas — international relations, the Brussels office and the Washington office — are brought under the one category of spend, that will give both offices a degree of additional flexibility and capacity within the budget structure.

I am happy to answer any questions on the detail of the proposals.

The Chairperson:

Thank you for that overview. Can you give us any additional information on the costs for staffing and the headquarters for the Attorney General's office? Can you also tell us more about the set-up costs that are indicated for the parading body?

Mrs Kerr:

The bid for the Attorney General's office is a part-year cost of £1.3 million, recognising the fact that the office was established midway through the first quarter of this financial year. That figure relates to the running and staffing costs of the office. The capital bid relates to the set-up and fit-out costs to design new accommodation to suit the requirements of the Attorney General's office. If it would be helpful, I can provide the Committee with further details on the breakdown of those costs.

As the submission sets out, that figure is based on the forecast spend provided by the Attorney General to the First Minister and deputy First Minister. In the Attorney General's report, the forecast full year cost is in the region of £1.9 million. However, our assumption is that at this point in the financial year a bid of £1.3 million for running costs is reasonable.

The Chairperson:

So, basically, the Attorney General got what he wanted.

Mrs Kerr:

The forecast was £1.9 million and we are bidding for £1.3 million. We do not have baseline provision for the Attorney General's office. We were given cover within the Main Estimates to give the Department the legal authority to spend in this area, but that was on the understanding that we would have to bid in-year. Based on forecast staffing numbers and the time that it will take to recruit staff and get them in post, our assessment is that the running cost will be £1.3 million. We are not talking about a full-year running cost for 2010-11.

The Chairperson:

What is the staffing complement?

Mrs Kerr:

Off the top of my head, I am not sure. I would rather check that and provide the Committee with the exact figure.

The Chairperson:

What about the costs for the parading body?

Mrs Kerr:

The costs for the parading body are split into two elements. There is the cost for consultation, preparation, taking through the legislation and the initial set-up. From January onwards, there is also the cost of the sponsorship and operation of the new body for the final quarter of the year. The forecast running costs for the new body are based on the current running costs of the Parading Commission, which is the most reliable information that we have at this time. Roughly, the forecast is £300,000 for the final quarter.

The team that will take forward work on the establishment of the body and the legislation is a short-term team. It is assumed that most, if not all, of that team will be redeployed in December or January. The running cost for the team is in the region of £300,000 for nine months.

The Chairperson:

My final question is on the £4 million in capital bids. Included in that is £1.366 million for the Maze/Long Kesh, and you will be aware of the recent public comment on that. What is that money for?

Mrs Kerr:

That money is to continue the contract for the remediation and decontamination of the site.

The Chairperson:

Is that an ongoing process?

Mrs Kerr:

That contract is already under way, and those are the costs for 2010-11.

The Chairperson:

Do you know when the Maze/Long Kesh site will be decontaminated?

Mrs Kerr:

That forecast is for the completion of the contract and the completion of the work on the site.

The Chairperson:

So, that figure should be the final expenditure on the decontamination of the site.

Mrs Kerr:

Yes.

The Chairperson:

So the site should then be in a position to be developed, in whatever way is chosen.

Mrs Kerr:

Yes, as far as I am aware. The remediation work took place in two stages. The initial remediation work on the site identified more contaminants than it had been assumed were on the land, so further work was required. As far as I understand, the completion of the current contract will also be the completion of the remediation work.

Mr Shannon:

The additional moneys for the Planning Appeals Commission and the Water Appeals Commission comes to £2.31 million. I understand that those bodies are employing people from Scotland and elsewhere on the mainland to come over and assist them; is that where the extra costs are coming from? I thought that the number of planning appeals had fallen.

Will you also give us some background information on the £38,000 allocated to Messines?

Mrs Kerr:

The receipts from fee income for the Planning Appeals Commission and the Water Appeals Commission were forecast to fall in the 2010-11 financial year, which reduced the revenue that it has to operate with. The bid is to provide additional funding to allow the commission to continue to use the same level of commissioners to clear the backlog of appeals. There is a concern that

with the falling receipts, progress on clearing the backlog could decline. Therefore, the bid is to offset the fall in revenue from fee income.

Mr Shannon:

That would mean that the commission will not need the extra money in the following year, because the backlog will be cleared. If the number of applications is falling, there should not be as many applications in the pipeline. Therefore, is it correct to assume that you should not need the extra money in the following year?

Mrs Kerr:

I am not in a position to indicate the level of outstanding appeals. Very good progress has been made on clearing the backlog of appeals throughout the budget period, and the backlog has fallen considerably. The backlog is obviously going down, and if the level of fees is falling, the number of appeals is also declining. I can check the forecast statistics for next year.

The Island of Ireland Peace Park is at Messines. Our Department and the Department of Public Works have joint responsibility for maintaining that site. The bid is for additional costs of maintenance on the site. I do not have details of the work involved, but, again, I can get you that information.

Mr Shannon:

That would be helpful, thank you.

The Chairperson:

If we are responsible for that, are we also responsible for the Ulster tower at Thiepval?

Mrs Kerr:

No; we are only responsible for the Island of Ireland Peace Park at Messines.

Mr Molloy:

I want to ask about former army bases and military sites. A concern raised in the television debate last night was how long those sites will be maintained without anything being produced. Is there any timescale for how long that will continue in the bids that are being made?

Mrs Kerr:

The discussions about the transfer of the sites are still at a very early stage. We are also in the early stages of getting assessments about the conditions of the sites, any work that would have to be undertaken and the planning and future use of the sites. Therefore, the bids that have been tabled in this round are minimal bids, for maintenance, holding, security and minimal work on the sites this year, in recognition of the fact that we are already part-way into the year and a date for transfer has not been agreed.

Once the sites are transferred and the initial work on assessment surveys and plans for the utilisation or sale of those sites are complete, there will be a better indication of the time frame for holding the sites, their future use and any financial consequences for OFMDFM or any other Department.

Mr Molloy:

It seems that instead of the sites being gifts, they are more likely to be a drag on resources if they are not going to be used. All the sites are now transferred, direct rule intervention is over, and now the Assembly has to carry the cost with no action being taken.

Mrs Kerr:

The transfer of the sites is to realise their value. It is not the intention to hold the sites indefinitely, but initial planning work must be undertaken to consider what use will be made of the sites. However, the whole purpose of transferring the sites was to provide the opportunity for the Executive to generate receipts from their use or sale in the future.

The Chairperson:

Will there be decontamination costs for the sites?

Mrs Kerr:

They would have to be considered on a site-by-site basis. The decontamination would depend on what use has been made of the site in the past and what kind of contaminants may be in the soil. There are also issues around whether decontamination work would be undertaken by the Department, or whether the sites would be sold with a future purchaser undertaking that work. It really depends on the condition of the sites and what interest there is in their purchase.

The Chairperson:

Has that not been established yet?

Mrs Kerr:

No, not at this point.

Mr G Robinson:

Does the Ministry of Defence (MOD) still own the sites?

Mrs Kerr:

Yes.

Mr G Robinson:

Who is picking up the tab for security?

Mrs Kerr:

The MOD is still responsible for the sites and any costs associated with them. Once there is legal transfer, OFMDFM will assume responsibility for any costs associated with the ownership of the site, including security.

Mr G Robinson:

Do you have no time frame?

Mrs Kerr:

Discussions are under way with the MOD, but a date for transfer has not been agreed.

Mr G Robinson:

Has there been any engagement with local councils?

Mrs Kerr:

Not that I am aware of, but I can check and come back to you about that.

Mr G Robinson:

A few years ago, the council made some inquiries about Shackleton Barracks in Ballykelly, but,

as far as I am aware, there has been nothing further. Have you heard anything?

Mrs Kerr:

Not that I am aware of. I am not involved in the project management of the sites, but I can check that specifically.

The Chairperson:

Do you understand Mr Molloy's point, which was that OFMDFM may end up owning a lot of property and land, but with nothing happening on it?

Mrs Kerr:

Yes. The Department's objective is not to acquire the land and just hold it. Its objective is to acquire land for the purpose of selling it to generate revenue, but, obviously, preliminary work must be done on the condition of the site, as well as planning and assessment as to what the future use of the site could be and what commercial interest there would be from other public sector organisations.

Mrs Long:

From a financial point of view, it would be logical to try to delay taking responsibility for the site until you knew what you were going to do with it, so that you could swiftly dispose of it and it becomes income rather than a drain on resources. You mentioned that there is negotiation going on about that. Are you identifying future uses for the sites, so that we are not taking on responsibility for maintaining and securing the sites for a long period?

Part of the problem with sites such as the Maze and, to a lesser extent, Ilex, is that we have had them for a long time without knowing what we are going to do with them or how they are going to be developed, and they continue to consume resources while we are waiting for a decision. Is progress being made in respect of the future of those four sites and what they are likely to be used for? Is that likely to have progressed significantly before they are transferred, or is the point of transfer an MOD decision?

Mrs Kerr:

The point of transfer will be subject to negotiations between the Department and the MOD. Obviously, both parties will have an interest in transfer at a particular point. From the

Executive's perspective, it would be at a point when we have a full knowledge and understanding of the sites, their condition and so on.

Interest has already been expressed in the potential use of the St Patrick's site in Ballymena, and discussions had commenced with the MOD before the agreement to transfer the sites. There is a similar situation with the Lisanelly site and the Department of Education. The objective is to have plans for Shackleton and St Lucia under development as early as possible. Rather than hold the sites as land and incur costs as a consequence, the objective is to hold the sites to exploit their potential for revenue and further use.

Mrs Long:

I have two questions about reduced requirements. You mentioned the delay in work at Crumlin Road jail as a reason for some of the money been given up. What was the reason for the delay in the work being done to the corridor and so on there? We seem to be constantly giving money back that was allocated to the Civic Forum. Is a decision on the long-term future of the Civic Forum likely to be reached any time soon?

Mrs Kerr:

A combination of factors led to delays in the work at Crumlin Road jail. The time frames for survey work on the governors' wing and gatehouse were longer than anticipated. Also, decisions were taken last year to reschedule the timing of the contracts to free up resources to fund other pressures in the Department. If you remember, there were in-year proactive management actions taken last year. The reduced requirement also arose from health and safety issues. There are no public tours on the site because of the work that is under way, but it had been anticipated that there would be some spend on programmes and information related to tourism.

The surrender of resources from the Civic Forum has been a factor of the three years of this Budget period. It is anticipated that whatever new structures are established will not be on the same scale as they were previously. The Budget allocation for the Civic Forum was established at the outset of the Budget period in 2008, and that was the opening position each year. I am afraid that I am not in a position to give an answer on the time frame for a decision on the Civic Forum, but I can check and come back to the Committee.

The Chairperson:

The Civic Forum seems to be a handy pocket to put money into and then take it out and allocate it elsewhere later.

Mrs Long:

Does the Civic Forum continue to incur costs while it is in suspension, or whatever is the phrase for being in suspended animation for this length of time?

Mrs Kerr:

A small Civic Forum team in the Department has been working on the review, but that team has also been used for other departmental work and priorities. There is not a Civic Forum as such, so there are no costs incurred.

Mrs Long:

Therefore, is the only cost for the team that is dealing with it in the Department?

Mrs Kerr:

Yes, and they are working on other departmental priorities as well.

Mrs Long:

I would hope so.

The Chairperson:

They seem to be busier on the other duties, although that may not be a bad thing.

Mr G Robinson:

On the issue of military sites, there has been a lot of —

The Chairperson:

Sorry, Mr Robinson; perhaps you could raise your voice for the benefit of Hansard.

Mr G Robinson:

There are quite a lot of houses on the military sites, and, in my area, many of those have been sold. Are there any other assets associated with the sites that will be handed over?

Mrs Kerr:

There is housing on the St Patrick's site in Ballymena, and it will come as part of the transfer. There were already plans with the MOD to sell the housing on the Shackleton site, so it did not come as part of the transfer.

Mr G Robinson:

Have quite a lot of those been sold?

Mrs Kerr:

Yes; they have been sold. That is not part of the deal for the transfer of the Shackleton site, but housing on the St Patrick's site is transferring. I am not sure about the situations regarding St Lucia and Lisanelly.

The Chairperson:

It would astonish me if even just preliminary discussions were not being held with local government authorities in each district; I am slightly concerned that that may not be happening. Clearly, local authorities are in a strong position to know the needs and potential ideas for the development of each of the sites. We will be interested in an update as to what background work is happening.

Mrs Kerr:

I am just not in a position to comment.

The Chairperson:

We want to be sure that at least some conversations are taking place. We do not want to end up owning a whole lot of sites and not knowing what will happen with them.

There are no further comments. Thank you, Jackie, for your presentation and your answers. We look forward to receiving the information that you have promised us.

Mrs Kerr:

Thank you.