



Northern Ireland
Assembly

Committee for the Office of the First Minister
and deputy First Minister

OFFICIAL REPORT (Hansard)

Programme for Government Delivery Plans:
OFMDFM Briefing

6 March 2013

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Mike Nesbitt (Chairperson)
Mr Chris Lyttle (Deputy Chairperson)
Mr Colum Eastwood
Ms Megan Fearon
Mr Alex Maskey
Ms Bronwyn McGahan
Mr Stephen Moutray
Mr George Robinson
Mr Robin Swann

Witnesses:

Mr Tony Canavan	Office of the First Minister and deputy First Minister
Dr Paul Geddis	Office of the First Minister and deputy First Minister
Mr Tim Losty	Office of the First Minister and deputy First Minister

The Chairperson: We welcome Mr Tony Canavan, Mr Paul Geddis and Mr Tim Losty. I want to start by asking about the tabling of the papers. What is your understanding of the protocol for the delivery of papers by departmental officials for the Committee's perusal?

Mr Tim Losty (Office of the First Minister and deputy First Minister): I was going to try to touch on that in my opening statement. A central team in the Office of the First Minister and deputy First Minister (OFMDFM) is charged with the responsibility of challenging and checking the delivery plans from each of the officials. The plans then go to a programme executive group for further challenge. When that is sorted, they are sent to Ministers for approval and then to the Committee.

As I understand it, you received this afternoon the delivery plans that are dated from November. I apologise that we did not provide you with more up-to-date plans. However, my colleagues who will be here next week will talk you through that process.

The Chairperson: OK, but my question was on your understanding of the protocol about the time that should elapse between the papers arriving and the Committee having its meeting. How far in advance of a meeting are you supposed to submit papers?

Mr Losty: I do not have actual dates for that, but I understand that, earlier today, you received the papers that were dated November. I can imagine that that did not give you a lot of time to go through them.

The Chairperson: Rather than ask again, I will say that my understanding is that the working practice protocol says that it should be five days.

The Committee Clerk: Yes, it is effectively Thursday or Friday for insertion in members' packs or on Friday for the delivery of packs.

The Chairperson: So, does that mean that the papers should have been submitted last Thursday at the latest? The specific delay in this case was caused by what?

Mr Losty: From our position, we can talk about the delivery plans for which we are responsible. The actual management process is the responsibility of our colleagues who will be here next week. I can ask them to send a note to the Committee to explain the situation. I do not want to appear to be evasive, but neither do I want to give the Committee any information that may be wrong or that might have to be corrected next week.

The Chairperson: Do you have any knowledge or suspicion that the same thing might happen next week?

Mr Losty: I hope not. Our delivery plans from officials are at an advanced stage. A number of fairly robust checking and challenging stages are gone through to ensure that officials are focused on achieving the targets and the outcomes that are in the delivery plans. It is only when the various checking mechanisms are content with the information that is provided that it goes to Ministers for their consideration and approval. It is then sent to the Committees.

The Chairperson: Yes, but this session was delayed, Tim. We are now nearly midway through the last month of the financial year. This is our first opportunity to look at how the Department is getting on with its commitments to deliver under the Programme for Government (PFG), but we are getting papers two hours before the meeting.

You talk about robust clearance, challenging and checking, but surely it is the Committee's job to, when necessary, scrutinise, support and advise the Department to help it to do better, as well as to criticise it. How can we do that when we do not see the papers in advance of a meeting?

Mr Losty: I understand that receiving the papers when you did meant that you were not given a lot of time to go through them. I suppose that I would want to put it in the context that they are living documents that we review continually. They are not stop-start documents, so, hopefully —

The Chairperson: We only want to review them once.

Mr Losty: Hopefully, you will get the opportunity to go through them in more detail with Dennis and Henry next week.

The Chairperson: We have two sessions, and we want to look at Programme for Government commitments 15, 16, 17, 26 and 77 today. Tim, you and your colleagues will have to talk us through this, and if we feel that you are referring to the tabled papers, which we have not had an opportunity to see, and they reflect significantly different information from that which we have in our packs, we may have to abandon the session. Will you start with Programme for Government commitment 15, please?

Mr Losty: Programme for Government commitment 15 is to develop the Maze/Long Kesh site as a regeneration site of international significance. OFMDFM has the responsibility for the development of the Maze/Long Kesh site. This 347-acre site was transferred to the Department in 2003. An all-party consultation panel was established at the time and charged with effecting the transfer of the site, commissioning a land survey, spearheading consultations and making recommendations for the development of the site. Our Minister's intention is to maximise the economic, historical and reconciliation potential of the site and to create something new that demonstrates our desire to build a brighter and better future for all and also to provide for the sharing of that space.

On the delivery plan, in 2009, a programme delivery unit was established to take forward the necessary work on the site. In the summer of 2012, the Maze/Long Kesh Development Corporation was formed, and responsibility for the development of the site was transferred to the corporation.

A number of the projects that are listed in the delivery plan have made some significant progress lately. The Royal Ulster Agricultural Society (RUAS) is now on site. It has made significant progress on plans to host the Balmoral show there this year. It is looking at developing 65 acres of the site that will lead into other centres of excellence in due course. We have had a number of consultation queries in relation to transportation, traffic management and access to the site. We will be conducting more work on that, and work is under way on a new temporary entrance to assist with traffic management. Planning permission for the Royal Ulster Agricultural Society has also recently been agreed.

A spatial framework outlining plans for the site was approved by the development corporation. The spatial framework will try to address the local needs and the regional needs and see how the site can best be developed to match that. This strategy will be further developed, and a programme of work has been established. We hope that the development plan for the site will be announced shortly, hopefully in the next number of months.

The peace-building and conflict resolution centre (PBCRC) on the site will be supported through EU investment of some £18 million, and an application for support from the Heritage Lottery Fund is being considered. Design proposals for the PBCRC have been agreed, and an application for planning permission is under way. The project management board to take forward the peace-building centre has been established and meets regularly to ensure that proper governance procedures are in place and that we meet the various timescales.

Since the completion of the majority of the infrastructure work on the site, it has started to attract the attention of a number of organisations and private companies. So, although we have not engaged formally with those organisations, we are registering interest, and it certainly is a positive indicator for the future.

On the operation of the development corporation, following accountability meetings with us and our accounting officer, delegation level has been increased for the development corporation to allow it to make its decisions on projects up to £1 million. We are also looking at a business case for work on the hangars. When we were here in September, we were asked about progress with the Ulster Aviation Society. It is located in one of the hangars on the site. So, the business case is looking at the work that is necessary to renovate and put into operation those aircraft hangars. The Ulster Aviation Society will also plan a number of open days and events later in 2013.

In 2012, Ministers and officials were engaged in a number of discussions with European leaders and organisations in Europe about how the peace-building and conflict resolution centre could be developed and where there may be opportunities to exchange international best practice and also to develop opportunities for social-economy projects.

Chair, I am happy to take any questions on that. Hopefully, I can answer them for you.

The Chairperson: At point 2, there are:

"Performance Indicators (Further details in Measurements Annex)".

Indicator 2 —

"Maximise community, commercial, social and job creation use of site" —

states that there were four general public access events on site. Were there four this year?

Mr Losty: Yes. The big one was the Festival of Speed. The site was also opened up to facilitate garden parties in Hillsborough. There were a number of other community tours and education events on the site. I believe that there was also another, smaller, motor event on the site. We would hope to see six events in 2014.

The Chairperson: Tim, I am not sure that I would agree that using it as a car park for an event somewhere else represents a general public access event.

Mr Losty: I am sorry, Chairman. I suppose that that gives you an example of how it is being used to facilitate other events, to help with car parking and getting people on to the site so that they can actually see what we are doing there. It has also led to some people getting tours round the site. It

has also opened for national heritage days. A number of other organisations have been able to get access to the site to look at environmental issues.

The Chairperson: A few weeks ago, we had a nice, informal visit to the site. The representative from the Strategic Investment Board said that the peace-building and conflict resolution centre, should it get the 110,000 visitors a year that has been forecast, would need a subvention of £650,000 a year for three years. It is very hard for us to make a decision on whether that is good value or bad value when we cannot get access to the business case. Why can we not see the business case?

Mr Losty: Chair, perhaps I could explain my understanding of where we are on those issues. The subvention is not simply to put up a building and leave it there. The centre will provide a range of services for OFMDFM and other Departments. So, it will pay its way through the services that it provides.

The information that is provided in the business case and the market research is being used to help the Ministers to formulate future policy. Earlier, I mentioned that a number of the projects that would be located on the site and some of the services that would be provided will be commercial services. They will be organisations that sell services as a result of international tender or to international organisations. It is a commercial project, so some of the information would be commercially sensitive. We are also aware that a number of other potential rival organisations exist, and they are tendering for work in the international community. So, Ministers want to take the time to consider the information in light of how the site is being developed, the interest that we have been getting from a number of organisations that want to use and operate out of the centre and also with regard to some of the organisations that we have met recently in Europe.

The Chairperson: To be clear, if you do not get the sort of commercial contracts that you are hinting at, there will be a requirement on the public purse of £650,000 per annum over the first three years?

Mr Losty: The figures were presented to you. I know that the Committee had to change the time, so I was not actually there for that part of the presentation. If I had been, I would have said on behalf of OFMDFM that we do not see that as being a continued subvention. It is there as part of the service provision for the Department. The figures were put together a number of years ago and may be worst-case-scenario figures. Organisations in Europe and other countries, and from other sectors, are interested in locating on the site and selling their services individually but as part of the PBCRC product portfolio. That interest strongly indicates that this has the potential to generate a lot of income, bring money into Northern Ireland from outside and create jobs.

The Chairperson: Again, to be clear, you are not disputing or contradicting what we were told on the site visit; you are just giving it a broader context?

Mr Losty: I am putting it into the broader context of what the Department is trying to do and where we now are in engaging with potential customers around the world.

The Chairperson: If you do not get 110,000 visitors per annum, will that impact on the need for the subvention? Would it go up if there were no other income streams?

Mr Losty: Again, it would not be subvention, and the business model would change to reflect the environment that the organisation would be operating in. It may be that we would identify other products and services that could be provided from and by the centre over the years.

Mr Swann: I have not seen the business case myself. You refer to rival organisations. Has the business case taken into consideration, rather than rival organisations, displacement of service? I am thinking specifically of Corrymeela in Ballycastle, in my constituency. Does the business case allow for that?

Mr Losty: It does. One issue that we have to address in business cases is ensuring that any service we provide is additional to what is currently in place and does not displace work or jobs from another organisation. The intention is that the peace-building and conflict resolution centre will have a particular brand identity. It will work in partnership with other organisations, and that would include Corrymeela. So, we hope that it would add value, and that Corrymeela could add value to the work of the centre in the future. If, at some stage, it was identified that there was the potential for unhealthy

competition or displacement, that would be addressed by the management of the organisations and through the Department looking at those issues.

Mr Swann: Has any groundwork been done on confidence building in the established centres, such as Corrymeela, that are already doing this work? Have you been out to brief those organisations? Although we have not seen the business case, have they been made aware that you are not going to be a threat?

Mr Losty: What was the programme delivery unit on the Maze/Long Kesh site went out to meet a number of organisations and stakeholder groups to outline the services that would be provided at the site. A lot of the work that went on during the engagement with the stakeholders was about identifying people's needs and looking at the issue from a very sensitive perspective, given some of the stakeholder groups that we operate with. It is about listening to people and reflecting on how the centre can actually address needs in the future. It is about working with organisations that might currently operate in the sector to see how we could combine forces or use the skills that are already there to provide a peace-building and conflict resolution centre NI plc-type product portfolio internationally. So, the intention is that we would work with groups.

Mr Swann: So, the 100,000 visitors that you anticipate would be completely new and would not be coming here to any other project?

Mr Losty: We want to increase the number of visitors overall to Northern Ireland. Take weekend visitors, for example. If we have enough to offer the weekend visitor, can we actually generate enough to make them stay for a week or two weeks? We may be working with other projects as part of increasing the number of visitors for us and for others. As for the very specialised market sector that we might be going after in relation to some of the conflict resolution work, it may be that those visitors come in under the PBCRC banner but are taken out to Corrymeela or other organisations, again, as part of the shared product mix.

The Chairperson: Do any other members have a question?

Mr G Robinson: Will the temporary road structure that is in place at the moment adequately cater for the show this year, bearing in mind the magnitude of traffic that will use the site?

Mr Losty: The programme delivery unit has engaged with the PSNI and others involved in traffic management. As I said, we have already rehearsed how we can handle the traffic with the Festival of Speed and other organisations. We believe that the temporary access provides two exits and entrances to the site, so we will be able to accommodate the Balmoral show this year. However, we need to move to permanent access in due course, particularly when the buildings start to go up.

The site can also accommodate 10,000 cars parked in the one place. Those of you who have been to the Balmoral show know that the parking there and the parking on the streets is not good.

Mr Moutray: Is there a timescale for the completion of the refurbishment of the World War II hangers used by the Ulster Aviation Society?

Mr Losty: The funding available to the Maze/Long Kesh Development Corporation is under this comprehensive spending review period. Therefore, any of the work that is agreed now has to take place before the end of 2015, so we hope that we can complete that work by then. The starting date will depend on business case approval and things like that.

The Chairperson: Tim, could you talk us through point 3, entitled:

"Key Actions for Delivery of Commitment"?

Mr Losty: With regard to action 1, the board has been recruited and appointed, so the committee is up and running, and the chair has been appointed.

The Chairperson: That was to the timescale?

Mr Losty: They were appointed on 12 September 2012, so it was on time within that year, along with the appointment of the chairman. The appointment of the interim chief executive officer was detailed for August, and that happened in September when the board was up and running. Developing and agreeing the development corporation's strategic and operational policies and procedures is ongoing, and they are almost complete. We are just checking out some of the finer legal details, but we are on course for that. The approval of the outline business case for site development has happened. We met the target for the business case approval to procure a multidisciplinary design team for infrastructure works. The procurement of a multidisciplinary design team for more of the infrastructure works using the Central Procurement Directorate was completed in January this year. The approvals of proposed infrastructure projects are ongoing. When you were down at the site, you will have seen a number of the infrastructure projects, but some work still has to be completed. We are making very good progress there. The procurement of a preferred delivery partner for infrastructure works will take place towards the end of the year.

The Chairperson: I see that the next few are outside the time frame. Action 3.3 is the next one.

Mr Losty: Action 3.3 is to sign the development agreement with the Royal Ulster Agricultural Society. Again, that has happened, and there has been a lot of positive publicity about that. The appointment of the design team has also happened.

The Chairperson: The rest, I think, are to come.

Mr Losty: Yes.

The Chairperson: Tim, are there any differences that we need to be aware of between the tabled papers, which we have not seen, and what we have been going through?

Mr Losty: Not on those matters, Chair.

The Chairperson: Finally, can I look at the "risk and contingent actions" at point 5. At action 2 it says:

"PbCRC and RUAS projects do not proceed due to a lack of political and stakeholder agreement".

On the "probability of risk occurring", on a scale of one to five, you have given that risk a score of three. That seems high, given that RUAS is on site, and PBCRC has an architect, a design and everything else. How does that rate a three?

Mr Losty: That was in November, and we will be revising it now that we have RUAS and such on site.

The Chairperson: Is that revised in the tabled papers?

Mr Losty: It will be revised for the latest delivery plan.

The Chairperson: In the tabled papers, it is still a three.

Mr Losty: In the papers that you have received today, yes.

The Chairperson: Are these papers right up to date?

Mr Losty: The papers are dated November.

The Chairperson: They are dated November.

Mr Losty: Significant activity took place in January 2013, with regard to applications and approvals of planning permission. That required stakeholder involvement, and so it will be revised down.

The Chairperson: In the tabled papers as well, on the very first sheet on the Programme for Government commitment 15, you have, in the main table, version numbers 1, 2, 3 and 4, and revision date November 2012. Can you just talk us through that? There is new information here from version 3 or version 4 onwards.

Mr Losty: These are the revision dates for working on our documents on our TRIM system. They show when people were working on the document and any changes that would be identified on it; then you can see whether the central team or the challenge team made any changes.

The Chairperson: The Committee Clerk has suggested that there is a whole new section here, at 5(b), on risk management.

Mr Losty: That includes comments as to how the risk would be managed.

The Chairperson: That is something that the members have not had an opportunity to study, so we will just note it.

Mr Losty: It is intended to put a bit of narrative around some of the risk statements.

The Chairperson: Can we turn to Programme for Government commitment 16, the One Plan?

Mr Losty: With regard to delivery of the One Plan, OFMDFM has responsibility for Programme for Government commitment 16:

"Develop the 'One Plan' for the regeneration of Derry/Londonderry, incorporating the key sites at Fort George and Ebrington".

The One Plan was developed by the stakeholders in the city, and its objectives and ethos were endorsed by the Executive and subsequently included in the Programme for Government. OFMDFM's role is in supporting, co-ordinating and liaison, as well as taking a direct role through some programme and project support. The overall management organisation for the One Plan is the Derry/Londonderry Strategy Board in the city, which consists of all the major stakeholders and is supported by a regeneration programme unit.

The plan is constructed around five themes: employment, education, health, connected city and building better communities. Those five themes are then supported by 11 catalyst programmes, each of which is led by a named local organisation or individual.

OFMDFM established and chairs an interdepartmental co-ordinating group. The Departments that are represented on that group have their remits and responsibilities for delivering services to meet their own Programme for Government commitments. Our group identifies the programmes and services that contribute to or support the objectives of the One Plan. The interdepartmental group had met six times by the time we had received the report. We met on a further two occasions since the end of December. We have also met the city strategy board on two occasions. I also meet the officials working on the One Plan in the city monthly. I also have a series of bilateral meetings with other Departments or other organisations if we identify an issue.

One of the key issues for the One Plan is to try to create jobs in the city. That is possibly also the biggest challenge in the current economic climate. To try to address that, we have established a job subgroup consisting of a number of the Departments, with programmes to encourage, create and promote jobs. We also meet the city council and Ilex regularly to try to examine those issues, how we can measure jobs and what initiatives are in existence to help to promote jobs.

In progress on delivery, there have been a number of announcements on the increase in student numbers for the university. Some 1,500 people have been trained in the WorldHost programme. A skills directorate has been established. The North West Regional Science Park has been approved at Fort George. It has received a letter of offer for £12 million and planning permission has been approved. Some £30 million of government funding has been committed to the overall City of Culture programme. Ebrington Square has been opened up and is used on a regular basis. One of the buildings on the site — building 71 — is being used and is being supported with investment from the private sector. About one third of the Ebrington site has been developed.

Work on the Ebrington buildings that will be used for the digital hub is under way and will be complete by the start of the summer. They will be used as part of the City of Culture programme to host the Turner Prize in the interim. We have also provided additional programme and project management support to Ilex towards the development of the buildings.

The development framework for Fort George is complete, but the development framework for Ebrington is behind schedule. That is something that I have addressed a number of times with the responsible organisations. They are now making progress on that, but it is behind schedule. We have asked the organisations to undertake a number of mitigating actions, including putting out an interim use policy to the market to try to test the amount of interest there would be in locating on the site. That has generated substantial interest from the private sector. The Foyle valley gateway master plan is also under way, and a number of other projects in relation to health and the social economy are also making a lot of progress.

The Chairperson: One question from me, if I may, starting where I finished the last time, which is on the risk matrix. I do not think that I have ever seen that before. You have four defined risks. The first is the probability of risk occurring on a scale of one to five, where five is most likely. The score is five. The impact of risk also scores five, so you are saying that it is almost certain to happen, and, when it does, it will almost certainly be catastrophic. I have never seen two scores of five on a risk matrix.

Mr Losty: It reflects the very serious economic situation. Although the One Plan was put together in the midst of recession, the hope was that the recession would have bottomed out and we would be coming out of it now. Unfortunately, the economic climate is still fairly serious, so we have afforded it high risk and high impact, because it is something that all of us on the interdepartmental group and the strategy group need to give a lot of attention to. We are very aware of the impact of global issues on some of the organisations and businesses here. If something happens overseas, the parent company can pull out and take away 300 to 400 jobs in one go. So, we are very sensitive to those issues.

The Chairperson: Do the two scores of 5 indicate that public investment is at risk?

Mr Losty: Not that public investment is at risk but that achieving our targets for public investment here is at risk.

Mr Eastwood: When the Programme for Government was announced, I welcomed the fact that the One Plan was in it, but I criticised the fact that it just said to "develop the One Plan". My question then was, "What does that mean?", and we still need to ask that, because one of the things that you mentioned was the 1,000-odd places for Magee. The One Plan says that we need to hit 9,400 places by 2020, and we are at just over 3,000 or maybe close to 4,000 at the minute. I asked the Minister responsible whether he thought we could do it, and he said that it was very ambitious.

That Minister is in charge of arguably the biggest of the catalyst projects; it is the one that could have the most lasting legacy. The science park will not really work in the long term without having the graduates based in the city, and a number of other projects hinge on that as well. The Minister for Employment and Learning says that he thinks the target is highly ambitious, and basically that he does not think it can happen. Where was the overarching control or co-ordination from OFMDFM to say to the Minister, "Can this be done? If you do not think it can be done, what do we need to do to make sure it can be?" Without that kind of co-ordination, they are just numbers on a page that do not mean anything. We are being told that we are not going to hit 9,400, which, by the way, is not enough; we need more than that anyway. I do not know how one part of government can say, "We want to do this" and another part can tell us, "We are not going to do it." That is my first question, if that is all right with you, Chair.

The Chairperson: I am looking forward to the long one.

Mr Losty: I cannot answer for the Minister for Employment and Learning or for the Department for Employment and Learning (DEL), but the Department is represented at the interdepartmental group, and it has identified a number of programmes that it is engaged in to try to stimulate jobs in the city. It is also looking continually at the university issue. You need a push and pull: we cannot just put in a science park and not have the raw materials to draw from; we agree with you on that.

Is it ambitious? Yes, it is. It is very challenging, but that does not mean to say that we would not be putting all our efforts into trying to achieve those targets. It is a very challenging environment that we are operating in. DEL is also involved in our job subgroup, and we have regular discussions with it about the programmes that it is operating in the city and is working on with the universities. We also discuss whether the Department is achieving its targets and whether the trends are going in the right direction. The Department's responsibility, if it does not see the trends going in the right direction, is to say what it is doing about that. If DEL identifies something that should be done on a cross-

departmental basis or that another Department or local organisation should be doing, the interdepartmental group provides the facility through which we can try to co-ordinate a lot better what we are trying to do or try to address obstacles.

Again, you could put jobs into the city, but you also need people to be suitably trained and motivated to go for those jobs. We have to do this together if we are going to have a long-term impact. It is a very challenging task, but it is one that people are still committed to trying to achieve.

Mr Eastwood: Ebrington looks great. We have had some tremendous events there, but, being honest, we could do with a lot more people working there, more of the buildings filled and more happening economically. You can correct me if I am wrong, but it took something like 18 months to get permission from the Department and to get through the red tape to get a sandwich van over there. That is a sandwich van. I do not understand how we are going to fill any of the buildings and bring in the jobs that are written about in the report if it takes us that long to put a sandwich van on a very large site.

Mr Losty: We asked for an interim-use policy that would enable the organisation, Departments and ourselves to be able to say what types of operations would add value to the site. We were not going to consider individual applications to Ilex, or from Ilex to us, outside of that, because that would establish a precedent. We wanted that policy, and we asked for it. I did not get the policy at the time that I wanted it. We have that interim policy now, and it fits all the questions that we were asking. There will not be any inordinate delay to projects going on site.

I think you agree with me. You said that the site looks well, adds value and that we need more people. So, it is important that there is the right mix of activities on that site. That is why we wanted the interim-use policy. If we had that policy in a lot earlier, the coffee cart would have been there a lot earlier.

Mr Eastwood: We are hearing different things from various people as to whose fault that was. Anyway, you are telling me now that the blockages have gone.

Mr Losty: Yes. I do not want to get into a fault game. We have to be accountable for how the site is used and the money that is being invested in it, so certain types of projects will be acceptable, and we think that certain types will not add to the value of the site. We have got the information that we need now, and that allows us to move forward.

Mr Maskey: Thank you, Tim and colleagues. I am looking at the risks and contingent actions. I am looking at key risks 2 and 3, but I am not sure what 2 means. I have an idea, but it scores a three in the probability-of-risk-occurring column and a four in the impact-of-risk column. Key risk 3 — the failure to align departmental corporate plans in the delivery of the One Plan — scores a four in both columns. That would worry me. I appreciate that this paper is from November, but it concerns me, because that is precisely the issue that the One Plan is supposed to tackle. There should be co-ordination, and people should be aligning. We see it all too often where Departments are not doing that. I have always made the argument that, in one sense, it does not matter whether you have two Departments or 20. If there is not a culture of collaboration with each other, there is not a corporate bang for the buck, so to speak. Can you elaborate on that, Tim? What does it mean? Pre-planning and data sharing seem to be linked to point 3, which is about the failure to co-ordinate.

Mr Losty: It is also a point, which, I think, was raised the previous time we were at the Committee. It is about the need to make sure that we are all measuring the right information, reporting on the right information and sharing that information. After the most recent Committee meeting that I attended, I met with Ilex, which is responsible for carrying out the monitoring. I said that we would test the system that it had, and it was tested. The people in Ilex felt that there were one or two weaknesses in the system that needed to be addressed, so they are fixing that now. That monitoring system will be managed by Ilex, and it will gather information from all the Departments, the likes of Derry City Council, the business community and the community sector in the city. So, we have made progress on that. It will, therefore, be less of a risk now.

We also need to firmly establish some baseline figures for such things as job promotion, job creation and people accessing training, so that we can see where we are getting improvements and measuring the increase in trends, year on year. We will be doing a lot more of that. It is about getting the right information that everybody can understand and buy into, and which can be communicated via the one source.

Mr Maskey: I have a question further to that, Chair, if you do not mind. I am trying to work it out in my own mind. In the long run, we do, of course, want outcomes. Everybody wants this to be a very important and real catalyst in tackling disadvantage and poverty through job creation, regeneration, and so on. The Department for Social Development (DSD) was, at one point, given a lead on something, and OFMDFM perhaps something else. I am just trying to work out how we can have confidence, at this point, that, when this is working its way through, we can actually measure positive outcomes, such as tackling disadvantage.

Mr Losty: Getting collaboration across organisations, particularly the broad range of organisations that we have here, not just in the city and public sector, is a challenge. However, it is one that everybody has signed up to in the One Plan and the interdepartmental group. One issue we wanted to make sure that people agreed to was, first off, to use the same monitoring system to measure what we are doing and to report on that in relation to the PFG target on the One Plan. Ilex will be responsible for gathering the information. DSD, OFMDFM, DEL and Derry City Council have all signed up to providing that information to Ilex. It would then come back to the interdepartmental group and local strategy group to be challenged and tested there. If we were to identify that there is potentially a problem with or obstacle to one of the other Department's organisations achieving its objectives, that would give us the opportunity to have a bilateral meeting with them to see how that obstacle can be removed or what issues are impacting on the achievement of that. It is maybe a longer-term way of looking at it, but at least with the monitoring of information, you have objective evidence that you can go back to people with and challenge.

The Chairperson: Can I expand on that a bit, Tim? Against the key risks, you have key mitigation actions. At what point do they kick in? Is it when the probability of risk occurring hits a certain number?

Mr Losty: No. If we identify that it is a high risk, as part of this and the interdepartmental group, we would identify the mitigation actions and then establish —

The Chairperson: What is high risk? What is the number?

Mr Losty: High risk would be that it is likely that it could occur, that it is likely that it will have an impact —

The Chairperson: But is it one, two, three, four or five? Where does it become high risk?

Mr Losty: A score of three and above is —

The Chairperson: OK. Using the tabled papers, Alex correctly said that the risk was four and the impact was four. However, in the papers that you sent us, the probability of risk was three. It has gone from three to four. When it was at three, the mitigation action was to:

"Focus on greater collaborative working and communication across interdepartmental coordination group".

Now that it has gone to four, you have the same key mitigation action. If it did not work when it was at three, how is it likely to work when it is at four?

Mr Losty: Is this in relation to failure to align departmental corporate plans?

The Chairperson: Yes. In the papers we were delivered in a timely manner, it states that the probability of risk was three. Today's tabled papers, which are more up to date, say that it has gone to four, and yet the same key mitigation action is listed. If it did not work to stop it going from three to four, is it going to stop it going from four to five?

Mr Losty: Some of the actions that we would look at there include bilateral meetings and meetings with key stakeholder groups. So —

The Chairperson: Surely you do that anyway.

Mr Losty: We do that on an ongoing basis with the interdepartmental group. The strategy group in the city has its meetings. We then liaise with it twice a year. I meet One Plan officials every month. If we identify that an issue is developing and becoming more of a risk, I have a bilateral meeting with the relevant Department. The mitigating factor there allows me to do that. In recognition of the fact that the economy was still having a major impact, we put that level of risk up. However, by taking mitigating actions, such as establishing the jobs subcommittee and progressing with that work, we hope that that starts to get traction, and then we can reassess that risk level.

The Chairperson: OK, well, the latest one — again, I stress that this is one that we have seen only today —

Mr Losty: From November, yes.

The Chairperson: You have eight numbers: two scores of three; three scores of four; and three scores of five. That spells to disaster to me. There are red lights flashing and alarm bells ringing. You said that three is the number at which you start to react.

Mr Losty: One of the issues that the One Plan is trying to address is the dire economic situation impacting on people in the city. As I said earlier, when the plan was put together, we had hoped that it had bottomed out. However, given that the economy internationally and nationally has not changed and that, since that time, it has got worse in some areas, we need to reflect the potential impact of the economy on the work that we and the One Plan are doing.

The Chairperson: That is nothing to do with data not being available, and with pre-planning and data sharing across Departments and agencies failing.

Mr Losty: We identified pre-planning as an issue after the last Committee meeting. As I say, I met the people from Ilex responsible for gathering the data. We also met our statisticians and colleagues in the Department of Enterprise, Trade and Investment (DETI) to try to identify what information we need. When we get all that information together, and we believe that it is robust enough, that risk level will come down.

The Chairperson: But it had scored a three and a four and it is still at a three and a four.

Mr Losty: It will come down when we are happy with the information that we are getting.

Ms McGahan: In the context of the jobs subgroup, the educational guidance service for adults has obviously been withdrawn. As you know, that was a service for adults who were seeking to retrain or who had been made redundant due to the recession. Has that been factored in to any action plan to address a potential skills gap?

Mr Losty: That is an issue that the interdepartmental group and the jobs subgroup would discuss with DEL and the local employment forum. Again, it comes back to the point about making sure that if we get jobs in the city, people from the city who need those jobs get them. If we increase the supply of jobs, there have to be programmes and services there to help to create that demand. So, we are engaged with DEL and other organisations to see how those gaps can be filled.

The Chairperson: OK. Tim, can we go through the appropriate boxes for the key actions that should have been or are being met, please?

Mr Losty: The first one is the development of a joint city marketing proposal to promote the city. That was achieved in January.

Mr Eastwood: Is this the marketing plan that £1.3 million was put in for or is this the one for the City of Culture specifically?

Mr Losty: No, this is a marketing plan that looks at the city overall.

Mr Eastwood: OK. So that is separate? Fair enough.

Mr Losty: Well, the City of Culture marketing contributes to the overall marketing plan. What this plan does not look at is the extra marketing of events for the City of Culture that are funded under the programme money for the City of Culture.

Mr Eastwood: A specific marketing plan relating to the City of Culture has been in since September. It has been revised down to £1.3 million, but it has not been approved yet. That is different from the money from the Department of Culture, Arts and Leisure (DCAL). I was going to ask you about that in the next section, but it is a different project from this one.

Mr Losty: There is a different marketing need, but the City of Culture has to contribute to the marketing of the city, and vice versa. So, there is read-across. When we looked at the marketing plan for the city and at the marketing of events, one of the things that we had to ensure was that there was not duplication and that they contributed to each other. So, there are two plans, but they are not completely separate.

Mr Eastwood: OK. I will come back to it in the next section.

Mr Losty: The marketing plan has just been approved. On jobs, we have been going out to the various agencies to get their anecdotal figures from the ongoing programmes, services and building work. We hope to get information from Ilex in the next couple of weeks about jobs in the city's business community and community and voluntary sector.

As I said, we had a monitoring and evaluation framework, but we have asked for that to be tested and for some revisions to be made.

Work to update socio-economic baseline data and develop targeted data collection methods will be ongoing. The officials responsible for the gathering of data will be looking at various pieces of software and other packages to help them with that.

On the action of reviewing targets and reporting variances across the 11 catalyst programmes, the local strategy board had a review meeting towards the end of last year. It identified where some of the catalyst programmes were hitting their targets. It also identified where there is a need for further work and identified some near-term priorities that have to be addressed. It is looking at those.

Liaison with Departments and agencies and confirmation of nominations for the interdepartmental co-ordinating group has happened.

Terms of reference for the One Plan have been drafted and shared with the strategy group.

We are slightly behind schedule on the action of putting in place a schedule of meetings to monitor the progress of implementation and the benefits achieved and to report to Ministers, but we expect to catch up when we get the more robust data.

A number of research steering groups have been established, but there are still a number to be established. One of those research groups is looking at the alternative funding models, and it met towards the end of last year. It contributes to the alternative funding models mentioned on the next page.

On the action of approving the development framework and outlining planning for the site, as I said, the development framework is behind schedule. I am not happy about that. I have had meetings with the organisation and made it aware that that has to be a priority. Work has started on the development framework, and we expect to receive it before the start of the summer.

The Chairperson: Is that down to Ilex?

Mr Losty: Yes.

Issuing development briefs for engagement with private sector will be a target towards the end of this year and into next year. The same goes for the appointment of contractors and property developers. Outline planning for the site will be part of what we do with the development framework.

The development framework and planning permission for the site at Fort George have been agreed. Developers have not been appointed. Site infrastructure works will be completed before the end of

2015, but they will be under way quite soon. So, there is still work to be done on some of those measurements.

Mr Maskey: Does indicator 2 on the One Plan progress, draft terms of reference for the One Plan interdepartmental co-ordinating group, take care of, or at least address, the non-alignment of the departmental stuff?

Mr Losty: Sorry, is it the draft terms of reference for the —

Mr Maskey: I am at the top of page 8 — indicator 2 and the One Plan progress. It refers to the draft terms of reference for the One Plan and the interdepartmental co-ordinating group. Do those terms of reference help that group itself to check? I assume that it is the same Departments that are not aligning their policies and programmes.

Mr Losty: The draft terms of reference have been signed up to by all the Departments. That includes their having to develop their own Programme for Government commitments that also align with the One Plan targets. The terms of reference also allow us to look and see what impact they are having and whether there is a need to refocus, consider change or do something else to have the impact that we want to have. So, the terms of reference allow us to have that engagement. That will deal with a lot of those issues.

The Chairperson: Finally on this one, have you had to factor into your risk assessment the changes in governance at Ilex?

Mr Losty: Governance was an issue when we started the process for this Programme for Government period. We had set out an action plan on a number of key issues that had to be addressed by the organisation. Its representatives met the accounting officers of OFMDFM and DSD monthly. They had to report on that action plan and were tested. I am happy to say that we have had the Audit Office go back to Ilex recently. It is satisfied with the action that has been taken. We are a lot more confident about governance there. However, at the same time, that does not mean that we are relaxed about the governance issue. It is something that we will continue to address with the organisation.

The Chairperson: OK. Thank you. Can we move on to commitment 17, which is the UK City of Culture?

Mr Losty: I will give you an update on the City of Culture delivery plan. OFMDFM's Programme for Government commitment here is to provide financial and other support across government to ensure the success of the Derry/Londonderry City of Culture 2013. OFMDFM's role is to chair an oversight group and co-ordinate government responses to ensure that the City of Culture programme is a success. The management delivery structures are the Culture Company, which was established by and reports to Derry City Council. The council's chief executive is the senior responsible owner for the delivery of the programme. Initially, the oversight group, which is chaired by OFMDFM, met monthly to establish the programme. It could now meet every two months or when necessary, but we continue to meet as often as we can. The City of Culture programme is a major programme. It is very much a first for this region. In taking forward the programme of work, the oversight group has worked to identify how we can all maximise the opportunities from the programme and also identify and address some of the risks that operating a programme like this will have at this time.

In terms of progress, DCAL has awarded £12.6 million towards programme events. There is now a schedule of some 400 events and activities that have been developed. Those 400 activities and events should cater for all tastes. There is a bit there for everyone. Buildings 80 and 81 at Ebrington, which we were going to develop for the digital hub, will be used in the interim to house the Turner Prize. That will be finished on schedule. People from the Tate Gallery have been over on a number of occasions to see the progress. They are very happy with it.

The DSD-funded venue is also located on the Ebrington site. It has already been used for a number of very-high-profile events, which have been very positively received. As I mentioned earlier, DETI is supporting the implementation of the marketing plan for the city. OFMDFM, through financial support for Ilex, will also assist towards that. In recognition of the complexities that are involved in the programme management around some of the cultural events, OFMDFM has been working with the Strategic Investment Board to provide project management support to the city council. There is a

governance manual, and a memorandum of understanding has been agreed with all of the participants on the oversight group. Collectively, the oversight group is working with the Culture Company to generate sponsorship and other support in kind.

The Chairperson: OK. Tim, could you briefly talk us through the key actions again, please?

Mr Losty: The board and the chairman have been appointed. In identification of resource need and recruiting the team, the core team for the City of Culture has been recruited. As we became involved in some of the individual projects, we identified a need perhaps to bring in some additional or specialist expertise. We have kept that issue under review. There is no point in signing up big-name acts if we cannot actually get people in and out of venues or the city. We continue to review that.

The memorandum of understanding has been agreed. The highlight programme has been agreed, and various brochures on that have been produced. The programme of 400 events has been developed. A communications and marketing strategy has been developed and is being implemented. Some of the programmes and events that were launched in quarter three of 2012-13 have been held in the Vital Venue and, as I said, the Turner Prize will be hosted in buildings 80 and 81.

In business planning and income generation, income generation is something that we do need to address on an ongoing basis. Income generation includes not just ticket sales but generation of sponsorship and help in kind from other organisations. With the economy being in the state that it is, we have to work twice as hard to try to generate sponsorship from the private sector.

Regular progress against the plans is produced for all the oversight group meetings, along with a risk register. We identify any of the key infrastructure needs, and that includes how we get people in and out of events. Business cases for the infrastructure have been agreed, and the infrastructure is, more or less, up and running.

Various funders are involved in the overall City of Culture. As well as DCAL, the main funder, there is DSD and us, so information is provided to everyone on a regular basis. Letters of offer have been signed and returned, and money is being drawn down by the Culture Company. For organisations that are in receipt of letters of offer from the Culture Company, there are various processes employed to make sure that targets are achieved and money is spent on all the right things.

The issues of increasing employment, visitor numbers and income go back to some of the things that I mentioned that were in the last Programme for Government and the need to get proper monitoring information. That service will again be provided by Ilex, working closely with Derry City Council and the Culture Company. We are not quite there yet, but we have made progress and are confident that that will be achieved soon.

Mr Eastwood: Thank you. The programme is fantastic, and it has started very well. What I was trying to talk about earlier was the bespoke marketing plan. That started off at £1.9 million, but it has been revised down to £1.3 million. It has been in with, I think, DETI since September or October, but they not getting much of an answer about that £1.3 million. I know that some people spoke to the First Minister last week, I think it was, or the week before. I was wondering whether you have any information on it, or, if you do not, will you maybe go away? It is now March. We have had some very good free media, but there is a whole lot more to be done in the advertising stuff.

Mr Losty: I believe that progress has been made on that and that communications have been sent to the council chief executive. Rather than going through the detail of that now, because it is something that DETI was managing, I will ask whether we can get the Committee something on that from the Department.

The Chairperson: Is there a new risk around security for upcoming events that has been added to the most recent papers? The security threat to events taking place?

Mr Losty: The security of people who attend the events is something that we need to take into consideration on a regular basis.

The Chairperson: Has that been added?

Mr Losty: It is something that we have been looking at, yes.

The Chairperson: So it has been added?

Mr Losty: I will come back to you on that one. It is something that we have discussed. There is an oversight meeting that will agree on that.

The Chairperson: It seems to me that I did not read it in the papers that I was given at the weekend but it is in the tabled papers, so it has been added.

Mr Losty: I will come back to you to confirm exactly what we mean by that.

The Chairperson: What I mean by that or —

Mr Losty: What we mean by that.

The Chairperson: OK. Twenty six, please.

Dr Paul Geddis (Office of the First Minister and deputy First Minister): Commitment 1.26 is to facilitate delivery of the Executive's 20% target for increased drawdown of competitive EU funds. This particular target and its relevant milestones are included in the departmental plan for 2012-13. I anticipate that that will carry through into the departmental plan for 2013-14.

I understand that the Committee had received the delivery plan originally dated 28 March 2012 for this commitment and, since then, a version of the strategic online report for the period to 30 September 2012. If it is helpful, I will outline the differences between the plan that the Committee has today and the 28 March 2012 document. I will then refer to an answer on the 20% target that the First Minister gave to the Assembly yesterday at Question Time, and then outline any potential differences looking forward to any plan that might come in the future.

With reference back on a retrospective basis, the main changes between the 28 March 2012 plan and the one that you have today are that in section 1, references to the old pre-allocated structural funds baseline of £80 million have been replaced by a competitive funds baseline, in this case £11 million. The pre-allocated structural funds baseline was a reference to the origins of this particular PFG target and was included as a point of reference in the very first delivery plan because, at that stage, we had not worked out the £11 million competitive funds baseline.

The Chairperson: Sorry, Paul; you are losing me. Anybody else following this?

Dr Geddis: This is a numerical target. It is very technically complex.

The Chairperson: I am sorry, I need time to study these tabled papers. I am not prepared to take the brief.

Dr Geddis: That one was just a straightforward deletion.

The Chairperson: Paul, I am not prepared to take the brief because these tabled papers need to be studied. They are financial, and I find that I am not following you correctly. I am not being challenged by any members who are content. We will have to reconvene on that one.

That leaves 77.

Mr Tony Canavan (Office of the First Minister and deputy First Minister): That one is mine. The last time we briefed the Committee, in September, I said that this was an unusual commitment because so much about it, including progress on the milestones and outputs, was dependent on political-level agreement.

In July 2012, the First Minister and the deputy First Minister indicated their desire and willingness to complete the review in a timely manner. However, their agreement on structural change, which is highlighted in the PFG commitment, has not yet been announced. Nevertheless, that does not invalidate the totality of the commitment that is set out in the delivery plans.

This is about a process, and the culmination of that process will be to achieve the position where the preparations are in place to ensure the implementation of agreed changes at the time of the next Assembly election and the appointment of the Executive. That does not necessarily require an announcement in 2012 or even in this financial year.

The summary details indicate that, at November, momentum had been maintained in a number of areas, including progress by the Assembly and Executive Review Committee, which produced a second report later in November after its earlier report on the size of the Assembly in June.

The Northern Ireland Office has also made progress in its preparations for the legislation that it proposes to introduce in Westminster in May, and is engaged in pre-legislative scrutiny of that proposed legislation by the Northern Ireland Affairs Committee. That indicates that the momentum of September has been maintained since, even if we do not yet have what I will be the first to admit is the key decision — because so much of what follows comes from it — on agreed changes, which is to be announced by the First Minister and deputy First Minister.

The Chairperson: I take it that although the progress report states that, on 18 July 2012, the First Minister and deputy First Minister:

"restated ... their intention to complete the 2012 review of structures in a timely manner",

that does not mean within the calendar year 2012?

Mr Canavan: You would have to ask the First Minister and deputy First Minister how they interpret "a timely manner".

The Chairperson: OK. Do members have any questions on that commitment? As Chair of the Assembly and Executive Review Committee, Mr Moutray is obviously well versed and may feel that the repetition is torture.

Mr Moutray: Absolutely.

The Chairperson: OK. Paul, I am sorry that you have drawn the figurative short straw; are you available to come in next week when we are doing phase 2?

Dr Geddis: Yes, Chairman.

The Chairperson: I appreciate that. We will go through it first and let you away. Thank you very much indeed, Paul, Tony and Tim.