



Northern Ireland
Assembly

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

OFFICIAL REPORT (Hansard)

Programme for Government Commitments:
OFMDFM Officials

17 June 2015

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 Alex Attwood
Ms Megan Fearon
Mrs Brenda Hale
Ms Bronwyn McGahan
Mr David McIlveen
Mr Stephen Moutray

Witnesses:

Ms Siobhan Broderick	Office of the First Minister and deputy First Minister
Mr Tony Canavan	Office of the First Minister and deputy First Minister
Mr Henry Johnston	Office of the First Minister and deputy First Minister
Ms Margaret Rose McNaughton	Office of the First Minister and deputy First Minister

The Chairperson (Mr Nesbitt): Margaret Rose McNaughton returns to the table, and also joining us are Tony Canavan, Siobhan Broderick and Henry Johnston.

Mr Henry Johnston (Office of the First Minister and deputy First Minister): I will make some short opening remarks, which, hopefully, will cover some of the main points, and then we will go into questions.

Thank you, Chair, for the invitation to attend today and for the opportunity to update you on the Programme for Government (PFG) commitments for which I am the senior reporting officer (SRO). We will cover PFG commitment 15, which is the development of the Maze/Long Kesh regeneration site; PFG commitment 16, which is development of the One Plan in Derry/Londonderry; PFG commitment 17, which is to provide financial and other support across government to the City of Culture; PFG commitment 26, which is the 20% competitive drawdown target; PFG commitment 33, which is the childcare strategy; PFG commitment 34 or our contribution to it, for which Mark has primary responsibility; PFG commitment 38, which is age discrimination legislation; and PFG commitment 77, which is the post-2015 structures of government. You will note in your papers, which you helpfully skirted over, that commitment 41 in relation to the advisory group, which has been finished, is ascribed to me, but it should actually be Mark. Sorry for that.

The Chairperson (Mr Nesbitt): Deemed complete.

Mr Johnston: In relation to the outstanding commitments, on commitment 15, there is currently no agreement on Maze/Long Kesh (MLK). The MLK targets up to the end of the PFG period are not achieved, as in previous quarters, and Ministers continue to discuss a way forward for the regeneration of the site. However, MLK Development Corporation continues to meet its responsibilities with regard to the maintenance, health and safety of the site and commitments to the Royal Ulster Agricultural Society (RUAS), but there is no redevelopment on the site.

In relation to commitment 16, which is to develop the One Plan, the targets were challenging but progress has been made. The development and regeneration of Ebrington continues, with a number of additional buildings on the site opening for business shortly and one having just opened. The Department continues to work with Ilex to maximise investment. Overall, £16.5 million of the envisaged £23 million has been invested on the Ebrington site due to delays in getting the Ebrington development framework complete and slippage with a number of capital projects, particularly in 2014-15. That said, the Walled City Brewery has now opened in building 70, with the creation of 10 jobs. Building 80-81 has been refurbished and is now a creative industries hub to help small businesses grow. In addition, a combined cafe and bicycle workshop will open later in the summer. These ventures are the first new businesses operating permanently on the site and will hopefully pave the way for further enterprise.

In addition, DOE has leased building 71 at Ebrington and set up a regional office for the Minister and the chief planner.

The Ebrington development framework has also been completed. It is envisaged that it will ultimately lead to approximately an additional 1,800 jobs in the city and an additional gross value add of £42 million. There has been extensive consultation on the framework with local stakeholders to try to ensure that it reflects the needs of the surrounding community. The framework was submitted for planning approval in December 2014, and, subject to normal planning approval processes, we anticipate approval later in the summer.

Ilex is actively engaging with the private, public, community and voluntary sectors to acquire tenants for Ebrington. Currently, there are 62 formal expressions of interest to establish potential businesses on the site. Ilex has been asked to prioritise the redevelopment of Ebrington and will now focus on facilitating opportunities for new or expanded businesses to develop at Ebrington in line with the outcome of the Ebrington development framework. Ilex is focusing on the regeneration of Ebrington and bringing the site's historic buildings back into use. That not only safeguards them for the future but will promote jobs on the site.

There were challenging targets in the Programme for Government for job creation, and, very positively, those were exceeded in 2012-13 and 2013-14. However, the job promotion target for 2014-15 was 1,200 new jobs promoted in the city. That was challenging in the fragile financial environment. Year-in returns from Invest, Departments and Derry City Council show that only 861 jobs have been promoted, which is only 70% of the target. However, an additional 113 jobs have been safeguarded, and 35 R&D jobs at Seagate have been created. Overall, on the PFG target for the three years, the total number of jobs promoted amounted to 3,700 or over 90% of the target of 4,045.

Other One Plan capital programmes are continuing, with leads now in place for 10 of the 11 programmes. The Derry/Londonderry strategy board, which is co-chaired by Ilex and, more recently, with the Derry and Strabane council, is charged with the successful delivery of the One Plan and meets quarterly to review progress in advanced key projects.

The North West Regional Science Park is a satellite of the highly successful Northern Ireland Science Park in the Titanic Quarter. Construction began in July 2013 and the project was completed in August 2014. The facility is now 90% occupied, which exceeded expectations.

As previously reported to the Committee, support under commitment 17 for the City of Culture has been completed.

The Committee was recently briefed on the childcare strategy, commitment 33, and Margaret Rose will be happy to respond to any further questions you have on it and on our contribution to commitment 34.

Commitment 38, age discrimination legislation for the provision of goods, facilities and services, remains under consideration in the Department, but could still be put on the statute books this Assembly term, subject to the necessary agreements.

Commitment 77, which relates to post-2015 structures of government, is progressing, with a view to being implemented in time for the new Assembly term in May 2016.

Finally, I understand that, last week, Mark explained the new reporting format promulgated by the central team, and you will note that I, like Mark, have used the new format. Thank you for your patience. I am happy to respond to questions.

The Chairperson (Mr Nesbitt): Let us start with the last commitment, to post-2015 government structures. Tony is a frequent visitor of a Monday to the Stormont House implementation group upstairs. I will not ask for your impressions, but are all these changes predicated on agreement and implementation of the Stormont House Agreement? Can we go from 12 Departments to nine irrespective of the Stormont House Agreement?

Mr Tony Canavan (Office of the First Minister and deputy First Minister): There are political issues as to whether politicians want to tie in other aspects of the Stormont House Agreement. Work is proceeding on the basis of a move to nine Departments in May 2016.

The Chairperson (Mr Nesbitt): There is an agreement on nine. We have their titles.

Mr Canavan: The titles and, in broad terms, what is transferring from one Department to another were set out in the First Minister's statement on 2 March.

The Chairperson (Mr Nesbitt): The next big piece of work, presumably, is the functionality of the nine Departments. What is happening in that regard?

Mr Canavan: Progress on functionality, in the sense of knowing what should be moving from one Department to another, is being made. There is a lot of work being done on the administrative changes that will be needed in the areas of finance, staff moves, accommodation and issues like that. These are the subject of a major programme spanning all the Northern Ireland Departments. It is being led by the permanent secretary of the Department for Employment and Learning and has been operational since February. There are about a dozen projects underneath that. There is a legislation project, which I am involved in, to develop a Bill creating the legal framework for the nine new Departments and also a more complex transfer of functions Order, which will change the legislation to confer on the new Departments the statutory responsibilities that are transferring to them. Work is proceeding in all Departments on preparations for the transfer of functions Order.

Mr Johnston: A separate project has been created for each of the new Departments with an SRO allocated to take forward the work both for the formation of the new Department and, in our case, for transfer of functions to something like six of the new Departments.

The Chairperson (Mr Nesbitt): I am now going to abuse my position shamelessly and ask you to make sure that coastal management, including coastal erosion, falls to a Department. I believe that it falls across five or six Departments currently. The policy is found in a scrap of paper, handwritten by a civil servant called Bateman, dating from the late 1960s, in which he assesses the issue as not being a priority. If you live in Ballywalter with the fear of the road collapsing under the weight of a storm, it impacts on your daily life 24/7.

Henry, are you responsible for the drawdown of competitive EU funds?

Mr Johnston: Yes, and we have now achieved the 20% target for commitment 26. I think Mark mentioned last time a more ambitious target moving forward into the next PFG period.

The Chairperson (Mr Nesbitt): Is there a target for this extended PFG period?

Mr Johnston: There is a proposed target in the draft PFG for 2015-16, which has not yet been agreed.

The Chairperson (Mr Nesbitt): OK. What about benchmarking? Mark Browne told us that the thinking on benchmarking is changing.

Mr Johnston: Yes. We commissioned some work from the Northern Ireland Statistics and Research Agency (NISRA) to look at benchmarking. A number of individuals and organisations have said that, rather than looking at member state benchmarking, we need to be looking at regions. We need to find a region that is similar to this one and make the comparison with that region. NISRA did a significant amount of work, and one of the sources that it looked at was the large database that the European Commission holds in relation to grants. NISRA was unable to come up with a satisfactory source of information that would allow us to do a sensible and sound analytical comparison between what we had achieved and what other regions had done. We had high hopes that that might have worked, but it did not. The approach that we have now adopted is to try to use informal networks into other regions and build on networks that, for example, the office in Brussels has established with the likes of Flanders and Bavaria and so on and use those networks to get a better feel. We have been aware that some member states seem to be resistant about divulging information at a regional level and are only prepared to disclose at a national level. That may be why NISRA was unable to come to any sound analysis in that comparative work.

The Chairperson (Mr Nesbitt): OK, thank you. Let me skip to the One Plan. We heard in the Chamber about the latest North/South Ministerial Council meeting in plenary session, which referred to the north-west gateway initiative. Is there any connectivity between that and the One Plan?

Ms Siobhan Broderick (Office of the First Minister and deputy First Minister): We are aware of the north-west gateway, but, as you know, the One Plan is a wider development programme — it is really a framework — and it will be subsumed into a community plan that is presently being developed by the new council. The One Plan will be subsumed into that community plan in the next year. The north-west gateway initiative has the same people around the table looking at how to bring that all together. That is how they are connected; you have the main players at the table at the same time.

The Chairperson (Mr Nesbitt): So, the One Plan will cease to be the responsibility of OFMDFM and the Executive Committee.

Ms Broderick: The One Plan, when it deals with what is really a development framework for Derry city council, will be subsumed into the community plan, which Derry City and Strabane District Council must bring forward by April next year. There is an issue around urban regeneration, which, as you know, is subject to legislation that is presently before the Assembly. The plan is for it to be devolved to the council by April next year, but that will depend on the legislation going through at a pace.

Mr Johnston: But not the Ebrington site itself. The intention was that it would not go across to the council.

Ms Broderick: No. The Ebrington site is owned by OFMDFM. Ilex is a company that we have established to develop the site. That is where we are currently.

The Chairperson (Mr Nesbitt): Ilex has had its problems in the past. Has it had a comfortable year?

Ms Broderick: We work hard with Ilex for it to deliver on the capital spend. It has brought forward new plans to ensure that it will spend, in the coming year, up to the maximum of its capital spend, which is £2.8 million.

Mr Johnston: Ilex had significant challenges in delivering on capital spend in 2014-15. What Mark was talking about, as did Stephen earlier, was budget out-turn. There was a capital underspend, and one of the contributions to that was that Ilex had some issues with the developments that it was taking forward on the site, and that meant that it could not spend the money that it had envisaged.

It has three missions going forward. The first one is to ensure that the legacy of the One Plan is taken forward in the context of the new community plan. To that end, it is hoped that staff from Ilex will work, perhaps even seconded in, with the new council to lead on that. The second thing that it needs to do is to animate the Ebrington site. I have talked about some of the progress there, such as the microbrewery coming on stream now and other plans that are coming to fruition in July. The third thing that it needs to push ahead with is its capital spend this year. We have been working with Ilex and discussing what it can do to ensure that the problems it had last year, some of which were about

backloaded expenditure, do not reoccur. When things go wrong, as they always tend to do in building projects, there is nowhere to go and the money cannot be spent.

Ms Broderick: It found a star fort wall in one of its developments, and, obviously, then it had to bring in the Environment Agency because it had to be protected. It found a way to do that and move forward. It found asbestos in one of the buildings. So there are legitimate reasons why some of these things slow down. It was going to finish another capital programme and there was a change of contractors, so it could not finish that in the same time frame. So there were legitimate reasons why the capital spend was delivered near the end of the year, but, obviously, we would want to work with it to ensure that it does not happen in this year.

Mr Johnston: We can make a change in terms of the programming, and also see if there are some smaller projects that they can bring in, at short notice, to top up if they run into problems in some of the scheduled developments.

The Chairperson (Mr Nesbitt): OK. Let us go to commitment 38, age discrimination legislation. Back on 19 February, junior Ministers advised of the intention to bring forward a consultation setting out proposals for legislation on age discrimination. This Committee was briefed on 15 April on the proposed consultation. It is now past 15 June, and there is no consultation.

Ms Margaret Rose McNaughton (Office of the First Minister and deputy First Minister): Work on that consultation document is at an advanced stage, and it is under final consideration by the Department at the moment.

The Chairperson (Mr Nesbitt): Is there any timeline?

Ms McNaughton: We are still hopeful that it will go to consultation before the summer recess.

The Chairperson (Mr Nesbitt): And the legislation?

Ms McNaughton: The legislation is dependent on the policy proposals being agreed. Even if we get the proposals out to consultation in June, we will have to provide another month at the far end of the summer for the consultation period. Our timeline will be tight, but it is still possible. If the policy proposals are agreed in the early autumn, there is still the possibility of bringing forward a proposal to the Committee and Assembly that we take forward legislation.

The Chairperson (Mr Nesbitt): Will you seek accelerated passage for it?

Ms McNaughton: It is an option. Obviously, that will be for our Ministers to decide following the consultation. However, it is still an option, yes.

The Chairperson (Mr Nesbitt): The Chairpersons' Liaison Group was cautioned about the burden of work that may be coming in the last year of the mandate. OK.

And childcare? Do you want just to recap? We have been over this ground recently, Margaret Rose, but have there been any developments?

Ms McNaughton: Again, this is for final consideration by the Department, and we are very hopeful that it will be published shortly for consultation as well.

The Chairperson (Mr Nesbitt): The milestone for 2012-13 was:

"Design a programme to achieve £12 million of additional expenditure on improving childcare provision over the Comprehensive Spending Review period."

In the most recent briefing, the officials advised us that:

"The £12 million is for action that is supportive of the development of a childcare strategy."

I thought that the £12 million was actually for childcare.

Ms McNaughton: Well, the £12 million is being used primarily for the grant scheme. I have the list of expenditure.

The Chairperson (Mr Nesbitt): Is it £12 million for childcare provision, or

"to support the development of a childcare strategy"?

Ms McNaughton: In supporting the development of a childcare strategy, the £12 million is being used, certainly, for the first 15 key actions. You would not spend £12 million in the development of a strategy. It clearly is the funding that is available to do what we can in delivering, in the first instance, school-age childcare provision, or increasing that provision. Primarily, that is what we are using the £12 million for.

The Chairperson (Mr Nesbitt): Last week, Mark Browne had to face up to the fact that, with regard to the social investment fund, the plan had been to spend £80 million by 30 March gone, and £79 million effectively rests in the joint bank account of FM and DFM. How much of the £12 million for childcare equally is resting in the bank?

Ms McNaughton: From October 2014, £1.9 million has been committed —

The Chairperson (Mr Nesbitt): Not committed, Margaret Rose, spent.

Ms McNaughton: In terms of the grant scheme, the first key actions 1, 2 and 5 aim to create up to 7,000 school-age childcare places. In the first funding round, we got 77 applications, and 50 of those met the selection criteria. Those are worth £1.9 million over a three-year period. The letters of offer were issued in December, so those schemes are taking off.

The Chairperson (Mr Nesbitt): With respect, I am asking you how much you have actually spent, not how much you have committed or how many letters of offer have gone out.

Mr Johnston: I think that the wording was to:

"Design programme to achieve £12 million of additional expenditure on improving childcare provision".

There was a milestone for 2013-14, which was to:

"Achieve at least £3 million expenditure",

and, for 2014-15, it was to:

"Achieve remaining expenditure and the key milestones in the strategy",

and, no, we did not spend £12 million. I think that we have committed something in the order of half of that. Our spend is something slightly over £3.4 million.

The Chairperson (Mr Nesbitt): £3.4 million.

Mr Johnston: It is in the process of going up, so that may be a slightly old figure. It is of that order.

The Chairperson (Mr Nesbitt): OK. Thank you.

Ms Fearon: Obviously, child development should be a key consideration in any strategy. How will this ensure places for children of unemployed people or children of people who are in education or training?

Ms McNaughton: Do you mean the new strategy?

Ms Fearon: Yes.

Ms McNaughton: That clearly is an issue and will be part of the new strategy coming forward. This is a twin-track approach, similar to the 15 key actions. This is about child development as well as about providing the opportunity for people to take up employment. We are mindful of the schemes that are available at the moment for people who are in employment, but we need to have something in place for people who are on lower incomes, are unemployed or are at training colleges.

Ms Fearon: From a labour perspective, we hear that even people who are getting help, even if that is from tax credits, are still spending a huge amount of their income on childcare. How can it be made more affordable for people in real terms?

Ms McNaughton: Yes, that is one of the issues that we need to consider. I cannot say how that can be done at this point. That is one of the issues that we will clearly have to bottom out during consultation.

Mr Johnston: The model that we were advocating for the first phases of childcare was to try to reduce the cost of childcare. However, I agree that it can be a very high percentage of family income in certain circumstances. The other thing is that a fair amount of childcare was provided either free or at a peppercorn cost by a number of funders in the past. There is a difficulty in that some of those funders have now reduced their funding in that area; for example, in the area of preschool childcare, and that is making it less affordable for some individuals.

We have another challenge facing the primary thrust of Bright Start at the minute in school-age childcare with some of the delivery organisations that we had assessed as sustainable organisations. It was a package of funding, not a package of provision, where the preschool bit was a pretty important revenue stream and an important use of staff, so that they were able to stagger them over the day. That is a challenge for us going forward.

Margaret Rose, do you want to say something about the wider work that you are coordinating with the junior Ministers?

Ms McNaughton: At the Executive, junior Ministers were asked to coordinate and liaise with the Northern Ireland Council for Voluntary Action (NICVA) about the funding cuts to a number of voluntary and community organisations and the impact that those cuts were having, particularly on women and children's services. We have had meetings with NICVA as part of the joint forum, and we are meeting DFP in a few weeks' time to see whether some process can be put in place whereby Departments could be made aware of the cumulative impact that cuts across a number of Departments are having on specific voluntary and community organisations or on the same voluntary and community organisations. That is having a massive impact on some organisations because they are getting hit from a number of Departments. That work is ongoing.

Mr Attwood: This report is for the period up to the end of the 2014-15 financial year, which is the notional end of the Programme for Government period. Most of the sectors that you comment on carry statements from you that the commitment is achievable on the basis of the actions set out in the delivery plan and so on. If the period is up to the end of 2014-15, that is the time period that you are reporting on. In every area where you say, "I can confirm that this commitment is achievable", should you not actually be saying, "It hasn't been achieved"?

Mr Johnston: We have. I was trying to give a slightly more up-to-date commentary. If you look at the reports, where we have not achieved the target, such as MLK, we pretty clearly —

Mr Attwood: I accept that but, in many other parts of the report, the conclusion that you, as senior responsible officer, draw is, "I can confirm that this commitment is achievable" and so on and so forth. Is it not the case that, at the end of the 2014-15 period — the end of the Programme for Government period — at every place where you say, "it is achievable", the truth is that it has not been achieved? Should you not be saying that it has not been achieved?

Mr Johnston: I think that I have said that, where we have not achieved the commitment.

Mr Attwood: I want you to answer the question, Henry. The 2014-15 period has ended. The Programme for Government period has ended. At the end of that period, in respect of delivering a

range of measures to tackle poverty and social exclusion, if you have not achieved all that you were meant to achieve, should you not be saying that you have not achieved it, rather than saying, "I can confirm that this commitment is achievable" and so on and so forth —

The Chairperson (Mr Nesbitt): Sorry to interrupt, Alex. Those declarations have gone in the latest reporting mechanism; they have been dropped.

Mr Johnston: That is the old format. We had various wordings in the old format. There were ones that said, "Yes, I can confirm that it is achievable". Others said, "No, we will not achieve it in the timeline envisaged". There was a range of wordings, but we have done away with that in the new reporting format.

The Chairperson (Mr Nesbitt): I think that it is wrong to change your format in midstream. It is confusing.

Mr Lyttle: There is now no commentary of that nature in this. There is no assessment of progress.

The Chairperson (Mr Nesbitt): There is no senior responsible officer declaration any more.

Mr Johnston: No.

Mr Lyttle: Why not?

The Chairperson (Mr Nesbitt): You could conclude that, for the very reason that Mr Attwood is raising —

Mr Attwood: Why was it changed?

Mr Johnston: It was an agreement of the central team to change the reporting format. Mark tried to explain the rationale when he was here last week.

Mr Attwood: What team?

Mr Johnston: The central team. Essentially, it is OFMDFM, with some input from DFP.

Mr Attwood: At a political level, or —

Mr Johnston: No, at official level. It was a suggestion by officials.

Mr Attwood: Officials decided, "We'll delete or redact the declaration by the senior responsible officer".

Mr Johnston: I am not clear; I would need to come back to you on whether that was ratified by Ministers. I assume that it was —

Mr Attwood: It was either an executive decision by officials or a decision of the Ministers. The question is why.

Mr Johnston: I think that Mark tried to explain it last week.

The Chairperson (Mr Nesbitt): Yes. That was a very good use of English, Henry: he "tried to explain". It is the case, as it was with the social investment fund (SIF) when we heard from Dr Browne last week, that, when we look at commitment 33, which is to publish and implement a childcare strategy — there are milestones of spending £12 million — in terms of progress in quarter 4 and the current position, nowhere does it say, "We have actually spent £3-4 million", or money in that ballpark. On the SIF, it does not say, "We have managed to spend only £1 million of the £80 million that we have committed to spend in the period." So, really, when it comes to making these open, transparent and honest, if you do not even include the money that you have spent, you have failed.

Mr Johnston: There are two issues on that commitment. On commitment 33, have we achieved all of the milestones and achieved the commitment? The answer is clearly "No, we have not".

The Chairperson (Mr Nesbitt): Where does it say that? Where does it say, "We have failed"?

Mr Johnston: The commitment is to:

"publish and implement a Childcare Strategy with key actions to provide integrated and affordable childcare".

The argument is that the Bright Start strategy has been published within that timeline, so we have achieved the commitment but not delivered on all the milestones. My understanding is that, when we report on PFG progress, we will differentiate between the commitments that were fully achieved, including all of the milestones, and those that may have achieved the commitment but did not achieve all the milestones.

The Chairperson (Mr Nesbitt): The bottom line on commitment 33 is that you committed to spend £12 million on childcare. You did not, and you do not even say that you only spent £3.4 million.

Mr Johnston: The commitment was to:

"publish and implement a Childcare Strategy with key actions".

When the milestones were drafted, they said that we are looking at a £12 million programme because that was the amount of money that was allocated in the Budget period. It said that, in year 1, we will design the programme, in year 2, we will start to spend, and that, in year 3, we will spend the remaining money. We have failed to deliver on those milestones. Will we deliver at least £12 million over an extended period? Yes, we will. Have we got a Bright Start strategy out at the minute? Yes, we have. We have not achieved the pace of delivery in terms of tangible progress on the ground but, arguably, we have delivered against the overarching commitment.

The Chairperson (Mr Nesbitt): Henry, I would not argue with you if you had said in the report, "Here are the milestones. We have failed to achieve them, and here is how badly we have failed. We have only spent £3.4 million of the £12 million". That would not have hurt, would it?

Mr Johnston: I think that the information —

The Chairperson (Mr Nesbitt): Would it really have hurt to say what you had spent?

Mr Johnston: The information on what we spent is there. It is in the fourth bullet point on the second page. It does not say that there should have been another £9 million, but it does say —

The Chairperson (Mr Nesbitt): The second page?

Mr Johnston: Yes. The fourth bullet point says:

"Interest in the Scheme has been high...These are worth £1.9m over a three year period...and will create or sustain around 1,500 places."

The Chairperson (Mr Nesbitt): But you said that you spent £3.4 million. Where does it say £3.4 million?

Mr Johnston: That is the aggregate spend.

The Chairperson (Mr Nesbitt): Yes, but that is —

Mr Johnston: In the same way, you could have looked at the 2014-15 milestone and inferred from it that, if you had spent £3 million in 2013-14 and it said "achieve remaining expenditure", that it was a £9 million expenditure requirement.

The Chairperson (Mr Nesbitt): As Mr Attwood said, this is the final report. This is the fourth quarter of the third and final year of the CSR. This is the final report, or it should have been.

Mr Johnston: This is the Q4 report. There will be a final PFG report on the period.

The Chairperson (Mr Nesbitt): I just do not see why you cannot say that you spent £3.4 million.

Mr Johnston: We said that previously.

The Chairperson (Mr Nesbitt): Where?

Mr Johnston: When we were before the Committee.

The Chairperson (Mr Nesbitt): No, in your report. In the same way, Dr Browne could not bring himself to say in the report on SIF that you had spent only £1 million.

Mr Attwood: The decision was taken at some level in OFMDFM, with the advice of DFP, about what was going to be in the PFG report. Is that done across all Departments as far as you are aware?

Mr Johnston: It is not my area, so I would really prefer not to comment. We will come back to you. My understanding is that the central team changed the reporting format, and that will have been promulgated around the other Departments. I am not clear on whether all Departments have used that. I can find out and come back to you.

(The Deputy Chairperson [Mr Lyttle] in the Chair)

Mr Attwood: As far as you are aware, when was the decision taken, wherever it was taken?

Mr Johnston: It was in March or April.

Mr Attwood: It is curious timing that, at the very end of the Programme for Government period, somehow, for a critical editorial comment about the PFG commitments in your Department and maybe other Departments the rules of the game were suddenly changed. You should come back to the Committee with clarification, first, about what else is happening in the Department but also about the figures around childcare, because I am completely in a muddle. On one level, we are being told that £1.7 million has been spent and, on another level, it is £3.4 million. You made some comment — I am not sure of the precise words — that £3.4 million might have been a bit high.

Mr Johnston: It was that £3.4 million might be a bit low.

Mr Attwood: Well, whatever. We should have some detailed figures about all of that.

Mr Johnston: For the sake of clarity, we will come back with figures in relation to the spend and the commitments, because we have been using both figures, which may be adding a bit to the confusion. We will do that.

Mr Attwood: One of the areas where you have achieved the PFG target — it was always my view that it was far too low, and you know what I am going to say to you — is the 20% drawdown of EU funds. It is the nature of the system — I do not expect you to comment on this — to aim low so that you can deliver, and I think that has been proven in respect of EU drawdown. What is the anticipated drawdown for the extra year of the PFG, 2015-16?

Mr Johnston: I think that figure has not yet been agreed, so I cannot comment on it.

Mr Attwood: What is the advice that you have given?

Mr Johnston: I think that it is higher than 20%.

Mr Attwood: Does that mean 21% or 51%?

Mr Johnston: I think that it is quite a significant figure.

Mr Attwood: All that suggests is that 20% was far too low to begin with, if it is significantly higher.

Mr Johnston: I think the 20% figure was set on the basis really of a guess as to what the scale of the ambition should be. It is good that we have actually overachieved on that. Going forward, one thing that it might be useful to work on — I know that there has been a problem with capturing information as we go along — is the fact that some organisations have been unwilling to report back. We have asked for reports back on a quarterly basis in relation to actual drawdown. I think that other jurisdictions have said, "Let's look at the evidence", and, by and large, most people who get an award bring down the money over the period. They actually look at the value in the award letter and the period of the award. For smaller organisations, they might be more willing to say, "We've been successful in an ERASMUS project. It's a two-year project and we're drawing down x euros". We could then capture that. That might be useful in reporting back information and providing comparable information with other areas, but also in reducing the administrative burden, particularly on smaller organisations.

Mr Attwood: I have to say, Henry, that I heard that three years ago. I was told that the assessment of what was being drawn down varied between jurisdictions and that there was a difficulty in getting details. Here we are, three years later, and it is the same. I do not know if that means there are some problems that you cannot resolve or that it is another failure of government or of politics.

I will move on. Was the advisory group on welfare reform not established?

Mr Johnston: It was.

Mr Attwood: Has it concluded its work? Having made its initial report, is it not reporting on an ongoing basis?

Mr Johnston: No.

Mr Attwood: That says an awful lot, does it not? On the issue of welfare reform, having had a commitment to report under the PFG, that advisory group was then abandoned. That may well have been what was intended under the PFG, but it does say an awful lot about how that issue is being looked at in certain places.

Ms McGahan: Thank you for your presentation. Henry, I am just looking for clarification on the current position. The third bullet point refers to a number of promotional events in May and June 2015 aimed at encouraging new applicants to the grant scheme. Is there an update on that?

Ms McNaughton: Sorry, is that still under childcare?

Ms McGahan: Yes. Do you have the current position in front of you?

Ms McNaughton: Did you say the third bullet point down?

Ms McGahan: Sorry, third from the bottom.

Ms McNaughton: It says that the third call will take place in late 2015.

Ms McGahan: It talks about a number of promotional events in May and June 2015. Has that happened?

Ms McNaughton: At the minute, the animation for the third call is just beginning to get going, so it has not happened yet. It has been delayed slightly, but we are still hopeful that the third call will be made in September.

Mr Johnston: I think that the animation staff are now in place. There was a delay in recruitment and getting some of those staff into posts because of, I think, notice periods. They are now in place.

Ms McGahan: Do you have any updates on rural childcare? I have raised that a number of times, but I am really not getting anything definitive. I have a concern in that I am not getting any feedback on whether or not funding for rural childcare is coming out of this pot of money or whether the buck will be passed to DARD.

Ms McNaughton: As you know, a key first action for DARD is rural childcare, and you will be aware that the business case it produced suggested that there was less of a need than had first been thought. You will also know that the childcare think piece has been published by DARD. There are a number of issues that it wants to look at and that we want to include in our new strategy. It is around things like promoting day-care hubs and looking at other ways to provide childcare in rural areas, because it may not necessarily be about a lack of places. One of the problems may be getting transport or access to some of those places. The think piece is out there. Martin may have copied it to Committee members recently, following his last appearance here. Did that happen?

The Deputy Chairperson (Mr Lyttle): Yes.

Ms McNaughton: There are some good things in it that we hope to include in our strategy.

Ms McGahan: I find that interesting. I would like to see the evidence to suggest that it is not really to do with childcare places. There is a lack of facilities in rural areas. I know individuals who travel 17 miles out of their own rural communities into urban areas to access childcare facilities. I am baffled as to where the evidence has come from that suggests that there are places and that it is an issue of accessibility. Is that not a contradiction?

Ms McNaughton: It is based on the evidence that DARD has found and put into its business case. We could discuss it further with DARD.

Ms McGahan: I am engaging with DARD officials as well.

Mr Johnston: Under a previous programme, there was an attempt to promote rural childcare and provide training — I do not know if there was any financial assistance — for people to set up rural childcare businesses. It was for childminders, essentially. They thought that the attrition rate among people who had gone through that programme was very high and, on that basis, asked whether there is really a sustainable demand out there. It could be that family circumstances changed and people said, "I have children myself and I ran a childcare business. They have got a bit older, and I would like to go back to what I used to do". We will continue to engage with DARD on that.

Ms McGahan: That does not stack up, because the Department of Education has a policy not to close rural schools because of low numbers. In our rural areas, we may have only about 30 kids attending a school. That is the way it is and it is reflective of the population in that area, but that is no reason to close down a school or not to put childcare facilities in that area.

Mr Johnston: We will look at that. The challenge for DARD is coming up with a sustainable model for rural childcare. One thing that we looked at — I think that the think piece talks about this — was a mixed economy of childminders but with some centres so that the children who are normally with the childminder also have exposure to a wider group and a bit more challenge and enrichment in that setting. Through that, you could also provide a little bit of cover, perhaps if the childminder's own children are sick or to cover those periods when you need to find a bit of peer support for illness or peaks in demand. We will continue to engage with DARD on that and we will raise it at the board tomorrow.

The Deputy Chairperson (Mr Lyttle): Folks, I will bring us to a close because we are at the risk of losing a quorum. Thanks for your presentation. I am on record a number of times as stating that there is no more important task for Departments than to openly, transparently and publicly report whether they have achieved what they said they were going to achieve. Serious questions have been raised today around how well your Department has done that. That is not just you; it is primarily Ministers.

I think that we have established that the written reports we have been receiving have been changing and are nowhere near as detailed as the oral evidence that we extracted from you today. The reporting of Programme for Government progress needs to be open and transparent, yet it appears to be a moveable feast. We have £1 million out of £80 million in the social investment fund, and £3.4 million, we think, out of £12 million on childcare. There is no racial equality strategy and no gender equality strategy. We have, in my opinion, an anaemic good relations strategy. We can see, therefore, why the First Minister and deputy First Minister appear to have decided no longer to give this report as an oral statement in the Chamber. Indeed, the First Minister and deputy First Minister have not attended the Committee once in this Assembly period from September to June. This is a First Minister who stated that he wanted the Executive to be known in this period for delivery. I see no real way to see the record of OFMDFM on those key issues as other than one of delay.

Hopefully, it will be possible to get slightly more consistent reporting on Programme for Government progress in the next term. Maybe, in closing, you could provide us with a brief update on how this report will be made publicly accessible and when we will receive a Programme for Government for the extended 2015-16 period.

Mr Johnston: I can certainly cover the second issue about the Programme for Government for the extended period. That will eventually be subject to Executive agreement. A number of Departments have fed into that already, but the final document has not been approved.

Mr Lyttle: What about the question on how this type of information is made publicly available?

Mr Johnston: I will certainly do that.

The Deputy Chairperson (Mr Lyttle): Can you not answer that now?

Mr Johnston: I can answer it in general terms but, if I could come back, I will tell you when the most up-to-date online report is produced. There is an online reporting tool that provides refreshed information on progress around the Programme for Government. I need to come back to you on when it was most recently refreshed.

The Deputy Chairperson (Mr Lyttle): OK. Thank you.