



Committee for Agriculture, Environment and Rural Affairs

OFFICIAL REPORT (Hansard)

**Central Services and Rural Affairs:
Department of Agriculture, Environment and
Rural Affairs**

15 September 2016

NORTHERN IRELAND ASSEMBLY

Committee for Agriculture, Environment and Rural Affairs

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Members present for all or part of the proceedings:

Ms Linda Dillon (Chairperson)
Ms Caoimhe Archibald (Deputy Chairperson)
Mr Sydney Anderson
Mr Maurice Bradley
Mr David Ford
Mr William Irwin
Mr Patsy McGlone
Mr Harold McKee
Mr Oliver McMullan
Mr Edwin Poots
Mr Robin Swann

Witnesses:

Ms Catherine McCallum	Department of Agriculture, Environment and Rural Affairs
Mr Paul McGurnaghan	Department of Agriculture, Environment and Rural Affairs
Ms Tracey Teague	Department of Agriculture, Environment and Rural Affairs
Ms Louise Warde Hunter	Department of Agriculture, Environment and Rural Affairs
Mr Graeme Wilkinson	Department of Agriculture, Environment and Rural Affairs

The Chairperson (Ms Dillon): I welcome Louise Warde Hunter, Graeme Wilkinson, Tracey Teague and Catherine McCallum. I ask that you keep your presentation as brief as possible — up to 10 minutes — to give members the opportunity to ask as many questions as possible.

Ms Louise Warde Hunter (Department of Agriculture, Environment and Rural Affairs): Thank you very much, Chair. I appreciate the time. This practical presentation was deferred from June. You heard the Minister just before me: she and the officials have already covered some of the points. We will get into some of the more practical quasi-operational bits to give members a sense of things, but I shall move on at pace.

Beside me at the table are Catherine McCallum, who is in charge of our delivery for rural affairs; Graeme Wilkinson, who, as you know, is our finance director and head of performance and estates; and Tracey Teague, who is director of HR and corporate services. Behind us are Paul McGurnaghan, who is head of the digital services division; Pauline Keegan, who is in charge of policy for rural affairs division and co-leads with Catherine; and Tom Kennedy, who leads our change and relocation agenda. As I said, you heard from the Minister this morning about her key strategic priorities for the

Department. My desire this morning is to give you a sense of the size, shape and function of the group I lead — the central services and rural affairs group — and maybe highlight some of the key areas for you.

In broad terms, our group provides corporate services to the whole Department and administrative support to the Minister. As you know, that means supporting a Department of almost 3,000 staff and a budget of approximately £217 million in resource and capital of almost £49 million. Of that, my group has about £38.3 million of resource, much of which is salaries, and about £25.2 million of capital. I am happy to go into breakdowns of that if members would find it helpful.

We are one of the slightly smaller groups in DAERA. It is smaller but no less important, we would say. We have 582 staff, which is about 535 full-time equivalents, working in locations across Northern Ireland. I liken much of what we do in our group to the circulatory system in the body. HR, finance, corporate services and ICT all work, as they do in any Department, as the key enablers and infrastructure for our policy and delivery colleagues and their business areas. We work to support others to deliver on the Minister's vision and outcomes. Sometimes that makes for tough conversations and tough decisions with colleagues because we have to look at our departmental ability to deliver all the aspirations to meet what business areas need and what they would like to do to service the vision and strategic priorities the Minister has set out. We are highly collaborative, and that is a fundamental part of our approach.

We have an important policy and delivery dimension to our group. That came from the formation of the rural affairs division. If I may, I will start with a little bit of that. You heard some of that in conversation with the Minister, but I would like to crystallise the purpose of that division's role, and we can then get back into some of the other bigger priorities and work of my group. As I said, I have Catherine at the table with me, and Pauline is behind me.

The rural affairs division is a new division in the Department and was created to bring the various functions of rural policy and delivery together. It comprises two separate units: one has responsibility for rural policy and customer services and the implementation of the Rural Needs Act (Northern Ireland) 2016, and the other has responsibility for the delivery of programmes on the ground. I had some comments to make about the Rural Needs Act, but I think those were covered in the previous conversation. I am more than happy to come back to it in questions. The key point is that it is our job to support public authorities to implement the Act, and, of course, we have a duty to apply it to us when it comes in, as you know, by the end of June 2018.

The division is also responsible for the front-office functions within the 12 DAERA Direct offices. That is a network of local offices that has been a key part of the Department's engagement with farmers and the rural community in general for a number of years now. A review of the services provided in those offices is under way and will be brought to the Minister for her consideration once it is complete. I absolutely do not want to get ahead of the outcome of that review, but it is important work. We must look at our services and how we deliver them and ask whether they are fit for purpose and for the future in a new Department.

The rural affairs division is also responsible for the delivery of the LEADER programme. You touched very briefly on LEADER in your conversation with the Minister and officials. The LEADER programme deals with the rural tourism element of the Northern Ireland rural development programme, and we have what is known as the tackling rural poverty and social isolation (TRPSI) programme. I will say a word or two about each, but I will keep it brief. Catherine may be able to pick up any questions you might have on those.

The LEADER programme has a bottom-up approach, with 10 local action groups making the decisions on how funding should be allocated on the basis of local need and, clearly, aligning that with councils' community plans. There are a range of schemes under LEADER that include basic services, rural broadband, village renewal and transnational cooperation. As I said, the Minister touched on that. The rural tourism scheme will be delivered by the Department. We need to get our business case approved, of course, by the Department of Finance, and that is open to councils. We have been working closely up to this point with councils and Tourism NI to ensure that the tourism project proposals align with the strategic plans for tourism across Northern Ireland, with a focus on increasing the number of out-of-state visitors. That is a brief word on that. I turn briefly to TRPSI. The evaluation of the TRPSI framework, which was from 2011 to 2015, highlighted many positive contributions to the life of rural dwellers. A new framework was launched in March this year following public consultation. A number of resource-funded schemes are being funded this year, along with some capital schemes.

As the Minister said, that is committing to the tune of about £4.3 million. That is a very brief canter through the rural affairs division.

Going back to the overarching key priorities for the central services and rural affairs group, I would summarise them as the three Bs: budget, Brexit and Ballykelly. I will say a word or two about budget first of all. On our financial position, members will be aware that we recently completed the voluntary exit scheme, which saw quite a number of people — almost 400 — exit. We have achieved a lot of savings there, but, as members have already picked up, there are operational challenges for us. We are working through and seeking to manage those.

Public expenditure outlook is, obviously, challenging, and Graeme might allude to that in conversation. However, we are working hard to ensure that we live within the budget allocated to the Department. We can talk to you a bit about how we are doing that. The 2016-17 settlement has been tough for us. We were the only Department not to receive an allocation as part of the Budget process. That has not been wonderful, but, as I say, we are working through it. For 2017-18, we are now working through the development of our financial plans, and we will update members as we go through that process. There is a huge amount I could enlighten you on at the moment, but we have been working out various scenarios. We touched on capital and resource funding right the way to 2020 with you previously, but the fact that Treasury is due to produce a Budget statement in the autumn means that we currently have a single-year resource allocation for 2017-18. That is an approach similar to that taken in Scotland.

Moving briefly on to Brexit, I will give you an idea of how we seek to manage it within the Department at a more operational level. In addition to leading on the budget and, one might say, performance and estates, Graeme now leads our Department's Brexit programme. It is a big piece of work. It will impact on every part of the Department over the next number of years. We have been busy. Over the summer months, we have been capturing data on our current position for legislation, funding and trade flows. As you heard from our Minister, we have been engaging with colleagues in England, Scotland and Wales to share information and start to establish the governance structures needed to oversee the work that lies ahead. Clearly, there is important work in corralling this information and developing our policy positions on agriculture, fisheries and the environment. Those will be central areas of work for us going forward. We appreciate how much this will underpin the industry. We are very seized of the importance of that work, and we can come back to it in a moment.

The Minister spoke about her full commitment to Ballykelly. She also introduced today to you the idea of wanting to take time to look at it and at a different model, potentially, to really make Ballykelly an excellent place to work and one that gets the best value for the public purse. It is not simply about the relocation of DAERA staff; it is about looking at how it might impact on other Northern Ireland Civil Service (NICS) Departments, engaging with them and taking that forward for the Minister. We are charged with looking at that and taking it forward for the Minister. We are in the early days of that since the Minister expressed her view on it.

I will say a brief word on where we are with the project itself. I think the last time we were here we talked about the contractors, J H Turkington and Sons. They were appointed way back in March. We are now working with the contractor to finalise a few points of design and collate work on clarification of a planning condition. We had planned for the work on the site to begin this month, but we now expect it to start in mid October. That would mean the building would be available in January 2018. The net funding requirement for this project is £21.5 million capital and £11.8 million resource. I will not repeat everything the Minister said: the focus is on the best use of the building, bringing jobs to the area and making a contribution to the economy. As we think through staff transition — this is a very important point — we now have Brexit, which throws up how we best relocate our people, retain our corporate knowledge and transition over time. That undoubtedly is a central issue for us.

In talking about the other responsibilities we have — I appreciate I have very little time left — I will say that the creation of DAERA has also given us the opportunity to develop a specific agenda for change and concentrate on the areas that will give us transformational change. Part of how we do that — this falls into our colleague Tom Kennedy's brief — is to make sure that we have a change programme that is about ensuring that the Department and all the services it delivers to the public, particularly to our agrifood and rural communities, are fit for purpose. We have a suite of projects under a change programme, and we will always be happy to come back to talk to you about that.

In my final comment, I will remind you that we have a digital services division in our team complement. That division is responsible for the development and implementation of DAERA's digital strategy. It has an overall target to achieve an 80% uptake of online services by 2018. Currently, that uptake is

around 60%. It is important to say that there are many advantages, of course, for customers in digital delivery. It is about making services easier to access and use; it reduces bureaucracy, which I know is dear to many members' hearts; it cuts down on errors; and it improves the security of customers' personal data, another major issue that government — indeed, many Governments — is concerned about. Ultimately, it is about leading to better and faster decisions, quicker test results and earlier payments. For us, as a Department, it will result in more efficient processes and reduced costs. There is a big prize in there for us.

I believe the Committee will receive an oral briefing next month on the result of the equality impact assessment of moving to online as the primary channel, so, if it is OK with you, I will not dwell on that too much in my closing remarks. The only thing I will say is that the Department is investing heavily in this area — last year, it was to the tune of about £8.3 million — and the focus, as I say, is on ensuring that we have a modern, effective and easy-to-use digital service for our staff and customers alike. The digital services division is also responsible for ensuring that we meet our obligations on freedom of information (FOI) and environmental information regulations (EIR) requests and data protection.

I appreciate that was a sprint, but I hope it has given you a flavour of the breadth of what the group does. I and my colleagues will be happy to answer any questions, at your discretion, Chair.

The Chairperson (Ms Dillon): Thank you very much.

You mentioned that there has been a lot of talk about the Rural Needs Act, its impact on local government and the conversations being had with local government, which I think are vital. I come from a largely rural constituency, and I think local government has in some ways led the way by rural proofing everything it does. I am certainly well aware of that from my area. How can we ensure that central government — all the Departments — takes account of it now, even though, as I say, it is not officially there yet? Central government really needs to look at this seriously.

It was an issue I raised with the Minister in the context of funding for rural groups, as I do not believe, going on previous experience, that the Department for Communities will have any real eye to looking after rural communities. Funding is often focused on urban areas, and the way in which the areas of greatest need are deciphered automatically disenfranchises our rural dwellers. That is a concern for me. That does not mean that I want to take their focus away from those urban areas, because I also represent an area that falls into the high deprivation statistics. However, this Committee's concern is around how those rural dwellers will be looked after. There needs to be a massive focus on that by the other Ministers and their Departments.

Ms Warde Hunter: Yes, and I respect your view, Chair. There are a number of things to consider. I may have said to the Committee before in a previous appearance that the development of an outcomes-based Programme for Government gives us an opportunity, in terms of the behaviours by officials that must accompany that, to reach out and engage with colleagues and other Departments to deliver on the draft Programme for Government as it is now. That requires different and much more collaborative behaviours. That is an opportunity for DAERA to undertake its role in being able to support other Departments. There is an issue about working in a supportive way. The theme is collaboration, not seeking to dictate to other Departments. That is not where we are at; we want to work and engage effectively.

You mentioned specifically the Department for Communities, and I know that one of the pieces of work that is being developed there is the development of a strategy at its broadest level looking at social need and anti-poverty. My colleague Pauline Keegan will sit on the small working group that will look at that. It brings together officials from different Departments, which reflects very positively on the Department for Communities for reaching out and wanting to make that an open space to engage in. We will not be backward in coming forward to engage, and, as our lead policy person in the Department on this area, Pauline will be able to articulate that very well, not just into Communities but into the other Departments who will be part of that.

It is about making sure that it is never seen as an academic issue. The Department has done all the work to seek to produce the Rural Needs Act, which, of course, will come into force midway through 2018 at the latest. It is really about getting out and encouraging people. I know that Pauline and colleagues in the Department, in a very small team, have been and will be out and about meeting councils. There is the whole issue of supporting others to do stuff. I take your point, Chair, that councils have definitely been leading the way on this, but nonetheless, we must engage with them. There is a myriad of ways in which we can do that, and, as you heard from the Minister herself, she is

absolutely seized of her role in it and, particularly, her ability to articulate what she needs to do around the Executive table with her fellow Ministers.

The Chairperson (Ms Dillon): That is true of some local government. That is probably why I believe that there needs to be engagement. I was lucky enough to be on a council that was very rural-focused, but I know that not all councils have that same focus, and those are the ones that I would be concerned about.

I want to turn to the review of the DAERA Direct offices. I know that there have been issues in the past with farmers who were not necessarily satisfied with the service that they got, so I think that a review is a good thing. However, I would be concerned that a review will mean the closure of offices, especially if we are talking about moving online. It has been raised at this Committee before that some of our farmers are not fresh out of school and are not very computer literate. I also want to raise the issue of rural broadband again. It is a massive problem right across the North. That is something that I would like to hear a wee bit more about.

Ms Warde Hunter: Certainly. I referred to that as one of the change agenda pieces of work that we have. It is our customer contact project. Within that, and in the scoping of that project and its initiation, it is important to recognise the reality of how life is for many people — our service users and customers. We will be seeking, as we undertake the review, to reflect those needs and how we support that move towards online in a way that continues to deliver high-quality services and support, and reflects a modern era and the pressures on the public purse, particularly in terms of budgets. It is our job in doing any high-quality review for the Minister to make sure that all those factors are taken into account. We will be happy to come back to you at the appropriate point during the life cycle of that review.

The Chairperson (Ms Dillon): I would just be concerned that farmers get the support that they need. Things have changed radically over the last number of years. Our younger farmers, thankfully, are generally fairly well educated, but in times gone by, and I am not talking about older farmers but anybody from the age of 40 up, anyone in a farming family may well have left school quite young with a limited education. So, I would be concerned that they get the support they need in filling in forms and all that kind of stuff. We have all dealt with cases for constituents where something was done wrong, and sometimes not by them but by the people who helped them, but that is another issue. I just want to ensure that farmers get whatever support they need.

Ms Warde Hunter: Thank you for that emphasis, Chair, and I will bring that back to colleagues who are initiating our review.

The Chairperson (Ms Dillon): Thank you, I appreciate that.

Mr McGlone: Thank you for your presentation. It covered quite a bit of stuff, but I have one comment and one question. In the development and formulation of policies or decision-making that might have implications for rural areas, should Departments or public agencies be having due regard to the upcoming Rural Needs Act?

Ms Warde Hunter: Good question. The point is that the Act cannot be the Act until it is implemented. I am not a lawyer, but that is where I would be. We must travel in our support of other public authorities, including sister Departments, to prepare people in the spirit of that, if you take my drift. I do not believe at the moment, clearly until the Act is fully implemented, that people could be judged against the yardstick of due regard and the specific legal meaning that that has. However, in our preparation for people, we need to ramp up towards that, be engaging and ask them what does that mean for them, and have us trying to be able to assist them on that.

Mr McGlone: If the Rural Needs Act is coming and Departments or public agencies are developing policies or taking decisions that will have a significant impact on rural communities, it is like saying, "Well, we'll do what we want until the middle of 2018". I do not think that that would be a prudent place for them to be.

Ms Warde Hunter: That would be entirely undesirable from the perspective of the rural dweller. That is why our commitment has to be to work alongside other colleagues through a programme of visits and engagements with councils and the positioning of our officials out working with other colleagues. I also do not think that the elected representatives for other areas that are not necessarily represented

on this Committee would see it in a good light at all if they felt that other Departments or councils were not undertaking the broader responsibilities that still exist in the spirit of rural proofing generally. That has been a drive previously. It is not just a case of waiting on the Act to come in; it has been part and parcel of the ambition of the Executive anyway.

I take your point entirely. When we go out to engage and talk, I know that Pauline Keegan and other colleagues will not say, "Just get your house in order for that date". It is about how we work towards creating that sort of thinking already and enhancing it so that people are up to the mark by the time the Act is implemented.

Mr McGlone: The second issue is the one that William raised about rural funding programmes and the difficulties that there seem to be in getting projects up and running. From my experience of those, it was the match funding and, often, the reluctance of the banks to provide loans to projects that seemed to be inhibiting the growth of those projects. Has the Department done any tick-tacking with banks and other lending institutions to make sure that they are maybe a bit more amenable to and a bit more aware of the benefits of these EU projects and the funding for rural areas?

Ms Warde Hunter: Are you talking about schemes specifically for farmers or more generally?

Mr McGlone: More generally — the LEADER programmes or the likes of that.

Ms Warde Hunter: Our LEADER scheme. If I may, I will ask Catherine whether she has a view on that. I am not aware that we have been engaging with banks specifically on that point in relation to those schemes. You might enlighten us, Catherine.

Ms Catherine McCallum (Department of Agriculture, Environment and Rural Affairs): Certainly, I have not had any direct involvement with financial institutions around the issue of match funding. However, I am not aware of that being a problem this time around. For example, in the first call for the rural business investment scheme, we have already had 229 applications through for that. I have not had any sense of issues around an inability to get match funding or problems with —

Mr McGlone: Can you clarify that? You have had that number through, but does that mean projects on the ground, funded, and up and running?

Ms McCallum: No. The applications are being assessed at the moment. Before people submit an application, a number of criteria have to be satisfied and the applicants need to be clear about their ability to secure match funding.

Mr McGlone: That is the point. You had any number of applications the last time, but the issue was about getting those projects to the point where they were up and running.

Ms McCallum: Indeed, and it is worth making the point that, this time around, the criteria have been tightened up to some degree. Through the funding workshops, a certain number of basic criteria have been set out. Last time, a huge number of applications went nowhere simply because they did not pass muster when it came to the assessment process. The funding workshops allowed a lot of those basic prerequisites to be satisfied before people submitted their applications. Match funding has not come to my attention as a problem at this stage.

Mr McGlone: Well, it would not, until you get to a certain point. You could have all the projects you like approved, in theory, but then you hit a bump when the applicant says, "By the way, that nice project that we had in mind that you gave approval for, the bank stumbled us on it".

The Chairperson (Ms Dillon): Can I just clarify something, Catherine? Are you saying that, even to reach the point where an application is put in, the applicant already has to have met the criteria of having match funding?

Ms McCallum: There are a number of basic criteria, and I am assuming that the match funding would be part of that. It is like procurement or a business plan, which require those sorts of prerequisites. I am assuming that the match funding would be part of that, but it is not something that has come to my attention as a problem.

Mr McGlone: I know that it is an assumption, but is it a reality? You can clarify that.

Ms McCallum: I can clarify it, but all I am saying is that it has not come to my attention as a problem. There has been lots of engagement with the local action group (LAG) managers and the LAGs themselves. I have a meeting with all the LAG managers next week, so I can pick that up with them. It is certainly not something that has come to my attention.

Mr McGlone: It would not just yet; that is my point.

Ms McCallum: But if it had been in as one of the basic criteria covered in the funding workshops, applications would not have made it through to the assessment panels.

Mr McGlone: Yes, but you are not sure about that.

Ms McCallum: When the assessment panels start to sift through the applications, it may become more apparent at that stage whether or not it is an issue.

Mr McMullan: Thank you for your presentation. We talked about tourism a minute ago and about out-of-state tourism. That is one question. The other question is about the tackling rural poverty and social isolation programme. You mentioned the Department for Communities. What role will it play alongside your Department in implementing that programme and rolling it out? Am I correct in saying that?

Ms Warde Hunter: I was specifically talking about the Department for Communities in the context of the Chairperson's question around thinking through the broader responsibilities that all Departments have in relation to supporting and delivering services to rural dwellers. All I was trying to highlight was that I knew that there was this other work going on within the Department for Communities and that we were keen to engage and felt that we could bring the voice from DAERA around, one might say, advocating into that group to make sure that rural dwellers were considered in the broader thinking. I was not making an explicit link between the Department for Communities and TRPSI. If you have a specific question on TRPSI, maybe Catherine could pick that up.

Mr McMullan: No, that is all right. As long as there is not a connection. I was a wee bit worried about what direction you were going or I thought you were going.

Ms Warde Hunter: I was simply trying to respond to the Chair to show that we were taking an active role in engaging, against that whole broad Programme for Government, to work in a collaborative way with others on behalf of, and thinking of, rural dwellers.

Mr McMullan: Will the TRPSI programme, and the measures within it — the maximising access to services, grants and benefits in rural areas (MARA) programme and all that — remain the responsibility of the community networks to administrate? There is a bit of fear out there that some of that work will be taken off the networks. This could be part of some of the changes within the TRPSI programme itself.

Ms Warde Hunter: I will invite Catherine to say a word or two about that.

Ms McCallum: The MARA project is due to finish in September. I think it ran for three years and was extended for another two. That has been very successful as a project in itself. Through collaboration with the Department for Communities and its affordable warmth scheme, it has been decided that it will take on some of the aspect of that project that was previously administered through our Department with our rural support networks.

In terms of lessons learned and signposting and so on, they are well placed to continue in a form of the MARA project, albeit not under that specific banner. It is an example of not duplicating or replicating the work that is done by another Department. The MARA project was always going to be time bound. Our Department has been working with Communities, and the affordable warmth scheme will be able to cover the role and the remit.

Mr McMullan: There will be work taken off the networks, then.

Ms McCallum: If we are not continuing with the MARA scheme, the rural support networks will not be involved in that from our point of view.

Mr McMullan: Is responsibility for any other parts of TRPSI being taken off the networks and given to somebody else?

Ms McCallum: No. There is £4 million in the TRPSI programme for this year, and most of the projects are similar to ones delivered over the past couple of years. Evaluation of the previous programme demonstrated the benefits of the projects that were delivered. MARA, as I say, was always time bound; it was always going to finish. A compromise, as it were, is that, while it is being finished formally as a MARA project delivered by this Department, the work that was done under the MARA project will be absorbed within the affordable warmth scheme that is delivered by the Department for Communities. So, when the formal scheme known as MARA will terminate, as was always planned, the work that it did will not come to a cliff edge.

Mr McMullan: Could you explain "out-of-state tourism"?

Ms Warde Hunter: I will ask Catherine to say a word or two more about that. "Out of state" just means the people who do not hail from Northern Ireland coming in, as a definition.

Mr McMullan: OK. Does that mean we will see more working with our tourist organisations here and Tourism Ireland? It is the main body at promoting tourism out of state.

Ms McCallum: The rural tourism scheme has to fit in with the broader strategic approach to tourism across Northern Ireland. Our Department has been working closely with Tourism NI in looking at the criteria. The most significant criterion is an increase in out-of-state visitors, and that is the direction of travel in the strategic priorities for tourism in Northern Ireland.

Mr McMullan: Do we see it as value for money?

Ms McCallum: In what regard?

Mr McMullan: The collaborative working with Tourism Ireland and our own tourism organisations.

Ms McCallum: It does not really make sense for us to be working, or for the Department to be working, outwith the strategic direction of tourism for Northern Ireland. Obviously, working with Tourism NI, in terms of securing value for money, is a good way of ensuring that what we are doing is in line with the strategic approach across the piece generally for tourism.

Mr McMullan: One of the big problems on the LAGs for the programme is planning.

Ms McCallum: Planning as in planning permission?

Mr McMullan: Yes. Have you been in touch with planners to ask them to put planning applications for the rural programmes through quicker?

Ms McCallum: That is something that the LAGs would do. We are aware that there has been some level of dissatisfaction from applicants around the requirement to have planning permission in place before they proceed to receive funding. Going back to some of the lessons learned from the previous programme, that was where money and funding was tied up pending planning permission. If planning permission had been turned down, it was difficult to justify promising or committing the expenditure in the absence of that planning permission. As I say, it would be for the LAGs to bring their influence to bear in securing that. We are meeting the chairs of the LAGs at a strategic forum next Tuesday, and that is something that we can pick up with them.

Mr McMullan: That is great, thank you.

Mr Irwin: The Department lost 425 staff due to the voluntary exit scheme. We now have relocation to Ballykelly and the possibility of losing more skilled workers. What measures has the Department put in place to deal with that?

Ms Warde Hunter: What measures are we putting in place to deal with the pressures that now come from having to keep on delivering everything that we need to deliver with a smaller number of staff? That remains a substantial challenge for us. There is a whole suite of things that the Department absolutely must do. It cannot roll back or step away from doing any of its activities, particularly those that are front-facing such as delivering payments, services and support to farmers and the programmes that we have just been talking about with Mr McMullan and Mr McGlone. We have to decide how, within that, we prioritise and become more efficient. That is what I was alluding to in the development of our change programme. We want to focus on a number of areas where we believe we can transform how we do things in order to make them as efficient as we can. It is why I flagged up digital delivery as a key area. I appreciate where the Chair was in relation to the review of our contact services. We are trying to mesh fewer people into the continuing pressure on the Minister's priorities for the Department and the public's expectation about services. It is up to us to try to find ways to be ever more efficient.

We need to make sure that we bank the savings that we achieved under VES. Graeme could talk to that one for some time. At a granular level, we have given each grade 3 who is running a group — everybody working at my level — the budget and headcount targets that they have to keep within so that we ensure that we keep within the Department's overall vote; that is absolutely critical. It remains a big challenge. To be absolutely honest, I know that colleagues further down the organisation are frustrated on occasion and ask, "Do we really have to do all these things? Why are we not stopping stuff?". We are not good at stopping stuff in government. We will have to learn to be better at that. The figures — the money — and the number of people we have will drive us there. At the moment, our priority, especially as a new Department, is to keep the wheels on, keep the show going and ensure that we prioritise even within our priorities. Sorry for that long-winded answer, but we are trying to square a particularly challenging circle. All managers and all leaders in the Department are very seized of our responsibilities on that.

Mr Irwin: It is interesting that it was mentioned earlier that the percentage for online applications for the basic farm payment has risen from the high 30s to 60-odd. Is that right?

Ms Warde Hunter: Yes, 62%.

Mr Irwin: All those things help.

Ms Warde Hunter: Absolutely, and it also leads us to issues of efficiency and compliance and so forth as well. That is good news for us, because the more compliant we are, the better.

Ms Archibald: Thank you and your team for your answers so far. I want to ask you something quite specific about the rural tourism scheme under the RDP. Off the top of my head, I am not sure what the breakdown is between departmental and EU funding, but you said that it still needs sign-off under Finance?

Ms Warde Hunter: Yes, the business case still has to go forward to the Department of Finance for final approval.

Ms Archibald: And the letters of offer then go out to the local action groups.

Ms Warde Hunter: That is the process, yes.

Ms Archibald: Are you confident of getting that sign-off before the November 23 deadline?

Ms McCallum: The rural tourism one is slightly different from the LEADER programme as it has national funding and applications come from councils. We hope that the business case is quite close to being signed off by our own economists. It will then go to DFP, so the EU piece will not feature.

Ms Archibald: So that will not affect it. Thank you.

Mr Ford: Thanks, Louise and team, for being here. You raised your three Bs, Louise: Budget, Brexit and Ballykelly —

Ms Warde Hunter: Yes

Mr Ford: Graeme will be pleased to know that I wish him well with Brexit and will say nothing else on that one. On your two questions, one short and one longer. On the Budget issue, when officials were at the Committee at the beginning of June, they were unable to tell us anything about the monitoring round, on a Thursday afternoon, which was announced by the Minister of Finance on Tuesday. What engagement does the Minister expect to have with the Committee on future monitoring rounds?

Mr Graeme Wilkinson (Department of Agriculture, Environment and Rural Affairs): Our normal protocol is to engage with the Committee on our financial position. That is the normal process that we go through.

Mr Ford: Will it be slightly more informative next time round?

Mr Wilkinson: We try to be as informative as we can. Our financial position tends to be around TB compensation; that is one of the biggest issues that we have in the Budget. As you will be aware, at the very start of the year we already know and are fairly confident that we do not have enough money in there, but, as we go through the year, it is about trying to identify what the full forecast of the money is. It would be unwise to tie up that amount of money, given the volatility around TB compensation. That is the big issue for us with the Budget, and the one that we will be focusing on in future monitoring round discussions with the Committee.

Mr Ford: On Ballykelly, the history as I understand it, is that the Executive agreed the move to Ballykelly without a business case. Before the summer, the Committee was told that it could take until 2029 to move all relevant staff to Ballykelly, due to concerns about staff who do not want to move. Now we hear that spaces at Ballykelly are being offered to other Departments. That may be the best job that officials can make of the problem, but is that the intention? Will Ballykelly be everybody's back office permanently, or will desks simply be filled until such time as DAERA staff are eventually transferred—about 13 years from now?

Ms Warde Hunter: I will say a word or two and then pass over, if I may, to Tracey. I think that what the Minister was keen to do when she was speaking earlier was to reflect the reason that she had taken a while to look at this because reflecting on the myriad factors affecting DAERA, and, now with Brexit, she wanted to make sure that she was making the best cause possible against the Executive's commitment to relocate posts. Officials have been tasked with looking at how this might work; what proportion of people in the existing staff transition plan intended to move by a certain date would go, and then what availability there might be to draw in other Departments. You will be aware of the bigger picture: the wider estate strategy for all Government buildings and offices across Northern Ireland, which links us into the Strategic Investment Board (SIB). We have the new overarching draft Programme for Government to think about as well. Maybe Tracey has a word or two on the specifics.

Ms Tracey Teague (Department of Agriculture, Environment and Rural Affairs): There is no doubt that the plan earlier this year was that it would be out until 2029. That was to reflect the fact that, in DAERA, the vast majority of people in the posts identified to go to the new headquarters did not want to go. We surveyed the rest of the Northern Ireland Civil Service, and we took a risk-based approach, saying, "What skill sets do people have? Which are the much more technical and specialist and more difficult to acquire?". The staff transition plan was prepared on the basis of the staff that we had, the posts that were involved, and a focus on corporate services being a much more general available skill and whether it was available in the wider NICS from people willing to work in Ballykelly. That took us into the world where we could probably quite easily swap some 300 posts, as a first phase, to the new building. Stretching it out to 2029 was a much greater recognition of the nature of the posts thereafter in DARD, then DAERA. They were more difficult in terms of what was available in the wider NICS.

The Minister has taken all of that into account. The landscape has changed with Brexit, as, equally, have the issues that that might have for policy development. Her view at the moment is that the staff transition plan needs to be reviewed and that we need to take account of the skills available in the wider NICS. The business needs still need to be done for DAERA, as does the timescale in which they need to be done and an evaluation of where there are opportunities for other Departments to build on the posts that DAERA will put in the new building. It is safe to say that we have about 1,300 expressions of interest from other staff in the NICS who would like to work in Ballykelly. The vast majority of those are already in and around the north-west. It is difficult and challenging, but it is a very careful management because we know that our staff do not want to go. We are trying to match skills with people who want to go, if you get my drift. We know that we are safe in that 300 arena, but

it will be more difficult thereafter. The 2029 plan was a much more phased approach. It was about 30 per year based on the principle that, as people left, we would recruit to the north-west. The Minister is, rightly, reconsidering that, now that all the facts are in front of her, and she is considering what she needs to do to meet the business needs of the new Department.

Mr Ford: I think that I get the drift of the problem; I am not sure yet that I get the drift of the solution.

Ms Teague: The solution is what we are —

Mr Ford: How quickly is there likely to be something to announce on that for those who depend on your services and for your staff?

Ms Warde Hunter: In the first instance, we must work through our thinking to bring it to the Minister and give her the options as to how she might approach this. If the Minister wished to pursue that direction of travel, she would have to take it to the Executive because it is an important change that would, potentially, involve more Ministers. There are clearly a number of steps in that for us. The important thing that Tracey outlined is that we still have a very strong clarity about the cohort that we intend to go and by when. The solution might give us — to use your language — an opportunity to populate the building even more quickly with full complement. Again, that is a matter for full analysis and discussions with those who have the strategic overview of the estates and where people are across Northern Ireland in Departments, and clearly with Ministers.

The Chairperson (Ms Dillon): I understand fully where David is coming from, but, when you talk about new recruitment, people in the north-west often did not apply, particularly those who would be going into the lower-paid ranks of the Civil Service. As somebody who, at one time, was in the lower-paid ranks in the Civil Service, I understand why you would not want to travel from the north-west to Belfast. I found it a struggle travelling from Newry, and that is a much easier journey. I think that you will find a massive change when you come to recruiting. People will apply to the Civil Service in the hope that they will be placed closer to where they live. It will benefit our rural communities in the long-term, but it is not a short-term thing; there is no fast fix. That is a fair enough position to start from, but unless we make those changes, unless we start decentralising government and moving it out to other areas, we will never get the staff because people do not want to do that kind of travelling. They will always look somewhere closer to home, particularly women, who often have other responsibilities; sometimes men do, but it is often the women who are the carers and take the lead in the family home. All those things need to be looked at and there needs to be a recognition that we have to look at trends and accommodate more women coming back into, or newly coming into, our workforce and try to accommodate family life and balance. This is an important step.

Mr Anderson: Thank you for your presentation, Louise. You talk about the assistant digital initiative. What does that mean? You talk about people who are out of broadband areas or who need skilled up in computer issues and about hitting 100% by 2020 for all applications and all information going through the Department. How will you assist those people? What happens if they get skilled up but they do not really make it?

Ms Warde Hunter: I have not invited any colleagues who are sitting behind so far, but, on that specific issue, it would be foolish of me to sit with the head of digital services behind me and not ask the Chair to permit Paul to come forward to answer. Would you be content with that? Thank you very much indeed.

Mr Anderson: What does it mean to get everyone, by 2020, doing all their applications online and working with the Department?

Mr Paul McGurnaghan (Department of Agriculture, Environment and Rural Affairs): The goal is 2020 for a single digital service. It does not necessarily mean that everybody has to interact directly with that service. It can be through a third party, which could be the Department, and that is where assistant digital comes in. For people who genuinely cannot access those services, there are agents to help them to interface and provide them with assistance.

Mr Anderson: What is that assistance?

Mr McGurnaghan: It could be people coming into DAERA Direct offices and being shown how to use the systems and being taken through, for a year or two, to do the application and transfer the skills to them.

Mr Anderson: Is the intention to do something like that: to bring people in and train them or bring them into classes?

Mr McGurnaghan: Absolutely. We have to have high-quality services and people who have access to the services and the skills. Some people will find that easier than others, and there will be groups of people who will require assisted digital support. Between now and 2020, the focus will be on getting those people online and helping them to make the jump to digital in order to avail of all the benefits that it provides; it is still four years away. Even in 2020, we anticipate a small number of people not being able to use those services, and the assistant digital support will still be available for people who genuinely cannot do it.

Mr Anderson: So, people who are having difficulty with broadband and such like are the people who will probably still need assistance or encouragement. Will it be a compulsory attitude that, in 2020, everything has to go online? If someone has difficulty going online due to being in an area where they cannot receive broadband, do you ask them to go to a library or someplace else?

Mr McGurnaghan: There are alternatives. Slightly over 80% of rural dwellers have access to broadband, and there has been a significant increase in the number of people who can avail of mobile broadband — 3G and 4G. It is upwards of 95%. For those who cannot access at least two megabits per second of broadband, there is an opportunity for satellite, and there is Department for the Economy assistance for people to use that. The availability of broadband is an issue, but it is one that is reducing. For those who cannot get access to it at the moment, it is very frustrating. I have been in the same position myself.

That number is decreasing over time. By 2020, there should be a very small number of people in that category, but there is the opportunity for satellite for those who will not be able to get fixed-line broadband. There will always be people who cannot get it; they will be just too far from the exchange. They could be half a mile up a farm lane and two or three hops up the telegraph poles. They will not be able to receive fixed-line broadband, but there are other solutions, and satellite is one of them.

The Chairperson (Ms Dillon): Just on that point, Paul, I accept what you say about satellite. You are optimistic about many more people having access to broadband in 2020. I hope that you are right because it is a massive issue in my constituency; it is probably one of the issues that I get lobbied on most. The satellite solution has been, to put it very mildly, less than satisfactory in many cases. I would love to share your faith in that. I will be working hard in this mandate to improve rural broadband because, as I say, it is a massive issue for rural businesses. It is something that needs to be addressed seriously by the Agriculture Minister and the Economy Minister. If we can get the kind of working group on rural broadband that we have on Brexit, that would be brilliant. It would have a much smaller remit, and maybe we would actually get something achieved with it. It is something that the Department should seriously and genuinely look at with the Department for the Economy.

All the talk in the Minister's opening statement was about the economy and the need to create more jobs. I agree with everything that she said, but the biggest barrier for our rural businesses is rural broadband. I am only making the point. I know that it is a different point from the one that Sydney made, but his concern is valid in that there will still be people in 2020 in our rural areas who will not have access to broadband. That is the reality.

Mr McGurnaghan: They will not have access to fixed-line broadband.

The Chairperson (Ms Dillon): Even where BT and other providers are saying that people have broadband, they do not have it. Some people are paying for broadband but do not have it. It is a serious issue, and I suppose that what Sydney is asking is this: will there be leeway or will this be compulsory? We have seen it in other areas where Departments have said that everything is online and have made it compulsory, but they have not taken into account that it just not possible for some people.

Mr McGurnaghan: No, it is not compulsory. The 20% uptake is to the digital services; it does not have to be done directly by the end user each time. It can go through a mediated service, which may

be supplied by the Department in the short term or it could be through other agents or through people accessing it through a family member who has broadband access.

The Chairperson (Ms Dillon): I suppose it comes back to what I said earlier about the need to ensure that support is there for our farmers, whatever that support is.

Mr McKee: We could talk all day about broadband. During the recess, I had a lot of calls from people whose problem was that they were paying for broadband. They were paying for 1·7 megabits to 17 megabits, which BT has set aside as what they were supposed to get. A lot of people I spoke to were well below that. They were asking whether BT was in breach of its contract and why they should have to switch to satellite when they have this other system.

That was not my question; my question is an entirely different one. Under the capital allocation of £2·2 million, there is provision of £300,000 for a rural sports facilities scheme. Can you update me on where that scheme is? Has it been exhausted, or is there still money in the kitty that can still be applied for?

Ms Warde Hunter: From the £300,000? I wonder whether Catherine might be able to assist me.

Ms McCallum: Work on that is ongoing. We are looking at options for projects to use up that amount in the budget for this year. We are working with, and in discussions with, other Departments as well.

Mr McKee: When will that be rolled out?

Ms McCallum: It is still under development, but we hope to deliver something this year.

If I may deviate slightly, Chair, you mentioned the tackling rural poverty and social isolation (TRPSI) programme. There is £500,000 in the TRPSI budget this year for rural broadband, and we are working with Belfast City Council on behalf of all the councils to increase access to rural broadband. There is also almost £2 million in the LEADER scheme for local action groups to decide what their needs are and to look at local solutions. There is some funding, albeit it may not address problems of the extent that you have indicated, from your experience and others. However, there is money there, and that has helped —

The Chairperson (Ms Dillon): I understand that; coming from a council, I am well aware of it. There have been some brilliant programmes that have really helped. The difficulty, and the reason I think that the Department has to work much more closely with the Department for the Economy, is that there seems to be no willingness on the part of BT, in particular, to address this properly. It is all about its profits. I think that we as an Executive and an Assembly have a responsibility to hold BT to account. I am not sure that that was done by DETI Ministers, and I hope that the Economy Minister will take a different attitude. He needs to be pressed on that.

Mr M Bradley: My questions have been answered by Paul, thanks to your cross-questioning, so I am happy.

The Chairperson (Ms Dillon): That is brilliant. Thank you very much. Very quickly, Robin, and quick responses, please, because we are running well over time.

Mr Swann: Sorry I missed your presentation. Is there an idea now that Ballykelly will become a Northern Ireland Civil Service office block rather than just DAERA?

Ms Warde Hunter: The Minister in her remarks trailed that she is considering that there will not only be a substantial relocation of DAERA posts to the building. Although it was conceived as a relocation of DAERA HQ, she is now looking — this is my language, not the Minister's — at a mixed economy, with a substantial proportion of DAERA people. That would depend on the appetite and, indeed, needs of other Departments to populate the building.

Mr Swann: It is just a theory.

Ms Warde Hunter: As an NICS hub.

Mr Swann: Could that put those jobs under threat those jobs that were moved into the old DVA offices in Coleraine? The new office in Ballykelly might be more attractive.

Ms Warde Hunter: I do not understand what you mean by putting those jobs under threat.

Mr Swann: Not the jobs, but the location.

Ms Warde Hunter: It would be for the Minister, having received all the data from her team, to look at that as an option, have any further discussions with other Ministers, and do any further scoping. That would be a matter for other Departments to think about. It is not in our immediate gift.

Ms Teague: It is very early days in our thinking on this. That will be part of the discussion for the Minister with her Executive colleagues.

The Chairperson (Ms Dillon): In fairness, it is probably not for Louise or this group to answer what the implications might be for staff in other parts of the Civil Service. If they do not come under DAERA —

Mr Swann: But if DAERA is putting the places on offer. It is a DAERA building. That is where —

Ms Warde Hunter: To respond very briefly, we would highlight to our Minister that the implications for other Departments would be a matter for those Departments' Ministers.

Mr Swann: I am concerned about displacement.

The Chairperson (Ms Dillon): I accept what you are saying. We may have to ask for a further oral briefing specifically on this issue, because it is a massive piece of work. I would be happy to do that at a later stage if members feel that we need to.

Ms Warde Hunter: Sorry, Chair, one minute point: my colleague would like to clarify something on the rural development programme and pillar 2. He will take a nanosecond.

Mr Wilkinson: I will be very brief, Chair. You referred to the pillar 2 funding for the rural development programme earlier. The programme was £623 million, of which £187 million was EU funding. We have done our analysis of the funding and sent Treasury queries and questions to deal with some outstanding issues, in particular concerning the agri-environment scheme, for which we will need £60 million of EU funding to roll it out for the remainder of the programme. We hope to get responses in the next short while, and I am more than happy to come back to the Committee with the final clarification in relation to that £187 million.

The Chairperson (Ms Dillon): If you could. You said, "in particular concerning the agri-environment scheme", but that goes back to my concern that the whole focus is on agriculture and the economy. I am very concerned about rural development from the point of view of rural dwellers.

Mr Wilkinson: There is the LEADER programme with its £70 million. We are pretty confident that the contracts that we have in place with local action groups will indeed constitute contracts, but that is one of the things that we are seeking final clarification on from the Treasury. I am more than happy to come back to the Committee once that is finalised.

The Chairperson (Ms Dillon): Could the Committee be given a copy of the letter that was sent?

Mr Wilkinson: I do not have the letter; it was coordinated across all the Departments and went out centrally.

Mr M Bradley: I will be brief. My comment is about Ballykelly. There are as many people in the north-west who do not want to travel to Belfast as there are in Belfast who do not want to travel to the north-west — possibly more, including me. As for the DVA jobs in Coleraine, I hope that in the near future another tranche of Civil Service jobs will move into that building, where there is space. It is not all doom and gloom.

The Chairperson (Ms Dillon): Thank you very much for your presentation. I am sorry for having to cut you off at the end, but we were running over time.

Ms Warde Hunter: Chair, we fully appreciate that. I thank you and the Committee for your time today.