

FROM: PS/Angela Smith MP
23 January 2004

**MEETING WITH LORD LAIRD AND GEORGE PATTON,
CHIEF EXECUTIVE OF THE ULSTER SCOTS AGENCY –
ON WEDNESDAY 21 JANUARY 2004 IN THE HOUSE OF
COMMONS, LONDON**

Lord Laird began by explaining that the Ulster Scots Agency has been experiencing difficulties with DCAL, in particular with 'On Eagle's Wing'. He explained that with the current political situation i.e. DUP winning the election, North South bodies were vulnerable, it was unlikely they would maintain their status. The Review was due to start shortly and this could affect the Agency. He went on to explain the stark differences between bodies, he claimed that Waterway's Ireland had received a 40% increase in their budget the Health Promotion Agency a 9% increase to give advice on how to roast a turkey! The Ulster Scots Agency was the only North South body not to get uplift in budget.

Angela Smith asked Lord Laird not to downgrade other Agencies in order to uplift his, she had tremendous regard for the work he and the Agency do, but recognised also the great efforts made by others in North South bodies. She referred to the huge number of PQ's, which she had answered, which had been tabled by the Lord. She had asked him previously, if he felt that he did not get the information required to write into her regarding any issues he wanted addressed and she would answer or alternatively arrange for him to meet with officials, either option was more constructive than tabling numerous similar PQ's. She again stressed, that this offer had been made on several occasions, but had never been taken up.

Lord Laird replied by stating that they had asked DCAL previously for information and had received neither an acknowledgement of the request nor a response. He explained that the Agency had a shortfall of £40k, and they are still awaiting an explanation from DCAL.

Angela Smith stated that indeed he had received an explanation from DCAL. She reminded him that they had asked for a further £40k and that DCAL had explained that they needed to supply evidence that this would be spent by the end of the year. Furthermore, it was established by the Department that the Agency had a substantial balance left at the end of the year.

George Patton offered that he was not entirely sure that DCAL understood or was aware of their unique position. He explained that they had sent out letters of offer to Groups, but were in the hands of the claimant waiting for them to submit their receipts.

Angela Smith asked whether there was no way of improving or speeding up this process?

George Patton explained that they were currently looking at ways to time bound the process. However, he added that he felt he was asking for money from DCAL on a daily basis, this was not acceptable.

Angela Smith explained that it was an accountability issue. She explained that this was normal for all public funds – the need to prove why the money is being spent. DCAL she explained, was not being difficult, but were simply adhering to the rules governing public funds. This was an accountability issue for DCAL and indeed for the Agency's Chief Executive. **She offered to look at ways of improving the process between the two parties.**

George Patton agreed. He explained that all concerned were adults, and was sure that relations could be improved. He felt there also had to be a certain amount of trust; DCAL had never seen any paperwork all they had received was information via e-mail. However they had not trusted him for the extra £40k.

Angela Smith responded by explaining that the Agency had at that time £32k end of year under spend, therefore DCAL had to ask why you needed a further £40k.

George Patton said that yes that was correct. However he added that this amount should not have been taken into account of the £1.5m.

Angela Smith explained that John Laird had been carrying all the work on his own for some time. She added that she did not want him to be put in any position over accountability for Agency funds. This was the role of the Chief Executive of the Agency and the Permanent Secretary of the Department. (Both George Patton and John Laird agreed).

Lord Laird changed the subject to the 2004 budget; he added that the Agency had made a good case for uplift. The Ulster Scots Agency he explained was relatively new with new staff and therefore bigger overheads. They had subsidised 236 groups over the last 2 years. If Waterways Ireland could get a 40% increase why could they not? **The Minister agreed to look at this and report back.**

Angela Smith suggested they make a case for uplift of funding through their Corporate Plan. She explained that at present she was continuing with a care and maintenance policy, she could not go beyond this.

Lord Laird again made reference to the political implications for North South bodies due to the success of the DUP. The burning political issue was that the South was setting the budgets for the North.

Angela Smith explained that it was no ones intention to see the good work they were doing cease as he had suggested. The matter of budget setting she added had been addressed and explained several times before.

Lord Laird came back again explaining that it had been a trouble free summer which the Agency's work had played a part in. He asked for further funding and they would sort all problems in Northern Ireland.

Angela Smith responded by explaining to Lord Laird that he was not listening, that she had explained the situation time and time again. She again reiterated the need for both parties to sit down and work out the issues together. She then asked Lord Laird to be less enthusiastic when speaking to junior staff in DCAL, some felt they were being verbally harassed by his constant phone calls.

Lord Laird stated that indeed some of his Agency staff felt intimidated and demoralised by the way DCAL staff spoke to them. He then stressed that the business case they had put forward for more money made good business sense. He also added that Jack Layberry in DFP had told him that the £40k in question could be moved from year to the next. **The Minister agreed to look at the business case again. She also cautioned that what DFP had told him was not necessarily the same response that DCAL were receiving. All requests for information should be put through the sponsoring Department, namely DCAL.**

George Patton added that he had asked DCAL how the Agency could go about getting the £40k back – he was still awaiting a response. **The Minister would investigate and report back.**

Angela Smith then referred to the Community Development business plan, which had been presented without enough information; the case did not stand up to scrutiny. DCAL she added had informed the Agency of the outcome.

George Patton stated that this was not completely correct. However he added that if they needed to look again at this business case, it would bring them back to square one.

Angela Smith advised him to sit down with Bryan Davies or other DCAL officials as soon as possible and address what is needed to strengthen the cases.

Lord Laird agreed that this needed to happen as soon as possible.

Angela Smith agreed adding that this offer had been made previously on several occasions. **The Minister would set in motion a meeting between Bryan Davies and other leading officials in DCAL and George Patton and herself.**

George Patton explained that with an indicative budget and extra staff, money would be tight. He added that they had a conference planned for the end of February in response to TSN work with Groups who want to do projects, for example The Irish Youth Foundation. He was worried that they would not be able to fund the projects.

Angela Smith explained that to fund these projects they had to have watertight business cases. Money in DCAL was finite also. The requirements from DFP for business cases were very stringent. She suggested a meeting as soon as possible with Bryan Davies et al to ascertain exactly what was required for cases. **Minister agreed to facilitate urgent meeting with her officials.**

Lord Laird stated that 'On Eagle's Wing' would change everything. However he added that DCAL had never made time for this project.

Angela Smith explained that she could not accept his comments. She added that he was well aware of the time that DCAL had spent on this project, looking at various funding streams NITB, NIEC. She explained that DCAL had been asked for a loan to fund the project. She stressed that there was no legal mechanism within a Government Department to achieve this.

Lord Laird could not understand why this had not been told to them over a year ago. He claimed that they had been 'led up the garden path'.

Angela Smith explained that the Department had been assisting by looking at the various funding options on her request, which may have added to the delay.

Lord Laird responded by telling the Minister that this was not a problem, that it should be forgotten. He did however wish for her to be involved, to become a central figure. He requested the Minister's presence on 7 May in Atlanta. **The Minister agreed to look at the proposed date and report back.** He then turned to the issue of the Agency participating in events outside the island of Ireland. He explained that the Agency's Corporate Plan stated 'within the island of

Ireland and beyond'. DCAL he explained state that they cannot do anything outside the island of Ireland and when venture to do events outside they remove the 'and beyond' wording. **Minister would investigate the matter.** He then referred to the new HQ for Foras na Gaelige adding that she would have to sign this off also which would not follow the care and maintenance policy. He suggested she speak to Eamon O'Cuiv as soon as possible.

Angela Smith confirmed that she hoped to meet Minister O'Cuiv in the near future.

Lord Laird then referred to the rocky political situation again. He then added that he hoped for a better relationship with Carol Moore and Aideen McGinley, which would result in him not having to table PQ's.

Angela Smith replied by explaining that their difficulties with DCAL did not mean their work was not valued, the problems were purely financial/accountability issues. She explained that staff have to be taken off their other duties in order to respond to the huge number of PQ's. She then quoted the number of PQ's tabled to date.

Lord Laird explained that the PQ's were creating very hard work for him also. He suggested that he remove himself from the equation that George Patton should meet with staff in DCAL instead of him. (*Quote: They run when I come*). He added that it was his enthusiasm that drove him on. He concluded that there would be no more PQ's if George Patton can build a good relationship with DCAL. He then offered to write a letter of apology to those staff he had upset.

Angela Smith explained that this was not necessary. She agreed to forward a note of points that were agreed for action. She would ensure a meeting with Bryan Davies and other officials would be arranged as soon as possible.

TERESA HEWITT
Private Secretary