



Northern Ireland
Assembly

Committee for Social Development

OFFICIAL REPORT (Hansard)

Inquiry into allegations arising from a BBC NI
'Spotlight' programme aired on 3 July 2013 of
impropriety or irregularity relating to NIHE-managed
contracts and consideration of any resulting actions:
Briefing by J H Turkington

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Members present for all or part of the proceedings:

Mr Alex Maskey (Chairperson)
Mr Mickey Brady (Deputy Chairperson)
Mr Jim Allister
Ms Paula Bradley
Mr Gregory Campbell
Mr Trevor Clarke
Mr Michael Copeland
Mr Stewart Dickson
Mr Fra McCann
Mr Sammy Wilson

Witnesses:

Mr Jim McKeag	Managing director, Turkington Holdings Limited
Mr Ian Young	Former divisional manager, Turkington Holdings Limited

The Chairperson: I formally welcome everyone to the Committee. This is the first session of the Committee's inquiry. I remind everyone to switch off electronic devices, please, and I ask members to declare any interest relevant to the inquiry.

Mr Allister: I declare that, in my former professional life, I represented Turkington's in some matters, primarily in relation to planning issues. I do not see any relevance to this issue, but I want to declare that. I also declare that, in 2004, when I was the DUP candidate in the European election, Turkington's supplied the party with vans for use in the election. Also, I believe that, when I was an MEP, I invited Turkington's to a business breakfast.

The Chairperson: Have any other members anything to declare? No. Jim, we will take note of that and be aware of it. Thank you for declaring that interest.

I would like to deal with a couple of items, the first of which is the question of procedural fairness. It is important that I outline that. Members are aware that, in an inquiry of this nature, we have to be cognisant of how we, collectively as a Committee, conduct the inquiry. We have already taken a range of advice on procedural and legal matters pertinent to the remit of the Committee and to the terms of reference of the inquiry. We have done that to ensure that the integrity of the Committee is not undermined and that the risk of challenge to any findings that the Committee might make is minimised. It is also important to give due regard to how we treat witnesses and the evidence submitted to us. Procedural fairness is, therefore, key to how we conduct the inquiry. I will

endeavour, as Chair, to ensure that the inquiry is conducted in an absolutely professional fashion. I have no doubt that all members are like-minded. The Committee Clerk has drafted a brief note on the issue, which was considered by Legal Services. I refer members to the briefing on procedural fairness, which is a ready reckoner to ensure procedural fairness in the process. Are members happy to endorse and adopt the paper before them? It encapsulates all of the advice that has been tabled and debated here.

Mr Campbell: A thought struck me after Jim's declaration of interest. It is up to individuals, but is each of us required to go through any business breakfasts that we may have held to establish whether those who attended included any representative or chief executive of the companies that applied or were considered for a contract under consideration in this inquiry?

The Chairperson: At all stages, we will take advice on this. My understanding is that members will declare any interest that they believe to be relevant and pertinent. I think that we have already considered, when getting legal advice on the matter, that, as public representatives, we engage with a wide range of people, companies and constituents on a variety of levels. The key thing here is whether we think that any of that could prejudice or leave anyone compromised in any shape, fashion or form or create that perception? Largely, members will have to make up their own mind. If they are in doubt, we can take advice.

The Committee Clerk has just reminded me that, if members are declaring interests, as has happened today, we can seek, as a further safeguard, the view of the Committee on Standards and Privileges, if they want to. Are members happy with that approach? Are members happy to endorse the briefing on procedural fairness in the inquiry?

Mr Wilson: I am not too sure how extensive that is, but, as Minister, I attended breakfasts and dinners at which people, some of whom will probably give evidence before the Committee, will have been present, but I could not even tell you the dates.

The Chairperson: As I said, members will be aware if they have been in a position that they think they need to declare.

If members are happy, we will move on. Members have adopted the briefing paper. On the back of that, it is important to say that the Committee considered the legal status of any such inquiry and our rights and ability to hold it. We are satisfied, from all the legal advice, that we have the statutory authority to do so. We have reliance on section 44, for example. The Committee has also decided that, although it has the authority to require people giving evidence to *[Inaudible.]* or make a declaration, it has, in the first instance, relied on the integrity of everybody presenting evidence. Of course, the Committee can at any stage revert to requiring people to give evidence under oath or by way of a declaration. I state that for the record.

I invite Ian Young and Jim McKeag to the table. You are very welcome, gentlemen. Ian, you are here in your capacity as a former divisional manager of Turkington Holdings Limited.

Mr Ian Young (Former divisional manager, J H Turkington): That is quite right.

The Chairperson: Jim, you are the current managing director of Turkington Holdings Limited.

Mr Jim McKeag (Managing director, J H Turkington): That is right.

The Chairperson: You will be aware that the 'Spotlight' programme of 3 July 2013 made a number of allegations against the Minister, one of which was that he misled the Committee on the review of double-glazing specifications. Central to our consideration of this issue is a meeting that was held on 16 April 2012 to discuss double-glazing specifications and the Minister's subsequent referral to that meeting in a letter to me as Chair of the Committee. The Committee is not inquiring into the specifications or anything of that nature; it is not about what the specifications were or whether they were good specifications or wrong specifications. That is not the purpose of the inquiry in any way. The Committee has asked you here today because, as we understand it, you both attended the meeting of 16 April 2012. Therefore, we hope that you can provide some insight that will help the Committee to determine whether the Minister misled the Committee. You have provided a joint submission to the Committee, which has been very useful, so thank you for that. I ask one or both of

you to brief the Committee on that submission, after which I will open the floor to members' questions. The floor is yours, gentlemen.

Mr McKeag: Thanks very much for inviting us to the Committee this afternoon. I am the managing director of Turkington Holdings, which includes various companies in the business. I have been with the business for 28 years, and I am a fellow of the Chartered Institute of Building.

Mr Young: I worked at Turkington's for 17 years as divisional manager. I am currently the general manager of Polyframe. I was the chairman of the Northern Ireland Glass and Glazing Federation for 2005-06.

Mr McKeag: Turkington Holdings comprises a number of trading companies. It was set up in 1951 by Trevor Turkington's father and is based in Craigavon. The company employs 120 direct and indirect staff and has an annual turnover of £20 million. The group operates across Northern Ireland and across various sectors of the industry, acting as main contractor and developer through our construction division and providing specialist subcontracting and supply expertise through our window, curtain walling and pre-cast divisions. Over the past 30 years, depending on where the company was working, we have held a wide range of meetings with public representatives from all political parties. Meetings with public representatives were infrequent, but they were mainly with those involved in the Department for Regional Development (DRD) and the Department of the Environment (DOE). Over the years, I have personally met Ministers Attwood, Poots, Ritchie and Wilson.

Between 2001 and August 2011, Turkington's had not undertaken any work for the Northern Ireland Housing Executive directly or through a main contractor. Turkington's did not apply for the Egan contract in 2006-07, which was a combined contract for windows, kitchens and bathrooms. The company did not feel that it was appropriate at that time. In May/June 2011, Turkington's was contacted by Mascott Construction to see whether the company would be interested in undertaking a supply and installation window subcontract for some of its sites. Mascott had previously bought windows on a supply-only basis, but, on that occasion, it felt that the supply and installation route would be more beneficial. Turkington's was successful in being awarded a site and started the contract in August 2011. Further sites were awarded later in the year and on into 2012 — all for Mascott Construction. It was during the execution of those contracts that Turkington's started to identify a range of issues that, we believed, were worth bringing to the attention of the main contractor and the Northern Ireland Housing Executive.

The first issue was a health and safety matter relating to the Housing Executive's requirement for windows to be factory-glazed and then fitted on site. That led to a substantial increase in weight, which caused issues with manual handling at the factory and during installation on site. It was likely to lead to potential claims in the future. It was also a breach of the health and safety manual handling specification.

The second issue was the method of installation. The Housing Executive process required, first, that all the reveals had to be cut back; windows were installed; and then the reveals were replastered. That practice was increasing the time to complete houses because of the wet trades involved. It was, therefore, more costly for the Housing Executive, and it increased the disruption to tenants, including the time spent in tenants' properties. Redecoration grants were also being afforded to tenants because of the disruption to the houses.

Turkington's had initial discussions with Mascott about these issues, as it was the main contractor and should have taken them to the Housing Executive. It was agreed, because of the specialist nature of the issues, that we would raise them directly with the Housing Executive. Consequently, a meeting was arranged with David Adamson, who deals with procurement and specification at the Housing Executive, in late 2011. During the meeting, we discussed our concerns, and he said that he would come back to us. We were keen to resolve the pre-glazing issue quickly in order to minimise the potential impact on employees and protect against any breach of health and safety. Turkington's heard nothing from Mr Adamson, despite numerous follow-up e-mails. As it appeared that we were not receiving a timely response from the Housing Executive, Turkington's decided to try to raise the issue with the Minister responsible, Nelson McCausland. An approach was made to the Minister's special adviser, Stephen Brimstone, in the first instance, and a meeting was secured with him in January 2012. Mr Brimstone advised that we contact the Minister to request a meeting to discuss the issues. Therefore, on 2 February, Mr Young wrote a letter to the Minister requesting a meeting on behalf of Turkington's, with the intention of discussing these concerns to highlight the potential savings

to the public purse if the window insulation process were reviewed. The letter is attached as appendix A.

Turkington's received a response from the Department for Social Development in March 2012, advising that a meeting had been arranged for 16 April. Mr Young and I attended the meeting on behalf of Turkington's with the Minister. Also in attendance were representatives of the Housing Executive and the Department for Social Development. The meeting focused on two issues, the first of which was the simple health and safety issue of pre-glazing glass. It was agreed at that meeting that, because Turkington's was supplying and installing, we could install the glass on site. The second issue focused on our perception that there appeared to be substantial costs being unnecessarily incurred by the public purse. Turkington's is a member of the Glass and Glazing Federation, and we comply with the standards set by the federation. These standards include installation guidelines. We explained that, if the windows were installed to the federation guidelines, this would not necessitate the reveals being removed, thereby avoiding the need for wet trades in tenants' homes. This would give an industry-recognised standard of installation at reduced cost and save disruption to tenants' property. We presented a spreadsheet, which is attached at appendix B, demonstrating that the decreased installation costs plus avoidance of having to pay the redecoration grant could save the Housing Executive between £20 million and £30 million as it completed its building programme. The Minister seemed impressed by the scale of the savings.

Some time after the meeting, the Housing Executive made an amendment to the specification for window installation that reflected our suggestion. It was our view that this change in the criteria would not only provide greater value for money for the Housing Executive but would encourage Turkington's and other contractors who met the Glass and Glazing Federation standards to tender for the new contract. A subsequent tender was issued. We tendered for it but were unsuccessful. Our proposed changes were incorporated into the existing Egan contract and the new tender contract.

Turkington's sought the meeting with the Minister after failing to secure a response from the Housing Executive. There was no material gain to the company arising from this meeting. In seeking the meeting, we were prompted by our first-hand experience as a subcontractor of the health and safety issues and our analysis that the contract would be delivered to the same standard but using a different process that would avoid considerable waste to public funds.

The Chairperson: Thank you.

Ian, may I ask you a question for formal clarification? I understand that the letter came from you, but we need to establish whether the request for the meeting was made on behalf of Turkington's.

Mr Young: Absolutely, yes.

The Chairperson: It was not on behalf on anybody else.

Mr Young: No.

The Chairperson: Your attendance at the meeting on 16 April was as a representative of Turkington's. Is that correct?

Mr Young: Yes.

The Chairperson: You were not there representing anybody else.

Mr Young: No.

Mr Allister: The Chairman has just drawn your attention to this. The letter asking for the meeting was quite explicit that it was for Turkington's.

Mr Young: Absolutely.

Mr Allister: You are quite clear that the meeting was with Turkington's. Any relevance of the Glass and Glazing Federation was simply in the context that you live by its guidance.

Mr Young: Its standards, yes.

Mr Allister: Just as you live by British standards on other things. So there was no basis on which anyone could rationally think that it was a meeting with the Glass and Glazing Federation.

Mr Young: No.

Mr McKeag: The words "Glass and Glazing Federation" come up several times. We told the meeting that we were members of it, and, secondly, that Ian is a past chairman of the Northern Ireland branch and, thirdly, that the specification changes that we were calling for were in line with the federation's specifications.

Mr Allister: Yes, but at no point did you hold yourself out as representing, being there on behalf of or speaking on behalf of it.

Mr McKeag: Absolutely not.

Mr Allister: The meeting came about by virtue of a letter of 2 February, which followed a meeting with the Minister's special adviser. How did you know to contact the special adviser?

Mr McKeag: The only other contact the company had with Nelson McCausland was way back in 2009, when he was sports Minister. That was to do with something at Nutts Corner. Trevor Turkington went through Mr Brimstone to arrange that meeting with Mr McCausland, so he had his contact details from 2009. That is why we contacted him.

Mr Allister: Why was the letter cc'd to the Finance Minister?

Mr McKeag: As documented in the press and in anything I have seen or read, there were substantial savings of £20 million to £30 million to be made. It was a decision on our part to copy the letter to the Finance Minister because of the significant sums involved.

Mr Allister: Was it cc'd to him as Finance Minister or as MP for East Antrim?

Mr McKeag: As Finance Minister.

Mr Allister: The cc simply says, "Sammy Wilson MP". Where was it sent?

Mr McKeag: I cannot remember where it was sent.

Mr Allister: Did Turkington's have particular contact with Mr Wilson?

Mr McKeag: As I said in my briefing, we have had various contacts with various Ministers. I had met Mr Wilson before when he was, I think, planning Minister, but we have also met Ministers from other parties, as you know.

Mr Allister: Who was taking minutes of the meeting?

Mr McKeag: I do not know whether she was the Minister's PA or whatever — I do not know the lady — but there was a lady there taking minutes. I do not know her name.

Mr Allister: Did you take any minutes?

Mr Young: No.

Mr McKeag: We have never seen any minutes.

Mr Allister: They were never circulated to you.

Mr Young: No.

Mr Allister: It turns out that the minutes were headed "Meeting with representatives of the Glass and Glazing Federation." If you had seen that, what would you have said?

Mr McKeag: We would have written back saying that there had been a misunderstanding. It could not have been a misunderstanding: we knew who we were, and we would not misrepresent ourselves in any shape or form.

Mr Young: Even at the start of the meeting, I had to give a brief explanation of who Turkington's was.

Mr McKeag: A history of the company and background.

Mr Allister: You have identified the two issues that, you say, were raised: the health and safety issue and the method of installation. Was the issue of the hinge type not also raised?

Mr McKeag: No, not at our meeting.

Mr Allister: Not at your meeting.

Mr McKeag: No.

Mr Allister: On three occasions, the minutes, which you say that you have not seen, refer to the hotel-type hinges costing five times as much as the industry standard installation.

Mr McKeag: The Housing Executive was at the meeting. I do not know whether the Minister was quizzing the Housing Executive about hinges. We did not bring the hinge issue —

Mr Allister: That was in your presence. It was a single meeting attended by all the participants at all times.

Mr McKeag: Ian and I never spoke about hinges.

Mr Allister: Did you hear hinges being discussed?

Mr Young: I cannot remember. We started off by talking about the glazing and the method of installation. In the minutes, the Housing Executive then went on to —

Mr McKeag: I think that the conversation might have opened up, but —

Mr Allister: Do you remember hinges being discussed?

Mr McKeag: No, I do not. That is not to say that they were not.

Mr Allister: Do you know the issue with hotel-type reversible hinges and casement-type hinges?

Mr McKeag: Ian knows about specification.

Mr Young: It was just a different specification.

Mr Allister: You know about that issue. Did Turkington have any interest in that?

Mr Young: No.

Mr Allister: Was Turkington in a position to manufacture the casement hinges but not the reversible hinges?

Mr Young: It could do both.

Mr Allister: You could do both at that time.

Mr Young: At that time, we made only casement windows

Mr Allister: At that time.

Mr Young: We had access to reversible windows.

Mr McKeag: We could buy them.

Mr Allister: You could buy them, but you could not manufacture them

Mr Young: At that time, we were actually making reversible windows.

Mr Allister: Yes, but not the hinges.

Mr Young: We would not make hinges.

Mr Allister: You were making reversible hinges.

Mr Young: Yes.

Mr Allister: Polyframe, which you are now involved with, is into reversible hinges. Is that right?

Mr Young: Polyframe makes every type of window, including casement windows, reversible windows and vertical sliding windows.

Mr Allister: You are saying quite clearly to us that you never heard hinges discussed at that meeting.

Mr McKeag: No, I could not say that. I have no recollection; I cannot say that they were not discussed. If they were discussed, we certainly did not bring it up, but I do not remember it being discussed. I think that it is fair to say that that is not to say that they were not discussed.

Mr Allister: Thank you.

Mr Campbell: Your presentation mentioned savings and your attempts to get to the Housing Executive. You said that numerous e-mails were sent, but the Housing Executive did not come back to you. You said that the decreased installation cost plus the avoidance of having to pay a redecoration grant meant that the Housing Executive could save between £20 million and £30 million. Subsequent to that, Turkington's was not successful. Is that right?

Mr McKeag: That is right.

Mr Campbell: Obviously, you know what you would have bidding for in going for that contract, but do you have any idea, on an industry-wide basis, how much might have been saved at that time, without knowing what the successful contract was for?

Mr McKeag: That specification change was industry-wide; it was not just for Turkington's. When we started the dialogue, there was talk of 50,000 homes. That figure changed: it went down to 40,000 and then 30,000. I do not know what the correct figure is, but based on 50,000 homes, the savings would have been £20 million to £30 million throughout the country, not just for Turkington's.

Mr Young: At the time of the meeting, I thought that there were 50,000 homes still to be done. That is how I worked out the cost of £32 million or whatever. At the meeting, it turned out that there were only 40,000 homes left to be done. That is why the figure was reduced pro rata for the number of homes.

Mr McKeag: It is a big multiplier.

Mr Campbell: What I am trying to get at is that, whatever the number of homes was at the end, you had had a meeting as Turkington's. Whatever anyone else thought the meeting was, you are clear that you were there as Turkington's.

Mr McKeag: Absolutely.

Mr Campbell: That is fine. We will have to ask the Minister what his impression was.

You raised the issue of potential savings of between £20 million and £30 million based on the figure of 50,000 homes. A lesser figure, pro rata, would mean a lesser saving. Is it your understanding that the savings that you had itemised at the meeting with the Minister would have been reflected in subsequent contracts?

Mr McKeag: Yes.

The Chairperson: Sorry, gentlemen, this is going into the issue of savings or specifications, which this Committee is not inquiring into. The gentlemen were advised of what the subject of this session would be, as were the other witnesses. We are not discussing or dealing with specifications and whether they were right or wrong, appropriate or over-expensive. That is not the purpose of this inquiry, so there is no point in asking the two gentlemen to explain whether there would have been savings made, whether greater, less or other. That is not their remit, and it is not in the remit of the inquiry.

Mr Campbell: I understand that, but savings were accrued as a result, even if it is outside the remit of the inquiry.

The meeting was almost two years ago, in February 2012. Do you recall roughly how long the meeting lasted?

Mr McKeag: I would say about 45 minutes to an hour.

Mr Young: Yes, about 45 minutes.

Mr Campbell: You said that you had had meetings with other Ministers from various parties. One of the previous questions was about minute taking. Did you take minutes? I do not know whether anybody else took minutes, but you did not take minutes at any of those meetings.

Mr McKeag: I would have had bullet points in case I forgot any points that I wanted to make. Once the meeting was over, I would destroy them; I would not keep them.

Mr Campbell: OK.

Mr Copeland: Somewhere in the back of my mind is Fusion21. Were you at the same meeting as the Glass and Glazing Federation and Fusion21, or were those separate entities?

Mr McKeag: We were not at any meeting with Fusion21.

Mr Copeland: You were not at any meeting and had no knowledge of Fusion21 contacting the Minister.

Mr McKeag: No. To be honest with you, I do not know what that means.

Mr Copeland: I think that it is another trade group of some description.

I am trying to get it right in my own mind. You saw the Minister and you said, "We can save you money". Obviously, any Minister is interested in saving money; he would fail in his duty were he not. If there were 50,000 units, based on your estimate, the sum was many millions of pounds. As the meeting progressed, did the potential savings decline, because there was some uncertainty about the number of units involved? Was the Minister quite clear in his mind about what the actual potential savings were as opposed to a figure extrapolated against 50,000 units, or did that come later?

Mr Young: We covered the glazing and the health and safety issues pretty quickly; we then talked about the second issue. He wrote down the figures as we went along. He totted up the value himself.

Mr McKeag: We went over it a few times. It was such a huge sum of money that it was difficult to believe at the start. It caught his attention very quickly. We put the numbers to him two or three times just to make it sink in that this could be the saving.

Mr Copeland: At that time, did you have a direct contractual relationship with the Housing Executive or the installer?

Mr McKeag: Just with Mascott Construction, the main contractor.

Mr Copeland: And it was present at the meeting as well.

Mr McKeag: No, but I told Mascot. I was very careful. We had a good contractual relationship with Mascott that I did not want to damage, because we were getting business from it. I told Mascott afterwards that we had been at the meeting and the reason why we had been at it. It was Mascott that suggested that we contact the Housing Executive directly because of the specialist nature of what we were talking about.

Mr Copeland: Even though you had no direct contractual relationship with the Housing Executive.

Mr McKeag: That is normal.

Mr Copeland: I understand that.

Mr McKeag: If things get technical, I, as a contractor, would tell my subcontractors to deal directly.

Mr Copeland: So you went and you saw the Minister. Did you identify the breakdown and the way in which any potential savings could be achieved? I understand that the Housing Executive had a particularly good record in specifying — some would say "overspecifying" — the quality of goods that it supplied because it has an issue with long-term maintenance. Its existing window system — the one that it was using at the time — proved to be quite successful. There had been very little call back and very little difficulty in installing the windows, except in some high-rise areas. That had been arrived at by a process. It was established and accepted that that is the Housing Executive's standard. You were essentially saying that, by altering the standard and making tweaks, substantial savings could be made. Northern Ireland has a distinctively different method of installing windows —

The Chairperson: Sorry, Michael. I want to be fair to everybody. In fairness, Gregory respected the guidance when asking the last question. This is not about savings or specifications; this is about the meeting — who attended the meeting, the purpose of the meeting, who asked for the meeting and why the meeting was described as one thing as opposed to another. That is the salient and only relevant point to this inquiry.

Mr Copeland: I understand. I was trying to develop the tack that the meeting took.

Mr McKeag: To answer your question, the specification was good for its day, but all specifications move on. There was a reason for that specification: the windows were secured into the reveal. With modern technology, you do not do that. As I say, the specification had moved on. The Housing Executive is under a lot of pressure, as you know —

Mr Copeland: This is my point: how did you quantify to the Minister what the potential savings were?

The Chairperson: Michael, can you get to a point relevant to the purpose of the meeting?

Mr McKeag: All the work around the reveal was omitted; that is where the saving was. The housing grant — the grant to the tenant — was the biggest saving of all.

Mr Copeland: The Minister was in no doubt at that time that the biggest potential savings were in the redecoration grant.

Mr McKeag: Yes.

Mr Copeland: Did you produce any evidence to him?

Mr McKeag: Appendix B —

The Chairperson: Sorry, Michael. Sorry, Jim. I know that you are trying to respond faithfully to members' questions, and I understand that that puts you in a difficult position. I suggest that this is a relatively easy issue to get to the nub of. Michael started his question by asking whether Fusion21

was at the meeting. That is relevant because, in the documentation that we have, a letter had been drafted that included Fusion21 and the Glass and Glazing Federation at the meeting.

Mr McKeag: The Glass and Glazing Federation might have been at the meeting with Fusion21, but we certainly were not.

The Chairperson: The initial letter that had been drafted referred to a meeting between Turkington's and the Minister. That letter was subsequently changed and includes Fusion21 and the Glass and Glazing Federation. You are obviously surprised at that; you have no control over that. You have no explanation of how that letter was changed to reflect —

Mr McKeag: We have not seen the letter.

Mr Young: We do not know who Fusion21 is.

The Chairperson: That is fair enough. You did not write the letter. I appreciate that.

Mr Clarke: Taking you back to the meeting, Jim asked you about the minute taker. Can we be clear about who took the minutes?

Mr McKeag: I do not know the name of the person.

Mr Clarke: So can we assume that it is fair to say that it was neither the Minister nor the special adviser?

Mr Young: I cannot honestly say who took the minutes.

Mr McKeag: There was a girl there who I thought was taking the minutes.

Mr Clarke: Can I draw your attention to the letter in which you requested the meeting? You are clear in your knowledge about Turkington's, but I draw your attention to the last paragraph of the letter, which says:

"We are also active members of the Glass and Glazing Federation."

Given that the minute taker would have had knowledge of the meeting and who was coming to it, do you agree that there could be confusion, given the fact that you made representation in your correspondence that you were also active members of the Glass and Glazing Federation?

Mr McKeag: We are, but we were not representing it. That was clear.

Mr Clarke: No. The point that I make is that you went to the length of emphasising in your correspondence requesting the meeting that you were active members of the federation. Do you accept that someone could construe from that that your representation could also have included the Glass and Glazing Federation?

Mr McKeag: I do not see how they could.

Mr Clarke: What was the purpose of putting the Glass and Glazing Federation in the letter if you were merely making your representations on behalf of Turkington's?

Mr McKeag: If we were to write that letter today, it would be a completely different letter. We wrote the letter requesting a meeting. We wanted to put that in it because we worked to the standards of the Glass and Glazing Federation, which is a recognised body. I suppose that you could say that it was the kudos of the company.

Mr Clarke: That is a fair enough point. You have made a fair point that you would write it differently today and might not include that, which could draw us all to the conclusion that there could have been confusion by your admission of that in the letter in the first place.

Mr McKeag: As I said, the Glass and Glazing Federation phrase came up three times during the meeting. Whether people construed that in whatever way, I have no idea.

Mr Clarke: I take you back to your response. You said that you may construct the letter differently. This is where I am trying to tie this down. You have said that it came up during discussions, but, primarily, it came up on your request for a meeting, first and foremost, and, on your admission, you have just said that, if you were framing the letter, you would frame it differently today. Would you frame it differently today because you made reference to it and there has been confusion afterwards?

Mr McKeag: We would rephrase it because I am sitting here today, to be honest with you. *[Laughter.]* If I am going to write a letter and you do not know me from Adam, I will tell you who I am. I am trying to let you know that we are not a fly-by-night organisation; we are a member of a recognised organisation that fits windows to a recognised national standard. That is why it is in there. If I were to write a letter today, I still think that we would say that we were members of the Glass and Glazing Federation because that gives you a certain kudos, I would have thought.

The Chairperson: Being a member of the federation does not make you a bad person. *[Laughter.]*

Mr McKeag: Thank you; that is a more eloquent way of saying it.

The Chairperson: It is important to establish that. People would normally, I presume, refer to their bona fides.

Mr Allister: Could anything have been said at the meeting with the special adviser in January to suggest that you were a spokesman for the Glass and Glazing Federation?

Mr McKeag: I was not at the meeting.

Mr Allister: You were not at it.

Mr Young: Trevor and I were at it. We were there on behalf of Turkington's.

Mr Allister: It was equally clear at that meeting that you were just Turkington's?

Mr Young: Yes.

Mr Brady: This is a simple enough question: at the meeting on 16 April did you suggest or imply at any point that you represented the Glass and Glazing Federation?

Mr Young: No.

Mr Brady: So, if minutes were being taken and you did not mention it, it should not have been included in the minutes, presumably. Before or after the meeting, did you at any time contact the Glass and Glazing Federation?

Mr Young: No.

Mr Brady: Did you feel the need to do so?

Mr McKeag: No. We knew their standards.

Mr Brady: Essentially, what you are saying and have said all along is that you were there as Turkington Holdings and not to represent anyone else.

Mr McKeag: No.

Mr Brady: So it would be difficult to see how anything else could be inferred.

Mr Dickson: Who is the current chair of the Glass and Glazing Federation, and which employer or company are they involved with? At the time, who would it have been, had it not been you?

Mr McKeag: Are you asking who the chairman was at the time of the meeting?

Mr Dickson: Yes.

Mr Young: At the time of the meeting, it was Michael Ravey from Glas Seal.

Mr Dickson: They were not involved in any of these contracts.

Mr McKeag: No.

Mr Dickson: The minutes of the meeting describe you as

"Jim McKeag, Representative of the Glass and Glazing Federation"

and

"Ian Young, Representative of the Glass and Glazing Federation".

Yet the first line of the minute reads:

"Ian advised his company Turkington Holdings that they have extensive double glazing experience and are installing windows for the NIHE"

Further on in the minute, it mentions

"the representatives of the Glass & Glazing Federation".

Are you concerned about the confusion in the minutes?

Mr Young: We did not get a copy of the minutes. Had we got a copy, we would have gone back and said that we were there on Turkington's business.

Mr McKeag: We could not misrepresent ourselves. We had no authority to be there on behalf of the Glass and Glazing Federation. Had we wanted to, we would have contacted the Glass and Glazing Federation.

Mr Dickson: My colleague, Mr Clarke, was trying, perhaps, to suggest that there was no reference to Turkington Holdings at the meeting. However, you were referred to, because you and Ian said that your company was Turkington Holdings.

Mr McKeag: At the start of the meeting, I did a bit of a presentation on who we were and where we came from, because people there would not have known us or the history of the business.

Mr Dickson: Have you any idea then why, when the Minister wrote to the Chair of the Committee, he said:

"I met with representatives of the Glass and Glazing Federation"?

Mr McKeag: No.

Mr Dickson: I appreciate the Chair's guidance with regard to hinges and the nature of the contract, but what motivated you to wish to speak to the Housing Executive about this?

Mr McKeag: The first part of the two items. We were contravening health and safety legislation.

Mr Dickson: That I understand, but why does that require a meeting with a Minister or even a government special adviser? Surely, with an organisation the size of the Housing Executive, you have a good working relationship with their health and safety people.

Mr McKeag: We have not worked with them. As I said in my briefing, we had not worked with them for a considerable time. The jobs were live, so these things were happening live.

Mr Dickson: Why did you not, for example, contact the Health and Safety Executive?

Mr McKeag: We took the initiative and did not do what the Housing Executive asked. Health and Safety Executive rules would be more important than Housing Executive rules, as far as lifting or manual handling is concerned.

Mr Dickson: Yes, but you or perhaps the trades union that you recognise could have gone directly to the Health and Safety Executive and made a formal complaint. Then the work would have stopped immediately, would it not?

Mr McKeag: I think it is more important to try to work with people than to go down that route.

Mr Dickson: How long did it take to get the meeting with the Minister? What time elapsed between recognising that you had a health and safety issue and getting the meeting with the Minister?

Mr Young: As Jim said, we were laying the ground, so we took the initiative. When you pair the cast and the frame together, it is a very heavy item.

Mr Dickson: I understand that, so —

Mr Young: We said that we would not send an e-mail to Mascott to say that we would bring these to sites separately. That still needed to be ratified by somebody to say —

Mr McKeag: We took the initiative to stop it and do it properly.

Mr Dickson: So you did stop.

Mr McKeag: Yes, and, at the same time, we tried to get the thing changed.

Mr Dickson: How long was it from the time that you stopped until you met the Minister?

Mr Young: I think that we stopped at about the end of January sometime. The meeting with the Minister was in April.

Mr Dickson: OK. So it took from January to April to draw the Minister's attention to a serious health and safety breach and, in the meantime, Housing Executive tenants were not getting an appropriate service.

Mr McKeag: They were getting —

Mr Dickson: The planned delivery of windows and frames was not happening.

Mr Young: They were still getting them —

Mr McKeag: There was no stop in the programme.

Mr Dickson: However, they were getting them separately, were they?

Mr McKeag: No.

Mr Young: The specification would have said that they had to be factory-glazed.

Mr Dickson: Yes, so you continued with that.

Mr Young: No, we did not, but you can still take them to site and install them there.

Mr McKeag: We brought the window and glass separately at the same time.

Mr Young: Yes, but it did not stop the —

Mr Dickson: Do you put them together on site and put them in the house?

Mr Young: It is quite a big difference.

Mr Dickson: Well, Mascott did, not you.

Mr Young: No, we did.

Mr McKeag: We fitted the windows.

Mr Dickson: You fitted the windows, OK. I am interested to know the time frame between your raising the issue with the Health and Safety Executive and meeting the Minister. However, I am more interested to know what motivated you in relation to the second point, which was to say that there was a more cost-effective way of doing this. What was the motivation behind that?

Mr McKeag: Well, apart from the huge savings for everyone involved, it made the job faster and cheaper for the Housing Executive. No wet trades were involved and no dirty work in taking off reveals; no plasterers were brought in to people's houses. It made the installation quicker.

Mr Dickson: And was there no difference to the value in the contract to you?

Mr McKeag: Any saving would have gone to the Housing Executive.

Mr Young: The value would be less.

Mr McKeag: The value is less, but the Housing Executive got that value. We were not getting the same price by creating a saving; we were getting paid for what we did.

Mr Dickson: How long had the methodology that you proposed to the Minister been standard practice outside the Housing Executive contract?

Mr Young: In the Glass and Glazing Federation or UK-wide, I do not know exactly, but it has been there for a long time.

Mr Dickson: Had there been a long gap since your previous contract to supply windows in this manner to the Housing Executive?

Mr Young: We had not worked for the Housing Executive as a main contractor or subcontractor for 11 years.

Mr McKeag: I think we said that in a briefing.

Mr Young: The last one was a newbuild contract, so taking out windows did not apply.

Mr Dickson: It did not apply, OK.

Mr F McCann: I have just two points to make. Thanks, gentlemen, for your presentation. After the meeting, did you report to anyone at Turkington Holdings about what had occurred at the meeting? If you did, who did you speak to and what did you speak about?

Mr McKeag: Did we report back?

Mr F McCann: Yes.

Mr McKeag: I spoke to Mascott after the meeting.

Mr F McCann: What about?

Mr McKeag: Just to say that they had immediately taken on board the health and safety issue and had gone away to contemplate the savings. No direct decision was made at the meeting to do with the savings. We just reported that it was ongoing.

Mr F McCann: You did not speak to anyone else in Turkington Holdings about what had occurred at the meeting.

Mr McKeag: I would have reported to my boss, Trevor Turkington.

Mr F McCann: What was the discussion about?

Mr McKeag: Just that we reported at the meeting, that we got the health and safety issue resolved and that they were going to report on the savings. That is all that we could report.

Mr F McCann: The letter that you signed, Ian, states that the scheme

"promises great potential, if executed properly. But we urge caution that if this scheme is not handled properly, a great opportunity could be lost".

What does that mean?

Mr McKeag: I assume that it meant that, unless they incorporated the specification changes, they would not get the benefit of the savings.

Mr F McCann: I do not want to go into the savings, but the vast majority of the savings were in the way of redecoration grants.

Mr McKeag: Yes, that is right.

Mr F McCann: Therefore there was no big change in what was being offered; it was just that the savings —

Mr McKeag: The installation of the windows would have been faster and cheaper, and the savings would have gone to the Housing Executive.

Mr Young: The redecoration grant was probably given out because of the mess that a plasterer makes.

Mr McKeag: The tenant would have had to redecorate — wallpaper and paint.

Mr F McCann: I have been in a lot of houses before and after, and there was still a mess. However, I do not want to go into that.

Mr McKeag: Yes, but it would be greatly reduced.

Mr Copeland: I want to clear something in my mind. You were a subcontractor with Mascott. Did Mascott fit the windows, or did you supply and fit them?

Mr Young: We supplied and fitted them.

Mr McKeag: Mascott previously bought windows and fitted them itself. That is all right if you are doing a house, but doing 400 houses is a specialist job, and it came to us to supply and fix.

Mr Copeland: Right. I presume that you had other strings to your bow and I accept that, with most double glazing, a frame is sent out and the glazing is then fitted. Your production line was set up to manufacture windows and glazing units separately and bring them together on site subsequently, as opposed to sending out window frames with the sealed units in them. Is that correct?

Mr Young: We always buy glass in; we never manufacture glass. Turkington's only makes windows.

Mr McKeag: The manufacturing process did not change; we manufacture the windows as normal, and they are put together. You either glaze it and take it out or you set the glazing with it and take it out and it is glazed on site.

Mr Copeland: Across all the contracts that you have, how many required frames and glazing units to be put together in one piece before they were sent out?

Mr McKeag: Do you mean factory-glazed?

Mr Copeland: Factory-glazed.

Mr Young: At the start, they had to be factory-glazed, but we changed it.

Mr Copeland: In general.

Mr Young: We always install glass on site.

Mr McKeag: We never factory-glaze.

Mr Young: We put the window in, bolt it to the frame and then glaze it.

Mr Copeland: I do not mean this disrespectfully, but, in some respects, you were saying, "This is the way that we do it. This is the best way to do it. You should change your specification, even though it might have been arrived at at the end of a process".

Mr McKeag: No. Essentially, it was a breach of health and safety legislation on manual handling.

Mr Copeland: Right. And none of the other people who supplied windows or frames here or in the UK or the Housing Executive raised that. Essentially, what we are saying is that the Housing Executive specification —

The Chairperson: Michael, we are getting into stuff that is not the remit of this afternoon's session. We will move on.

Mr Wilson: I want to put this all in context. You sought a meeting simply because you had been unsuccessful in getting any satisfactory response from the Housing Executive despite how many requests?

Mr McKeag: There were follow-up e-mails.

Mr Young: There was a meeting and then follow-up e-mails.

Mr McKeag: How many e-mails?

Mr Young: At least two.

Mr Wilson: The main point of the meeting and one of the reasons why you copied me into that letter was that you wanted to identify savings to the Minister.

Mr McKeag: There were two issues: the health and safety issue and the savings.

Mr Wilson: Regardless of how the meeting was described, its outcome was that substantial savings were made to the public purse.

Mr McKeag: Yes. Both in the existing contract and in a new contract that has just been let.

Mr Wilson: Your company did not benefit from it. So, however the meeting was described, it was not and could not be construed in any way as hiding some advantage for Turkington's.

Mr McKeag: You have heard what we had to say today. I do not think that anyone around this table could construe that it was beneficial to Turkington's. I do not see how you could do that.

The Chairperson: I want to summarise this.

Mr Campbell: Chairman, could I ask just one —

Mr Dickson: I want to make a brief point. Mr Wilson made the point that the letter invited the Minister and him to a meeting about substantial savings.

Mr Wilson: I was not invited to any meeting.

Mr Dickson: Sorry, I know that you were not invited to a meeting. The letter refers —

The Chairperson: Sorry, folks, one wee second, please. Make all comments through the Chair and ask the Chair to let you speak. Another member was about to speak when you intervened.

Mr Campbell: I have one question about the Glass and Glazing Federation. You said that you met the Minister when he was at DCAL a number of years previously. Is that right? Minister McCausland?

Mr McKeag: No, I did not: Trevor Turkington met him in 2009.

Mr Campbell: The company did, and that was how you had the contact details for his special adviser.

Mr McKeag: That is right.

Mr Campbell: There was then a meeting or conversation to set up the meeting that we have the minute of. Was that a telephone conversation or a meeting?

Mr McKeag: My PA would have contacted Mr Brimstone to arrange a meeting for Trevor and Ian with the Minister. I was not at the meeting.

Mr Campbell: At that meeting, would you have referred to the fact that Turkington's was a member of the Glass and Glazing Federation?

Mr Young: We probably did. We probably said that we were members of the Glass and Glazing Federation and that we installed to its standards.

Mr McKeag: We think that that is something to be proud of.

Mr Campbell: Yes. I can see why. However, it was your recollection that that was mentioned at the meeting.

Mr Young: It probably was. We were there on business for Turkington's.

Mr Campbell: I understand that. You have been explicit about that. However, the Glass and Glazing Federation membership was mentioned in the set-up meeting, if you like, for the meeting with the Minister and then came up several times during the meeting. That is what you said earlier.

Mr McKeag: Yes, that is right.

Mr Campbell: OK.

Mr Dickson: Apologies, Chair. If the letter that you are referring to is the letter from your company dated 2 February, which is cc'd to Sammy, I do not see anything in it that says that substantial savings could be made or any reference to the costs or value of the contract. It is simply a general *[Inaudible.]* to congratulate the Executive on its foresight in tackling fuel poverty. It offers your services and

suggests that specialist glazing manufacturers and installers could assist the Department in undertaking a major programme of work.

Mr Clarke: Find the fourth paragraph.

Mr Dickson: In particular, it promises "great potential if executed properly" but urges:

"caution...if the scheme is not handled properly".

None of that tells me that that there are millions of pounds to be saved.

Mr McKeag: In the meeting we mentioned that substantial savings could be made. I assume that Mr Brimstone notified the Minister of that.

Mr Dickson: Do you not think that the letter might have made reference to the meeting with Mr Brimstone?

Mr McKeag: As I said, if we were to write the letter again, maybe we would write it differently. However, we wrote it the way that we wrote it when we wrote it. We could all say that it could have been written better.

Mr Dickson: I am not suggesting that the letter could have been written better. I am suggesting that it seems odd that there is no reference to something like "further to our meeting with Mr Brimstone, when we set out potential savings".

Mr Clarke: Perhaps to help Mr Dickson, paragraph 4 of the letter states:

"This particular scheme promises great potential if executed properly but we urge caution that if the scheme is not handled properly a great opportunity could be lost."

Rather than having meetings with Ministers, do we want to spell out every last detail when requests are made? That is explicit enough. It says:

" a great opportunity could be lost".

It has been explained today that there were £20 million pounds worth of reasons why this opportunity could have been lost if they had not had the meeting.

Mr Dickson: It does not say what the lost opportunity was.

Mr Allister: I think that we should give these two gentlemen the opportunity to comment on this. They have said that they met the Housing Executive in late 2011 and then their e-mails were ignored. In its written submission — we will hear its oral evidence later — the Housing Executive told us that there was a meeting between Turkington's and its policy and standards team on 13 March 2012, just a month before the meeting with the Minister. You have not mentioned that meeting. Was there such a meeting?

Mr Young: I cannot recall.

Mr Allister: You have been explicit that there were no meetings after November and that e-mails were ignored, yet the Housing Executive will tell us that it met you on 13 March, and you cannot remember.

Mr McKeag: If it was on 13 March, it would have been after we requested a meeting with the Minister.

Mr Allister: Yes, but before you met him.

Mr McKeag: If that meeting happened, you can understand why.

Mr Allister: I am asking you whether that meeting happened.

Mr Young: I honestly cannot recall. I will have to get back to you on that.

Mr McKeag: How many times did you meet Mr Adamson?

Mr Young: Once.

Mr McKeag: He is the specifications man.

Mr Young: Yes.

Mr McKeag: You met him in late 2011.

Mr Young: Yes.

Mr McKeag: We met the specifications person once in late 2011.

Mr Allister: The Housing Executive will tell us that you met its policy and standards team. I do not know who that is, obviously.

Mr McKeag: I certainly did not meet them. Did you?

Mr Young: We met only one person.

Mr Allister: Finally —

Mr McKeag: You have site teams, site supervisors and site contracts managers. Perhaps they had some dialogue that we are not aware of, but there was certainly no meeting at our level.

Mr Allister: Nothing was reported to you about such a meeting.

Mr Young: In March 2011?

Mr Allister: 2012.

Mr McKeag: In other words, after we had requested a meeting and before we met Mr Adamson again.

Mr Young: There might have been a meeting in the offices of Turkington.

Mr Allister: I did not specify where the meeting was.

Mr Young: With his team. That was to do with a contract and getting a sample passed for a contract. I think that Mr Adamson was there.

Mr Allister: The Housing Executive is going to tell us:

"We"

— the executive —

"were aware that they"

— Turkington's —

"had some ideas about how double glazing could be fitted more economically, a meeting having previously taken place between representatives of Turkington Holdings and our Policy and Standards Team (13th March 2012)."

You seem to have a blank about that meeting.

Mr Young: We met Mr Adamson on his own prior to that. That may have been a meeting to do with the contract and getting a window passed for a certain contract.

Mr Allister: Was there a meeting or was there not in March?

Mr Young: I could not tell you when it was. There was a meeting, yes. There were —

Mr Allister: So you are now saying that there was a meeting.

Mr Young: There were four people from the Housing Executive at it.

Mr Allister: You now remember the number at it. This is a meeting that you could not remember a few minutes ago.

Mr McKeag: It was a meeting that had nothing to do with what we are here to talk about; it was a meeting to do with getting a sample house prepared for approval. Is that correct?

Mr Young: That is right, yes.

Mr Allister: According to the Housing Executive, it was aware of your ideas about fitting things more economically because of the meeting on 13 March.

Mr McKeag: It was told about it on 11 November.

Mr Allister: Sorry, did the meeting of 13 March deal with how you could do the job more economically?

Mr Young: It was to do with getting a window passed for a contract.

Mr Allister: Would that be how you would do the job more economically?

Mr Young: It may have come up, but I do not honestly remember. It was more to do with getting a contract pass for a site.

Mr Allister: No doubt we will hear from the Housing Executive about that meeting, but I thought that you should have the opportunity to comment.

Finally, are you putting it on the record emphatically that Turkington Holdings had nothing to gain from a hinge change?

Mr Young: Absolutely no.

Mr Allister: Absolutely no.

Mr Young: No.

Mr Allister: Thank you.

Mr Wilson: Just so that we can be clear about the meeting in March, when you requested the meeting with the Minister — you asked for the meeting with the Minister in January, you were finally told in February that the meeting could be granted but not until April 3 — you had had no response from the Housing Executive. Hence — in fact, I think that you have made it clear in your earlier evidence — had a meeting been granted by the Housing Executive or had there been a response from the Housing Executive at an earlier date, you would not have needed to go near the Minister.

Mr Young: Correct.

Mr McKeag: Yes. I will just emphasise again that we were live on site, and that makes a big difference to people responding.

The Chairperson: Obviously, we will pursue that with other people who will present evidence to the Committee, not least this afternoon, because it flows on that, if there was any discussion — you acknowledge that there was a meeting — would the upshot of that not have led to the Minister or other senior officials? However, that is something that we will take up with others, and we may have to return to you if you say, in fairness, that you were not clear on all the detail of that meeting. So, we may have to return to that.

I want to encapsulate some of this. First, I am trying to summarise the evidence so far. It was very clear that the meeting that was held on 16 April was requested by Turkington's and by Turkington's alone, representing only Turkington's.

Mr McKeag: Yes.

The Chairperson: That is fair enough. The meeting did not refer to representing anybody else, whatever organisations you might be members of. It did not refer to anybody else, nor did it suggest that it represented anybody else. You have no explanation of how the meeting was subsequently characterised as being a meeting with the Glass and Glazing Federation and Fusion21.

Mr McKeag: We never saw a minute of that meeting.

The Chairperson: You did not receive any minutes of that. OK. You are saying that there was no discussion by you at that meeting on the 16th about getting the contracts or lobbying for work or anything of that nature.

Mr McKeag: No, none whatsoever.

The Chairperson: OK. That is fair enough.

No other members have indicated that they wish to speak. I want to give you gentlemen an opportunity. Is there anything else that you want to put on the record this afternoon, or are you happy enough that you have covered the issues? I just want to give you a fair opportunity.

Mr McKeag: I think that we have covered everything. However, I reiterate that we had concerns, we tried to get them resolved at a lower level, and they were not resolved. We were live on site, which makes a big difference to people's response times. We took it further, and that is why we are here today. In all of this, particularly in the press, what has been lost is the substantial savings that have been derived because Turkington's took that initiative. Indeed, you could say that we have been lambasted in the press over it. It is unfair.

The Chairperson: OK. Fair enough. So, you are happy enough, at least for now, that you have put your case on the table. I thank you, Jim and Ian, for your presence this afternoon.

Mr McKeag: Thank you.