



Northern Ireland  
Assembly

Public Accounts Committee

**Joint Report on Management of the NI Direct Strategic  
Partner Project – helping to deliver Digital  
Transformation and The LandWeb Project: An Update**

**Together with the Minutes of Proceedings of the Committee relating to the  
Report and the Minutes of Evidence**

**Ordered by the Public Accounts Committee to be printed on 17 December  
2020**

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**This report is embargoed until 00:01am on Thursday 21 January 2021**

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## PUBLIC ACCOUNTS COMMITTEE

### Membership and Powers

The Public Accounts Committee is a Standing Committee established in accordance with Standing Orders under Section 60(3) of the Northern Ireland Act 1998. It is the statutory function of the Public Accounts Committee to consider the accounts, and reports on accounts laid before the Assembly.

The Public Accounts Committee is appointed under Assembly Standing Order No. 56 of the Standing Orders for the Northern Ireland Assembly. It has the power to send for persons, papers and records and to report from time to time. Neither the Chairperson nor Deputy Chairperson of the Committee shall be a member of the same political party as the Minister of Finance and Personnel or of any junior minister appointed to the Department of Finance and Personnel.

The Committee has 9 members including a Chairperson and Deputy Chairperson and a quorum of 5.

The membership of the Committee since 20 January 2020 has been as follows:

Mr William Humphrey (Chairperson)

Mr Roy Beggs (Deputy Chairperson)

Mr Cathal Boylan

Mr Harry Harvey<sup>1</sup>

Mr Maoliosa McHugh

Mr Matthew O'Toole<sup>3</sup>

Ms Órlaithí Flynn

Mr David Hilditch

Mr Andrew Muir<sup>2</sup>

<sup>1</sup> With effect from 17 February 2020 Mr Harry Harvey replaced Mr Gary Middleton

<sup>2</sup>With effect from 31 March 2020 Mr Andrew Muir replaced Mr Trevor Lunn

<sup>3</sup>With effect from 19 May 2020 Mr Matthew O'Toole replaced Mr John Dallat

## List of Abbreviations used in the Report

BT	British Telecommunications Group plc
the Committee	Public Accounts Committee (PAC)
C&AG	Comptroller and Auditor General
CPD	Construction, Procurement and Delivery
DoF	Department of Finance
LPS	Land and Property Service
NICIC	Northern Ireland Customer Interaction Centre

## Executive Summary

1. The Public Accounts Committee met on 24 September 2020 and on 22 October 2020 to consider two reports by the Comptroller and Auditor General (C&AG): “Management of the NI Direct Strategic Partner Project - helping to deliver Digital Transformation” and “The LandWeb Project: An Update”.
2. The main witnesses were:
  - **Ms Sue Gray**, Accounting Officer, Department of Finance;
  - **Mr Paul Duffy**, Strategic Programme Director, Department of Finance;
  - **Mr Ian Snowden**, Chief Executive Land and Property Services, Department of Finance;
  - **Mr Kieran Donnelly**, Comptroller and Auditor General; and
  - **Mr Stuart Stevenson**, Treasury Officer of Accounts, Department of Finance.
3. In the Committee’s view, the performance of the Department of Finance (DoF) in negotiating and contract-managing both the NI Direct and The LandWeb Project contracts fell considerably short of the standards expected of any public body never mind the Department of Finance who should be setting an exemplar standard.
4. The Committee was shocked by the number of contract extensions in both contracts. In the case of NI Direct, the contract terms were not understood by DoF and, as a result of failing to put alternative delivery mechanisms in place, the contract had to be extended for three years. In the case of The LandWeb Project, Land and Property Service (LPS) reported that, because of another procurement pressure, the contract will have to be extended. LPS will only be going to the market to procure a replacement system in 2021. The LandWeb contract is now likely to be in place in excess of 25 years, eight years beyond the original timeframe.
5. The result of these contract extensions has been a colossal increase (of over £120 million) in payments to BT (£61 million on The LandWeb Project; and £60 million through the NI Direct contract). Costs incurred over the life of both contracts will now be more than double the original contract values. The

Committee was left with no option but to conclude that significant opportunity existed for BT to generate very large profits from both contracts, at the expense of citizens and fee payers.

6. In the Committee's view, when it came to protecting public money, there was a culture of indifference. This was epitomised when the NIAO queried significant overruns on the contract and were met with a "so what?" response.
7. It was evident to the Committee that DoF staff involved with these contracts did not have the necessary commercial skills or experience to negotiate the best deal for citizens or to manage contracts.
8. The Committee identified that in the LandWeb Project, DoF did not secure open book accounting. As a result, DoF has no idea what profits are being made by a supplier and is, therefore negotiating blindly. Equally damning was the discovery that, in relation to the NI Direct contract, where open book accounting was secured, contract management procedures did not extend to routinely examining BT's books. Therefore, DoF had little idea of BT profit margins and the Committee was concerned these could be large. It is very clear that BT "ran rings round civil servants".
9. The Committee, dissatisfied with the depth of responses and explanations provided at the first evidence session, recalled the witnesses to a subsequent session. The Committee expects witnesses to be up to speed and have reflected on events, even where these occurred before their tenure. Witnesses are expected to have consulted where necessary with previous officials, so they can fully inform the Committee and address any concerns raised.

## Recommendations

### Generic Recommendations

#### Recommendation 1

10. The Committee considered that when it came to protecting public money, there was a culture of indifference. This was epitomised when the NIAO queried significant overruns on the contract and were met with a “so what?” response.

**The Committee recommends that DoF carries out a deep culture audit of its own department and this should be rolled out across the wider civil service. This work should provide a baseline to monitor the extent to which performance improves as a result of on-going improvements in culture.**

#### Recommendation 2

11. The Committee heard from witnesses that a system is now in place within DoF to monitor contract expiry dates and expenditure levels. The Committee expected that such basic systems would have been in place many years ago.

**The Committee recommends that all departments take immediate steps to ensure that all other contracts are being managed more effectively, that expiry dates are known and are being planned for. The Committee expects all departmental contract registers to be robustly maintained.**

#### Recommendation 3

12. The Committee concluded that silo working exists, not only within DoF but also across departments.

**The Committee recommends that work is undertaken across the civil service and arms' length bodies to establish the details of staff with contract management and commercial skills. Once completed, the Committee expects to see departments**

**working together to create multi-disciplinary teams so that the use of skilled, experienced staff is maximised.**

#### **Recommendation 4**

- 13. The Committee recommends that DoF puts arrangements in place to ensure that the benefits of contracts to the citizen is quantified.**

#### **Recommendation 5**

- 14. The Committee notes the incidence of Direct Award Contracts has fallen in DoF during the tenure of the current Accounting Officer.**

**The Committee recommends that the incidence of contract extensions by all departments is closely monitored and regularly reported to departmental boards and that the information, in summary form, is reported to the NICS Board<sup>1</sup>.**

#### **Recommendation 6**

- 15. The Committee was disappointed with the depth of response and explanation provided by the witnesses in relation to the years of failure in contract and project management.**

**The Committee recommends that witnesses, in advance of sessions, get up to speed and reflect on events which occurred before their tenure, consulting where necessary, those officials who were previously responsible, so that they can provide the Committee with insight to the actual events.**

#### **Recommendation 7**

- 16. The Committee learned that the Department now has a Commercial Director in place, working across all parts of the department, liaising with the Cabinet Office and advising on procurement. This is a small first step in the right direction, but much work needs to be done to build the skills across the civil service.**

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<sup>1</sup> The NICS Board provides corporate oversight and strategic direction to the NICS as an organisation.

**The Committee recommends that departments develop a plan to ensure an efficient means of providing the commercial skills, knowledge and experience to maximise the outcomes of public sector procurement. The Committee would like to see this plan.**

### **Recommendation 8**

17. The Committee noted that, in LandWeb Project, DoF did not retrofit any VFM mechanisms into contract. Under the terms of the Strategic Partner Project contract, while DoF had contractual arrangements in place to ensure ‘open book accountancy’, these were not used to measure the profit margins being secured by BT.

**The Committee considers that all largescale project contracts must have inbuilt VFM mechanisms, such as open book accounting and benchmarking. The Committee does not believe that departments should be battling for access with private sector companies over such access. Staff managing contracts must be made aware of the importance of using the open book accounting mechanism to measure the value achieved through contracts and must develop the skills necessary to interrogate submitted accounts.**

### **Recommendations specific to Management of the NI Direct Strategic Partner Project - helping to deliver Digital Transformation**

### **Recommendation 9**

18. The Committee heard that significant staff changes occurred within DoF over the life of the Strategic Partner Project contract.

**The Committee recommends that steps are taken to ensure continuity of staff throughout the life of contracts. Where continuity cannot be sustained, robust arrangements must be put in place to ensure that incoming staff are versed on the risks, problems and challenges of contracts.**

## **Recommendation 10**

19. The Committee considers that the starting point for digital transformation should have been developing a robust and secure identity verification log in system for citizens.

**The Committee recommends that DoF prioritises the issue of verifying citizen identity. To avoid additional waste, the Committee expects DoF to work alongside departments in Great Britain to identify the best solution.**

### **Recommendation specific to The LandWeb Project**

## **Recommendation 11**

20. Although DoF advised the Finance Committee in June 2020 that new fees would be in place for April 2021, this did not happen.

**The Committee recommends that new and appropriate fee proposals, are brought forward immediately following receipt of the analysis by the Ulster University to enable the Fee Order to become operational as soon as possible.**

## Management of the NI Direct Strategic Partner Project - helping to deliver Digital Transformation

### Background and Introduction

21. Providing public sector services exclusively through traditional channels (for example, face to face, by telephone or by mail) is no longer sufficient because citizens expect to be able to access public services online 24 hours a day. Modern day reliance on the internet has been highlighted during the COVID-19 pandemic which forced all but essential workers in Northern Ireland to stay at home and find ways of working, learning and studying from home. The challenge for the public sector is to devise innovative, secure solutions to improve the citizen experience and generate cost efficiencies for the citizen.
22. The NI Direct Programme was established in 2008 to make public services more accessible, accountable and responsive to individual needs and lifestyles by removing administrative boundaries and promoting joined up working. Responsibility for delivering the NI Direct Programme fell to the Department of Finance (DoF).
23. The NI Direct Phase 1 contract was awarded in 2008. It allowed DoF to transform the Northern Ireland Customer Interaction Centre (NICIC) from an exclusively switchboard service into a customer contact centre, providing information and simple transactional services on behalf of a number of public sector service providers.
24. In October 2012, DoF agreed a £50 million contract (the Strategic Partner Project) with British Telecommunications Group plc (BT) to provide Information Technology solutions, skills and capabilities to support public bodies move citizen services online. The initial term of the contract was 84 months (seven years) from the commencement date (October 2012). The contract included an option to extend the initial term for one further three-year period (to October 2022). While individual departments were responsible for managing projects procured through the Strategic Partner Project contract, overall responsibility for managing the contract fell to DoF.

25. In October 2018, DoF confirmed that it had mistakenly considered that the contract term was for ten years (rather than seven). As a result of that error, it was not possible to terminate the contract by the end of the seven years because alternative arrangements to ensure continuity of services had not been put in place. Total expenditure to October 2022 is now estimated to be in the region of £110 million - more than twice the original contract value.

### **Steps must be taken to measure and improve the culture across the NI Civil Service**

26. On the basis of the evidence provided by witnesses, the Committee concluded that when it came to protecting public money there was among some staff a culture of indifference. This was epitomised when the NIAO queried significant overruns on the contract and were met with a “so what?” response. This is extremely worrying. The Committee concluded that staff totally disregarded basic contract management procedures and noted that the serious control weaknesses were similar to those reported on policy delivery by the Independent Public Inquiry into the non-domestic Renewable Heat Incentive (RHI) Scheme.

27. While the Committee noted the assurances from the Accounting Officer that the culture is now much stronger, we are deeply sceptical and remain to be convinced about the scale of change which has been effected across DoF and the wider civil service.

28. The Committee was alarmed to learn that although serious weaknesses in DoF’s management of this contract had been identified, and reported to management by Internal Audit, external consultants and through a gateway review, steps had not been taken to improve control. It is totally unacceptable that the findings and recommendations of internal reviews and commissioned reports were largely disregarded and not acted upon. The Committee believes that much, if not all, of the forecast overspend could have been avoided if DoF had acted on the recommendations contained in these reports.

29. Departmental audit and risk committees provide expert challenge and help organisations focus on how to manage risk. The Committee heard that historically, several separate Audit and Risk Assurance Committees had been established for

individual business areas across DoF. The Committee highlighted that the danger with such a disjointed approach is that key risks may not be escalated to the Departmental Audit and Risk Committee.

30. The Committee welcomes the changes made to the audit and risk assurance process within DoF. The Committee agrees that the amalgamation of Audit and Risk Assurance Committees and the introduction of regular deep dive reviews into specific risk areas provides a more comprehensive overview, enhances risk management and should ultimately improve accountability.

**Departments must ensure that staff managing contracts have the requisite skills and experience so that citizens' money is safeguarded**

31. The Committee was shocked by latest estimates which indicate that £110 million of public sector funding will be expended by 2022 on this contract (which had an original contract value of £50 million). The Committee sent a clear message to the Department that this upper limit must not be exceeded.

32. It is clear from the evidence provided that DoF did not have the right people, with the right skills, in the right place to manage the Strategic Partner contract. This is unacceptable, particularly for DoF which should be an exemplar of best practice. The financial consequence of failing to put together a multi-disciplinary team with a dedicated, skilled contract management resource to actively monitor, track or control costs is significant and will cost the taxpayer an additional £60 million.

33. The Committee concluded that there was a "culture of spending" within the Department. Staff focused exclusively on delivery at the expense of contract management, which proved detrimental to providing value for money. This was a major failing and one the Committee felt most domestic households wouldn't make in managing their own finances. The failure of staff to focus on and control the escalating spend highlights that the internal systems were not sufficient and reinforces the Committee's view that the delivery team took no regard for other public sector priorities.

34. The Committee heard that significant staff changes occurred within DoF over the life of the Strategic Partner Project contract. Where personnel changes occur during the life of contracts, it is essential that incoming staff are made fully aware

of the risks, problems and challenges to ensure transparency and visibility. The Committee expected that the initial briefing provided to the Accounting Officer on the first day in post, would have identified a “red-alert” against this project given the cost overruns at that stage. That does not appear to have been the case.

35. The Committee is aware that many project management professionals are employed in DoF, within Construction, Procurement and Delivery (CPD) and finds it astonishing that they were not asked to help or give advice to ensure that this contract was managed effectively. In the Committee’s view this illustrates that silo working exists, not only across departments but also, within DoF. This is another aspect of culture that needs serious attention.
36. The Committee notes DoF assurances that, in future, project managers will be appropriately trained but considers that there is scope for making use of the many qualified staff already employed within the department. DoF must break down the silos which exist within its department and across the Northern Ireland Civil Service in order to make best use of staff resources.
37. The Committee welcomes DoF assurances that it is now tapping into the commercial expertise available within the Cabinet Office; that efforts are being made to improve the professionalism of contract and project managers; and that work is on-going to review the management of strategic suppliers.

**Departments must ensure that they are in a position to negotiate intelligently with the private sector**

38. Achieving quality and value for money through public sector contracts requires careful planning for the contractual needs of government, sourcing and negotiating with the right supplier and managing the resulting contracts effectively. To achieve this, departments must engage with the market, procure wisely and have robust contract management arrangements in place.
39. Greater involvement of staff with commercial skills can improve outcomes of public sector contracts. On the basis of the evidence provided, the Committee concluded that the Department’s contract negotiations in this case were weak and that, as a result, the potential existed for the generation of excessive profits at the expense of citizens.

40. The Committee learned from witnesses that the Department now has a Commercial Director in place, working across all parts of the department, liaising with the Cabinet Office and advising on procurement. This is a small, first step in the right direction, but much work needs to be done to build commercial skills across the civil service. The Committee was pleased to hear that additional negotiating advice is now also available to the Department from the Cabinet Office's Complex Transactions Team.

41. The Committee was disappointed to learn that not all Northern Ireland government departments have access to the skills of a Commercial Director.

**Steps must be taken to ensure that controls built into contracts are fully utilised**

42. The Committee was shocked to learn that, even where controls were in place within the Strategic Partner contract, they were not fully utilised by the Department. The Committee noted that the Department had contractual arrangements in place to ensure 'open book accountancy' by the Strategic Partner (BT) but concluded that these were not used as a vehicle for measuring the profit margins being secured by BT.

43. The Committee is aware that a 2017 gateway review identified that there was no transparency in the annual accounts. The review team concluded that DoF did not know whether it was entitled to gain share settlements for any of the years since commencement of the contract. This is unacceptable. Departments must scrutinise project accounts to identify the extent to which financial return is due to the public purse.

44. The Committee noted, from written evidence provided by the Department, that the annual BT project accounts for the four-year period from 2015-16 to 2019-20 only received independent audit opinions in 2020. In the Committee's view, this is clear evidence the Department was not paying due attention to open book accounting. The Committee was further disappointed that, when questioned, the witnesses were not sufficiently knowledgeable of the actual BT profit margins through this contract.

45. The Committee identified that there is little point in securing open book accounting at the contract negotiating stage, if the staff tasked with managing the contract are not capable of interpreting the accounting information provided by suppliers. Departments must scrutinise accounts to identify the extent to which financial return is due to the public purse.
46. The Committee struggled to comprehend how DoF could have misunderstood the contract length. Understanding the basic terms in a contract is a fundamental necessity. As a result of the failings in contract management, the contract could not be terminated at the end of the seven years because alternative arrangements had not been put in place. The Committee expects all departments to be on top of contracts, and to allow sufficient time to explore, negotiate and introduce alternative arrangements prior to contract expiry dates in order to safeguard citizens' money.
47. The Committee heard from witnesses that a system is now in place within DoF to monitor contract expiry dates and expenditure levels. The Committee expected that such basic systems would have been in place many years ago. Controls of this nature should be part of the basic fabric in all NI government departments. The absence of basic contract management controls in this case is staggering and has proved costly to the citizen.

**Departments must ensure that the outcomes from contracts justify the level of expenditure incurred**

48. In the Committee's view, there has been a shocking waste of money with departments procuring various projects which did little to enhance the citizen experience of interacting with government and involved little transformation. The Committee does not believe that the selection of projects was suitably strategic or involved any consideration of the potential benefits (either financial or qualitative) to the citizen. It appears that projects procured through the Strategic Partner contract were selected because they were ready to go rather than because they were the services of most value to citizens. The Committee considers the needs of citizens should be front and centre with senior management overseeing the selection and prioritisation of projects.

49. The Committee considers that the starting point for digital transformation should have been developing a robust and secure identity verification log in system for citizens. The Committee expects DoF to work in tandem with Great Britain departments (for example, Her Majesty's Revenue and Customs) to avoid "reinventing the wheel". This will ensure that appropriate solutions are secured at minimum cost to the Northern Ireland taxpayer.
50. The Committee notes that the Department has now set up a new Steering Group to consider the citizen journey through government services. The Committee expects that this will lead to better collaboration across departments and expects to see more citizen-centred digital services emerging.
51. At the outset of this project, the scope was set at digitally transforming 16 projects through this contract by 2016 (an initiative called 16 by 16). In the Committee's view this should have been recognised as the definitive scope of the project. Subsequent decisions to approve the procurement of further projects through the contract resulted in significant scope creep and contract cost overruns.
52. Awarding and/or extending contracts without competition limits the extent to which the taxpayer can be assured that value for money has been achieved. The Committee notes the incidence of Direct Award Contracts has fallen since the current accounting officer took up post. This is a positive step. In the future, the Committee also expects to see the incidence of contract extensions falling. This will require planning well in advance of agreed contract expiry dates.
53. Departments must be clear on their requirements before commissioning services and commencing projects. DoF, with responsibility for managing the Strategic Partner Project, should have been proactively challenging departments at the outset of projects.
54. The Committee highlighted the dangers of seeking out bespoke and costly solutions for Northern Ireland in cases where solutions already exist in Great Britain and could meet customer needs without incurring significant costs.
55. The Committee notes that, without arrangements for measuring the costs and benefits of this contract, the Department cannot quantify the actual cash savings

generated. In the Committee's view, procedures must be in place to accurately calculate the actual benefits and costs derived from contracts of this magnitude.

56. During the first evidence session, the Committee was concerned and alarmed with the inadequacy of responses provided by the witnesses in relation to the years of failure in contract and project management. This necessitated a second session which was more substantive.

## The LandWeb Project: An Update

### Background and Introduction

57. The purpose of the LandWeb Project was to improve efficiency and customer service in terms of providing up-to-date and accurate land information services, including the maintenance of registers relating to land ownership and mapping information.
58. A predecessor PAC Committee acknowledged in their Report on Transforming Land Registers: The LandWeb Project 2010 that “LandWeb has transformed Land Registers business providing it with the ability to process vastly increased application levels, particularly during the period of the unprecedented property boom. This has resulted in faster turnaround times for applications and has also provided a secure electronic archive for documents. Computerisation has also enabled Land Registers to provide enhanced levels of customer service through a direct access facility, for use by the legal profession, via the internet (LandWeb Direct).”
59. However, anonymous concerns from a member of the public about the monies being spent on this project being wasteful and “lining the pockets” of an IT contractor, has prompted a look back at previous recommendations by this committee.

### **Contract Management must be improved to safeguard against the continuous need for contract extensions and strengthen the Department’s negotiating position**

60. Poor contract management has given rise to a series of extensions to the LandWeb Concession Agreement. The original Agreement period was 17 years from 1999 to 2016, subsequently extended to 2019 and then again to July 2021. The Committee was shocked to learn that due to another procurement pressure within LPS being prioritised, the LandWeb contract will have to be extended further. The Department will only be going to the market in 2021 to procure a replacement system for LandWeb. It is totally unacceptable that the LandWeb contract is likely to be in place in excess of 25 years, eight years beyond the original timeframe.

61. The Department advised that a contracts register has now been put in place but the Committee cannot understand why this wasn't in place earlier as it is an elementary part of contract management. The Committee strongly emphasised the value of having a central place that everyone knows is the "go to place" for anything relating to a contract. Alarm bells need to be going off long before a contract is coming to an end.
62. The Committee was surprised at the lack of resource and capability within the Department to take forward the LandWeb procurement and the extent to which this highlights the continued silo-working and lack of collaboration across the Department and the greater NICS. It is the Committee's view that the Department appeared to be starting from a low baseline in terms of capability and is a long way from where it needs to be. The Department agreed that in the past the various discrete business areas in DoF worked separately with little collaboration, but procedures and processes now exist to enhance transparency and accountability across the Department.
63. The Committee acknowledged that some of this work is in hand, but it is very much a work in progress.
64. The Committee was alarmed by the substantial increase in the contract payments earned by BT in relation to this single contract. When the contract was entered into with BT in 1999 the value of the contract was estimated to be for £46 million. Information provided by the Department shows that payments made under the contract up to July 2021 will reach in the region of £107 million (at 2019 prices). This is a staggering difference of almost £61 million in cash terms.
65. The Department informed the Committee that although contract payments increased this was primarily due to inflation associated with the core contract and additional funding through change requests. Since 2011 the Department was of the opinion that there had been greater scrutiny of such requests and the associated costs pushed down.

**Departments must ensure that contracts include appropriate VFM mechanisms, such as benchmarking and open book accounting, to enable informed judgments when negotiating contract variations or extensions**

66. Whilst the Committee is aware that Value for Money within the LandWeb contract was initially established through an open and competitive procurement process the PAC report in 2010 recommended that ‘the Department must press BT to provide appropriate mechanisms, such as profit-sharing; benchmarking, market testing and open book accounting’. The Committee is disappointed the Department was unable to build any VFM mechanisms into the LandWeb contract.

67. It is also disappointing that the sentiments of the Accounting Officer expressed at the PAC session in 2010 were ignored. He said ‘I can say, with the benefit of hindsight, that if we were doing it now, we would do it differently. We would certainly take account of the guidance that is around and incorporate those types of conditions into the contractual position.’

68. The Committee is strongly of the view that the lack of value for money mechanisms weakened the Department’s negotiating position when it came to contract variations and extensions. The Committee believes that, without open book accounting, the Department has no idea what profits are being made by a supplier, therefore negotiating blindly.

69. The Committee considers the ability to negotiate effectively is compounded by an overall deficit in contract management and commercial skills within the Department and most likely across the wider NICS. This creates a significant imbalance in favour of a supplier creating in this instance the potential for BT to generate excessive profits at the expense of fee payers. The Committee welcomes the Department’s assurances that they will definitely be looking to incorporate mechanisms into future contracts and that some more recent contracts already have such mechanisms.

**The appropriate level of fees should be introduced urgently for LandWeb Services**

70. It was expected the LandWeb project would achieve significant reductions in the fees charged by LPS for its services - this is unacceptable. From 2006-07 to 2018-19 a net surplus of approximately £39 million has been achieved. This is

unacceptable even though the surplus was used by the public purse. The improvement in the Northern Ireland Housing Market increased the demand for LandWeb services and consequently increased income generation giving rise to excessive profits.

71. The Committee notes the Department has engaged the Ulster University to provide an analysis of the NI economy and the likely impact on the property market especially in the light of the current pandemic. The Department intend to use this analysis to inform the new fee proposals which will be brought before the Finance Committee in the first half of 2021. It is perturbing to the Committee how quickly the position has changed on this timeline given the Department's advice to the Finance Committee in June 2020 that new fees would be in place for April 2021.

72. It was the expectation of the Committee that the new Fees Order would result in a reduction in fees charged. However, the Department has indicated that due to the increased uncertainty caused by the pandemic the demand for land registration services may decrease whilst the costs remain unchanged therefore after all this time the public may not see reduced fees.

## List of Appendices

Minutes of Proceedings can be viewed [here](#)

Minutes of Evidence can be viewed [here](#)

Correspondence can be viewed [here](#)

Other Documents relating to the report can be viewed [here](#)

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