



Northern Ireland
Assembly

**COMMITTEE FOR
REGIONAL DEVELOPMENT**

**OFFICIAL REPORT
(Hansard)**

**Briefing from the Minister for Regional
Development**

22 June 2011

NORTHERN IRELAND ASSEMBLY

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REGIONAL DEVELOPMENT**

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Members present for all or part of the proceedings:

Mr Jimmy Spratt (Chairperson)
Mr Pat Doherty (Deputy Chairperson)
Mr Roy Beggs
Mr Joe Byrne
Mr Stewart Dickson
Mrs Dolores Kelly
Mr Seán Lynch
Mr Ian McCrea
Mr Stephen Moutray
Mr Mike Nesbitt
Mr Cathal Ó hOisín

Witnesses:

Mr Danny Kennedy)	The Minister for Regional Development
Dr Andrew Grieve)	
Mr Barney McGahan)	Department for Regional Development
Dr Malcolm McKibbin)	
Mr John White)	

The Chairperson:

Good morning, Minister. You are very welcome. First of all, I congratulate you on your appointment. I think that this is your first official visit to the Committee for Regional Development. We look forward to working with you in the future. I welcome you and your

officials this morning. I ask you to give a briefing. You know the form after that: everyone will probably want to ask you a question.

Mr Kennedy (The Minister for Regional Development):

Thank you very much indeed, Chairman. Thanks for the opportunity to come here and for your welcome. I am delighted to be with the Committee this morning. Obviously, I recently met you and the Deputy Chair, Mr Doherty, after my appointment. I look forward to having a positive relationship with the Committee, which undertakes important work and scrutiny. We may not always agree on things, but I think that we can achieve much by working together constructively. Members already know the team that I have brought with me: Malcolm McKibbin, who is the permanent secretary of the Department for Regional Development (DRD); Barney McGahan; John White from Roads Service; and Andrew Grieve from the water policy division.

I was absolutely delighted to be appointed as the Minister for Regional Development. Like the vast majority of the Committee, I have been acquainting myself with the challenges that face the Department. As I said, the permanent secretary and I have already met the Chair and the Deputy Chair. The Committee has certainly hit the ground running by reviewing a number of major issues, to which I want to refer. Those issues include roads; Belfast harbour; the regional development strategy; Northern Ireland Water; and the corporate and business plan process. My officials and I will be happy to take questions at the end of my briefing.

As I have already said in the House in response to questions and debates, I want improvements across the strategic road network that will enhance safety, reduce journey times and provide value for money. Over the past decade, transport investment has increased substantially. Indeed, the total value of major capital road schemes completed in 2010-11 alone amounted to some £400 million. However, a two-fifths reduction in the Executive's overall capital funding brings with it significant challenges for all of us.

Roads Service has been allocated a sizeable capital spend of almost £1.2 billion over the four-year budgetary period. However, two thirds of that, almost £800 million, is presently allocated to two major road schemes — the A5 and the A8 —which leaves little room for other schemes. After the draft Budget consultation, more than £60 million of additional funding was received for

major road projects in year 4 of the Budget period in 2014-15, and that will be considered for a range of competing priorities. However, any decisions to start schemes in 2014-15 will depend on funding made available beyond the current Budget period, as most major road projects will take more than a year to construct. Members will be aware that as I meet and speak to many elected Members and different bodies about their roads priorities, I will listen carefully to their opinions before forming a view on the way forward. In the meantime, development work continues on a range of schemes that are included in the strategic road improvement programme.

Structural maintenance continues to be one of the Department's highest priorities because it is important that we maintain the existing road network in as good a state as possible. However, the allocations during the four-year Budget period average about £70 million a year compared with an independent assessed need of over £115 million a year. That money will allow Roads Service to prioritise the maintenance of the strategic road network that carries the greatest volume of traffic.

Other roads, including rural roads, will receive resurfacing treatments so far as the Budget allocation permits. Annual surveys confirm the ongoing deterioration of the road network, and without additional resources, the backlog will increase only further. As a result of underinvestment in previous years, pavements are deteriorating through a lack of planned maintenance and require relatively expensive patching to avoid public liability claims and to maintain road safety. That draws money away from good-value resurfacing and surface dressing. In the meantime, Roads Service will continue to bid for additional structural maintenance funds.

You will be aware, Chairman, that I said that I would carry out a review of the proposed increase in on-street parking charges. As part of that review, I have met a number of local representatives and traders from across Northern Ireland and have listened to their concerns. I am carefully considering all their views before I bring forward my decision, which I hope to do shortly.

Budget 2010 envisages £20 million per annum in each of years 3 and 4 being released from Belfast harbour and the Belfast Harbour Commissioners. That is a priority task, and I have taken legal advice. I have also had a preliminary meeting with the chairman and senior executive team

at Belfast Harbour Commissioners, and I am due to meet them again shortly. I recently updated the Budget review group as to how I am taking forward that issue. I will want to satisfy myself of the impact that such a release of value might have on the port and future ports policy more generally. In that regard, I consider it important to retain our Programme for Government objective of improving the competitiveness of the ports in Northern Ireland. I will now take forward the urgent consideration of those matters.

The Committee received a briefing from officials last week on the review of the regional development strategy, so I will not go over the same ground today. Officials are currently considering the 129 responses to the consultation. Those were generally positive, and officials are revising the draft strategy in light of the comments received. I understand that there are a few contentious issues, which I want to consider further with officials, such as the proposed subregional centres, housing growth indicators and the definition and target for brownfield land, the status of Sprucefield regional shopping centre and the need for a public examination. I intend to seek Executive approval for the strategy in the autumn, and I welcome any observations that you may have on the draft strategy.

The speed and direction of change in society that prompted the need to review the regional development strategy has highlighted the increase in population and vehicles. That has placed significant pressures on our transportation networks, coupled with the constraints of money and the need to reduce our environmental impacts. The Department has developed a revised transportation strategy, which sets out a range of objectives that concentrate on moving people rather than vehicles, maintaining what is in place and using it in a smarter way. The new approach will result in a prioritised assessed list of interventions that can be aligned with budgets and can help to make informed decisions. The public consultation on the revised transportation strategy commenced on 16 March and will continue until 28 June. After we have considered the outcome of that consultation, my officials will be happy to brief you.

It is essential that we support Northern Ireland Water's provision of the important services of water and sewerage. Those services need to be efficient, stable, customer-focused, affordable and environmentally compliant. The Committee will appreciate that we have a number of challenges. The previous Executive invested over £1 billion on improvements, which, together with the hard

work of Northern Ireland Water's workforce, means that we enjoy the highest-quality water and waste-water services. Budget 2010 allocated over £600 million for the next four years. That is less than the regulator recommended. Public expenditure controls do not give NI Water the scope for the variation that it needs. The freeze/thaw incident that occurred over Christmas left many homes without a water supply. Although conditions were unprecedented, many customers felt let down by Northern Ireland Water's response. The company has to implement an extensive programme of recommendations arising from the review agreed by the Executive. The Committee was briefed on that progress last week.

We also need to address the relevant recommendations of the Public Accounts Committee's (PAC) reports on the measurement of NI Water's performance as well as on procurement. A number of high-profile media stories have been associated with the procurement report, and, given ongoing legal proceedings, I do not propose to comment on them. We need a sensible debate about longer-term governance structures. It is a complex area, and I want to take time to consider the options available.

It is clearly very important for the Department to communicate its priorities and associated targets. I had planned to achieve that by publishing a corporate plan for 2011-15 and a business plan for 2011-12. Ideally, I would have liked to consult with you and then publish the corporate plan along with the business plan, but you will appreciate that the Programme for Government for 2011-15 is an overarching requirement for our corporate plan for the same period. In the absence of a Programme for Government, I am not in a position to provide a draft corporate plan for your consideration at this stage.

I propose to separate the plans and to finalise the business plan for 2011-12 on the basis of our Budget settlement. I want to publish that plan as soon as possible in order to tell the public and staff what we hope to achieve this year. I plan to send you a draft DRD business plan for consideration and request your comments as soon as possible. Given that we are on a tight timeline until the summer recess, I appreciate that that is likely to happen immediately after the recess. However, once a new Programme for Government has been developed, we will revisit the business plan to see whether it requires to be changed.

Thank you, Chairman and members, for giving me the opportunity to address you this morning. I look forward to working with all of you, and I look forward to taking your questions.

The Chairperson:

Thank you for that overview, Minister. You covered a lot of areas, and I suspect there will be quite a few questions. The Finance Minister announced on Monday that the Department had been given £3 million for the street-lighting programme, but the bid for £53 million for the structural roads maintenance programme was not successful. Given that the backlog is estimated to rise to around £820 million by the end of this financial year, how is the Department going to deal with the shortfall of that £53 million as well as the £115 million that you really need to try to ensure that the backlog does not fall back further? Will that come from other areas of the Department's budget?

Mr Kennedy:

Thank you, Chairman. As I outlined earlier, I am concerned, as are you and other members of the Committee, about how we will maintain the existing roads network. We were unsuccessful in the June monitoring bid, but we will continue to bid for resources in future monitoring rounds and hope that they may be realised. Structural maintenance is essential, and we need to look after the network that we have. In answer to questions in the House yesterday, I raised the debate of whether it was better to maintain our existing roads network rather than simply build new roads or find an appropriate balance. To offset the shortfall and meet our statutory obligations, greater responsibility is placed on safety inspections carried out by our staff. It is important that we carry out our work efficiently, but we will need additional resources from future monitoring rounds because of that shortfall. We will continue to seek those, and I have no doubt that the Committee will want to support us.

Mr Doherty:

Thank you for your presentation, Minister. Given the growing debate in the Assembly and the Executive about how we relate to Europe, what priorities has your Department set for its dealings with Europe and the potential to draw down funding?

Mr Kennedy:

Thanks very much indeed for the question, Mr Doherty. I have already spoken to my senior officials on the potential opportunities that we want to continue to exploit with Europe. I plan to visit Brussels in the early autumn and perhaps take the opportunity to find out whether we can avail ourselves of anything else. When money is tight at home, we have to use every opportunity to try to get additional support.

Dr Malcolm McKibbin (Department for Regional Development):

We are seized by the need to draw down as much as we can from Europe to supplement what would primarily be our capital programmes, and we will do that during the financial year. The Budget review group is also tasking all Ministers with seeking to try to maximise the drawdown to supplement the block grant. We are fully aware of the need to do that.

Mr Kennedy:

We want to co-operate and co-ordinate with, and seek the assistance of, our MEPs to avail ourselves of their knowledge to guide us in how we might exploit potential funding opportunities in Europe.

The Chairperson:

We will be keen to support any opportunities to get money, particularly from Europe. I assume that the entire Committee will happily support that.

Mr Nesbitt:

Speaking as an Ulster Unionist, I want to say that you are very, very welcome. I have read economist Victor Hewitt's opinion on the theme of putting all your eggs in one basket. He cautions against putting too much capital expenditure into any given sector of the construction industry. He used road building as the example, because we have a finite indigenous capacity. Is it possible to make an intelligent estimate about how much of the £400 million that the Republic has promised for the A5 would revert to non-indigenous construction companies? I know that a competitive tender has to be factored in, but I think that you see my point.

Mr Kennedy:

I understand your point, Mr Nesbitt, and I thank you for your welcome. Thank you also for your question, which, I have to say, is not the easiest. There is a range of considerations. I do not want to dwell on the A5/A8 debate, not least because we are in the middle of a public inquiry, and I am not going to predetermine or second-guess the work of the commissioner. Your point, and Victor Hewitt's, is about the importance of how we use money to get maximum value. That is also recognised by the Irish Government.

I had the opportunity to meet the Republic's new Transport Minister, Leo Varadkar, in the margins of the North/South Ministerial Council meeting in Dublin last week. We hope to meet again very shortly to discuss co-operation and to bring forward areas of common concern. In all the work of the Executive and the Assembly, value for money is the name of the game. That applies to our discussions with the Irish Government as much as our engagement with Europe.

Dr McKibbin:

If Victor's analysis was purely on the benefit:cost ratio of schemes, that is somewhat narrower than the way in which we assess capital investment. We consider a range of economic issues, the environment, accessibility, integration with other government policies and safety. We supplement that with a consideration of equity and distribution, financial affordability and sustainability, and public acceptability. It is a wider range.

In support of the construction industry in Northern Ireland, when we invest in road programmes, whether we are carrying out maintenance or capital investment, it is a huge boost for the Northern Ireland economy, because the materials, and so forth, with the exception of oil, are almost entirely provided from Northern Ireland, and it is usually local labour. There is an economic boost that is wider than the scheme itself.

Mr Dickson:

You are welcome, Minister. Thank you for coming along today. It would be remiss of me if I did not raise a roads issue with you: the A2 in east Antrim. I appreciate your statement and the genuineness of your review, but by all reasonable measures — traffic volumes, capacity, pollution and economic development — the A2 stacks up and makes sense as the number one

priority for traffic alleviation in Northern Ireland, specifically in east Antrim.

I encourage you, at least in respect of the 2014-15 element of financing, to ensure certainty before that date that the project will be undertaken, particularly in light of the current serious issue of the blight of properties that have been purchased along the route that are literally being set on fire, night by night. Vandals are wreaking havoc on the area, and the remaining residents are living under siege.

Mr Kennedy:

Thank you very much indeed. Mr Dickson adequately and elegantly put forward the case for the A2 not only this morning but in a recent Assembly debate. I am aware of the issue from the representations of others around this table, not least my party colleague Roy Beggs. There are a number of road schemes. You spoke about giving a commitment at this stage to the 2014-15 scenario, when we hope to have some money to spend on major schemes. The member will be aware that other Assembly Members are equally vociferous and eloquent in presenting the case for schemes such as the A26. I want to consider all of those carefully, but I am in the business of improving the strategic road network to get maximum benefit for everyone.

Mrs D Kelly:

Thank you for your presentation. I welcome Dr McKibbin's assurances that the narrow view of investment in road infrastructure is not that of the Department. Minister, I understand that new trains will, hopefully, be available for service next year. Perhaps you can give us some details on the railway network and public transport in general. What are your immediate priorities in trying to get people out of cars and into public transport? Also —

The Chairperson:

Not also — just one question.

Mrs D Kelly:

Given that £20 million is to be released from the ports —

The Chairperson:

Dolores, we need to be fair to everybody, and I am going to do that. I said one question. Minister, will you answer the question?

Mr Kennedy:

Can you not go off the rails on railways, Dolores? Thanks very much indeed for your question. We are looking forward to the new trains being put in service. They are being tested as they become available. I had the opportunity to see them, and they are impressive. The good news is that the new trains and the upgrade of various measures over recent years, at stations and on the lines, have not only improved the quality of trains and services but rekindled and increased public interest and usage, which is tremendously helpful. The Department will want to encourage that actively, and I will also seek to do so. Perhaps Barney wants to add something.

Mr Barney McGahan (Department for Regional Development):

I certainly will, Minister. Recent statistics show that rail numbers last year were the highest since 1967. So Translink's efforts in recent years have been very successful, and much more is planned. In the past number of weeks, the Committee received presentations on the rapid transport project and the Belfast on the Move project, which show the efforts that will be made to encourage the use of public transport around the city centre.

A friend of mine actually availed himself of the reduced Saturday bus fare of £1, which Catherine Mason mentioned last week. I commend Committee members to avail themselves of that if they are out shopping or travelling this Saturday. Translink is doing a lot of marketing to encourage take-up. It also has a special ticket for visitors to Belfast over the summer months. So it is doing quite a lot of good work. Travelwise promotes active travel generally, such as cycling and walking, and also does lots of good work. Some members may have been involved in the cycle race that took place on Monday. There will be much more good work during this week and next. There are many good efforts to try to get people out of their cars and onto their bikes, the footpath and public transport.

Mr Kennedy:

Translink's recent statement on freezing fares is very helpful. That announcement was made in

Committee last week, and I am sure that it was very welcome news. I congratulate Roy Beggs on coming second in the bike race on Monday. He was second only because I was not there.

The Chairperson:

You might mention that the Chair finished the race. *[Laughter.]*

Mr Kennedy:

Oh right. News of that event had not yet reached me. *[Laughter.]* It must have got lost in the Rory McIlroy story.

The Chairperson:

Only three or four of us actually turned up, so the rest of them are going to have to explain themselves a bit later.

Mr Nesbitt:

A McIlroy/Spratt double. *[Laughter.]*

Mr Moutray:

Minister, you are very welcome this morning. My question is about the gritting problem during the severe weather event at the turn of the year. Although many councils are working with Roads Service, very few have of them signed up to the agreement. What are your thoughts are on that? What can be done to get more engagement between Roads Service and councils? I am also concerned that many rural roads that lead to isolated communities do not reach the criteria for gritting. Is there anything that Roads Service can do, such as providing grit dumps or whatever, so that those people are not left totally vulnerable for a long period, as happened last year?

Mr Kennedy:

Thank you very much indeed, Mr Moutray, for your question and your welcome. I accept your point because I also represent a rural constituency and know about the gritting problems during the wintertime. I want to explore how we can engage better and improve the relationship with local councils through the Northern Ireland Local Government Association (NILGA). It is my intention — we have something in the system already — to meet NILGA and representatives at

an early stage in order to carry that work forward; that is important. There is a willingness on behalf of local councils to assist us with that. Now, I am not saying that there are shedloads of grit or money to do this and that everywhere is going to be gritted. However, I will attempt to work out an acceptable solution, even at local level, which I hope will involve local councils. Your idea is good, and we will feed that into the system.

Mr I McCrea:

First, I apologise for coming in late during your presentation. I am glad that I did not interrupt you or put you off.

Mr Kennedy:

Ian, I always feel that it is better to walk in during one of my speeches than to walk out.

Mr I McCrea:

I am glad that I did the former. As a Democratic Unionist, I do not know how much more welcome you can be made, but I welcome you in any case.

My colleague referred to the gritting of footpaths, and so forth. I declare an interest as a councillor in Cookstown; I am an unapologetic double-jobber — but, none the less, the issue has not been dealt with since the last bad weather and the freeze. Although your officials and Roads Service may believe that the issue of indemnity is resolved, I am certain that it is not. The footpaths were gritted because of the Stephen Nolan factor; they were not gritted because councils opted to do it. A lot of pressure was applied, and the right decision was made to grit many of the footpaths around town centres. However, major work needs to be done, whether through working with NILGA or Chamber of Commerce organisations, to ensure that the indemnity is covered.

The Chairperson:

Are you coming to your question?

Mr I McCrea:

Residents in town centres are affected. You said that there is a willingness, and that you intend to

meet NILGA. Can that be done as soon as possible? Councils need to deal with the issue, and they need to know whether or not it will be done so that people do not have to run to Stephen Nolan to get footpaths gritted. Can matters be considered more quickly than they have been in the past? It should have been done, and perhaps it has. However, it needs to be sorted out once and for all.

Mr Kennedy:

Thanks very much, Ian. I listened carefully to what you said. As a new Minister, I intend to develop a good relationship with NILGA and local government. It is an issue of common cause, and I will approach it on that basis.

Dr McKibbin:

You are quite right; last winter, we all came under pressure about what we could and should have done. Roads Service has tried to pursue the matter with NILGA, and there have been recent meetings. However, there is a difficulty in getting agreement at that level for all 26 district councils, and we find that a little bit frustrating. Roads Services is meeting individual councils to try to increase the number of people who will sign up to the agreement, or at least agree to work to the spirit of the agreement. We are trying to bring that forward at a pace. We know that the issue will raise its head again the first time we get prolonged snow.

Mr I McCrea:

The indemnity issue is the problem. One council's legal advice is different from another's. No one can say that if something similar happens, this is the right way and you are covered.

Dr McKibbin:

Roads Service has put forward legal advice to councils, and John can keep me right in case I get it wrong. Roads Service's advice is that if the work is carried out in a reasonable manner — in other words, in a non-negligent manner — people are indemnified. People will not get an indemnification if they carry out work in a negligent manner — not that I would expect councils to do that. However, that sort of guarantee cannot be given.

Mr John White (Department for Regional Development):

What Malcolm says is quite right. The fear would be of any negligent work. However, according to the legal advice that we have received, if the work is carried out in a professional manner, there should be no difficulty.

Dr McKibbin:

It is important that the Committee understands that, when we get prolonged snow, Roads Service's winter service staff, who deal with the roads network, are absolutely swamped. The ongoing gritting can become a 24/7 operation, and 40,000 grit piles need to be restocked during such a period. The men are not therefore available to be tasked with gritting footways. The argument has always been that the councils will have some additional resources in the form of workers who cannot carry out their normal work because of the snow — street cleaners, and so forth. The councils can use that resource for the public's benefit. We are trying to go as far as we can to provide a surety for people that if they carry out the work in a professional and competent manner, they are indemnified.

Mr Ó hOisín:

Thanks, Minister, for coming along this morning. Like Mr Dickson, I want to touch on the major roads issue in my constituency, which is the Dungiven bypass. One could argue that its impact is wider than that, because it affects the entire north-west. It is the one blot on the road between the two major cities in the province of Ulster. Ministerial and departmental commitments have been given, and I welcome the commitment to decouple the bypass from the dualling from Dungiven to Derry. Given that that was identified and that a public inquiry date was given to take place within a calendar year, it was intimated that work would start once the public inquiry was completed. How does that sit with the assertion in your ministerial briefing about the postponement of that commitment to 2015 and 2016? I am being parochial, but I am thinking about the wider region. Will you recommit to the delivery of what is probably the most important piece of the roads network in your brief?

Mr Kennedy:

Thank you very much indeed for the question. You have put the case for the Dungiven bypass very effectively. Nevertheless, the budgetary settlement has, and is having, an impact on this

matter. In real terms, it will be 2014 or 2015 before we are in a position to move forward. It gives me no pleasure to say that, but it is the unfortunate reality that I found myself in when I took up my appointment. John White can give an indication of where we are, what the issues will be after the public inquiry and how ready we are, subject to available finance. There is the Dungiven bypass, the A2 and the A26, all of which are competing priorities. I will want to give careful consideration to the matter, but it is important that those schemes are ready to go once the available finance is there. I have been encouraging my senior executives at least to continue the process, so that the cars are on the grid ready to go once we have the available finance.

Mr White:

I will pick up on the issue of timeliness. We are working hard to bring forward the draft Orders, which will be published later this year. They will be published in a manner that will allow the decoupling of the Dungiven bypass, but the Orders will be for the entire A6 scheme, so that we can get the line fixed. After that, we intend to hold a public inquiry in 2012. It will take several months before we would proceed with the inspector's report and recommendations. Depending on those, we could move forward, but that will be a matter of finance. If we get the Orders through the public inquiry, we will be in a position to proceed with the scheme, subject to finance.

Mr Lynch:

Thank you for your presentation, Minister. I know that your Department gives money to rural transport providers. It is a very important matter for Fermanagh and South Tyrone. There are decisions to be made about two providers. I know that you are streamlining and restructuring provision. When will those decisions be made?

Mr Kennedy:

Thanks very much indeed for your question, Mr Lynch. In March 2011, following a procurement exercise, Quinn's Coach Hire was identified as the provider for delivering services in the northern, eastern and southern areas, and Out and About Enterprises was identified to deliver in the western contract area. However, you will probably be aware that in April, solicitors acting for one of the unsuccessful bidders issued a writ seeking to prevent us from awarding the contracts. We have applied to the court for an interim order to allow the contracts to be awarded, and the

court will hear the application on 24 June. In the meantime, arrangements have been made with the organisations that have been providing services under the previous contract to continue to deliver those services. I have written to each Door-2-Door member to advise them of that. I hope that we can resolve the legal difficulties and proceed because it is an important service, particularly in rural areas.

Mr Beggs:

Welcome to the Committee, and congratulations on your appointment as Minister. You mentioned that several smaller schemes have been deferred. The A2 Greenisland scheme and the Randalstown to Castledawson scheme were due to start this year but had to be deferred. You also referred to pressures on maintenance. Sixty-five per cent of your capital budget has been ring-fenced, which restricts what you can do. Bearing in mind value for money and how we spend our limited capital resources, will you give us some guidance as to how the expensive, largely green route alignment was selected and how the quality of finish for the new schemes was selected, particularly for the A5, because 6,800 vehicles a day does not warrant that type of expenditure? A constituent raised concerns with me that the design and build mechanism incentivises consultants to go for the most expensive scheme because the more that they spend and specify, the more money they get. Will you reassure us on that issue so that we get value for money and other smaller schemes, such as the A2, can proceed?

Mr Kennedy:

Thank you very much. You mentioned the A2, which is in your constituency, as I would expect you to mention it. Much of what you say ties into the A5 and A8 projects. I am rather confined in what I could or should say because of the ongoing public inquiry. It would be a mistake on my behalf, and it would be unwise and even discourteous to the commissioner or person conducting the inquiry, to sound out on those matters. However, on receipt of the findings of the public inquiry, I will continue to look at all the issues that you raise this morning. I intend to do that, but I have to be cautious about saying anything that might in any way influence or be seen to influence the public inquiry at this stage.

Mr White:

I assure the Member that a design and build project does not lead to maximum cost and Rolls-

Royce schemes.

Mr Beggs:

Who set the quality of finish? The quality of finish cannot be justified by the traffic levels.

Mr White:

I do not wish to get involved in the specifics of the scheme, but Roads Service agrees the quality of finish. It is not necessarily the consultant/contractor's choice.

Mr Byrne:

Thanks. I welcome the Minister and his team. I recognise the balance of priorities that has to be struck. The capital works programme is a big issue and a fair expense. For somebody from the west, the A5 project is a priority. I also want to throw in the fact that we were promised that the A32 between the two hospital sites would be upgraded to justify siting a hospital in Enniskillen.

On resource management in general, but particularly on the procurement process: does the Department intend to have an efficient, effective and robust evaluation of how resources are utilised? There is a sense that procurement does not always deliver the most efficient cost benefit.

Mr Kennedy:

Thanks for your question, Joe. I accept your point that it is important that, when money is tight, we look for best value for money at all levels in the services that we seek to provide. That includes road building and all aspects of the Department's work. I assure you that I, as Minister, will want clear evidence that we are achieving value for money. I also want to ensure that we are not losing out in any way or wasting money to any large extent. I have noted that you are interested in the A32. I do not know whether any of my officials are in a position to comment on that.

Mr White:

Yes, Minister. We intend to bring forward schemes on the A32 in the current year.

Mr Kennedy:

There is a success, Joe. *[Laughter.]*

The Chairperson:

Thank you very much indeed for the briefing, Minister. We have had a quick run round the houses. Everybody got an opportunity to speak. I know that we are slightly over the time set aside by officials, but thank you. I have no doubt that we will meet again in the not-too-distant future. As you said, we want to have a constructive relationship with you and the Department. As you also said, we will not always agree, but we are all here to work together constructively. That will certainly be my aim as Chair and, no doubt, the Committee's. In the meantime, thank you.

Mr Kennedy:

Thank you very much.