



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 DSD and NIHE

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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 Michael Sands	Department for Social Development
Mr Declan Allen	Northern Ireland Housing Executive
Dr John McPeake	Northern Ireland Housing Executive

The Chairperson: I call Michael Sands from the Department for Social Development (DSD) and John McPeake and Declan Allen from the Housing Executive. Thank you very much, gentlemen, for attending the inquiry. I remind you that the importance of your attendance here this afternoon is that you all attended the meeting on 16 April, which we have referred to. As you will have heard from the previous session, we will not stray into the whole area of specifications or savings and so on, albeit that they are all very important issues in their own right. That is not the purpose of this inquiry. We are specifically interested in the issues that we have covered, which are the purpose of the meeting, who called it and how it was subsequently described. The gentlemen who have just given evidence are very clear that, at no stage, did they indicate that they represented anybody other than Turkington's and have no explanation whatsoever for that meeting being defined as anything else. There were drafts characterising the meeting, but those drafts were changed. So, we are looking to see what light you can shine on that and how we ended up with a meeting with one contractor being described to the Committee in writing, through me, as something entirely different. Are you happy enough? When you are asked to be here, you are made aware exactly of the topic that you are expected to cover.

Mr Michael Sands (Department for Social Development): The Committee asked four questions specifically. I will address them in the order in which they were asked.

The first question was about their understanding of which organisation or organisations they were meeting on 16 April 2012. I personally was aware that the Minister had received a letter dated 2 February 2012 from Ian Young, the general manager of Turkington Holdings, in connection with the Programme for Government (PFG) target to install double glazing in all Housing Executive homes by 2015 and that a meeting was to be arranged. I was further advised that the meeting was arranged for 16 April 2012 and that Jim McKeag and Ian Young of Turkington Holdings would attend the meeting and that John McPeake, chief executive of the Housing Executive, would also attend.

The second question was about what they understood the meeting to be about. I understood that the meeting was related to the Programme for Government target to install double glazing in all Housing Executive homes by 2015. The draft Programme for Government 2011-15 was published for consultation on 17 November 2011. The Minister had also issued a press release on 17 November 2011 advising of his Department's PFG priorities, which included double glazing for all Housing Executive properties.

Mr Young had advised in his letter that he felt that the specialist glazing manufacturers and installers could assist the Department and the Housing Executive to undertake this major programme of work over the next four years. He advised in his letter that this particular scheme promised great potential if executed properly but urged caution in that, if the scheme was not handled properly, a great opportunity could be lost. Mr Young stated that Turkington Holdings had been actively involved in the glazing sector for over 30 years as a manufacturer and installer in large replacement contracts and was an active member of the Glass and Glazing Federation (GGF). He advised that, with its experience, expertise and active role in the national standards body, it had a lot to offer the Department and the Housing Executive and would see value in a meeting to discuss that in greater detail.

The third question related to their role in attending. I attended the meeting as the appropriate official from housing division in the Department for Social Development. My role was to listen to the discussion and, if necessary or relevant, take forward any actions that the Minister may require from his departmental officials.

The fourth question was about any other information that was relevant to the issue. Immediately following the meeting, I asked the division's housing advisory unit's professional staff to research the Glass and Glazing Federation guidelines and compare those guidelines against the current, at that time, Northern Ireland Housing Executive (NIHE) specification for window replacements, as, at that meeting, we had been advised that there were potential savings if those guidelines were followed. My housing advisory unit subsequently confirmed that, if the Glass and Glazing Federation guidelines were applied, there was the potential for considerable savings largely due to the fact that there would no longer be a requirement to pay redecoration grants to tenants. That resulted in estimated savings of £15.1 million.

The Chairperson: Michael, you stated in your letter that:

"Mr Young had advised in his letter that he felt the specialist glazing manufacturers and installers could assist the Department".

Why did you write that? That is not what the Turkington letter actually says. Why did you explain it in that fashion? You read it out a moment ago:

"Mr Young had advised in his letter that he felt that the specialist glazing manufacturers and installers could assist the Department".

That is not what the letter said. The letter refers to them being members of that, but it does not use the words that you used.

Mr Sands: I probably paraphrased the letter, but the letter did state:

"With our experience, expertise and active role within the National Standards Body (GGF) we feel we have a lot to offer the Department and to the Housing Executive and we would see value in having a meeting to discuss this in greater detail."

The Chairperson: OK. I have a question before I bring in other members. I will bring in Sammy in a minute. Michael, the letter that you drafted to the Committee regarding the meeting on 16 April shows that it was your understanding throughout the meeting and in any discussions after the meeting with the Minister and others, right up until changes were made to the draft, which was your draft, that Mr Ian Young and Jim McKeag were there as executives of Turkington Holdings and not as representatives of the Glass and Glazing Federation. Is that correct? Was it your understanding that they were exclusively representatives of Turkington's?

Mr Sands: Yes, they were representing Turkington's, but they were also active members of the Glass and Glazing Federation.

The Chairperson: That is a different thing entirely.

Mr Sands: They introduced themselves at the meeting as being from Turkington's.

The Chairperson: They have made it very clear here that, at no time, did they give any indication that they were representing anybody else. In your draft, you refer to them as Turkington representatives, and that draft subsequently changed.

Mr Sands: Yes, my draft referred to them as coming from Turkington's.

The Chairperson: Can you understand or explain why that draft was changed to represent somebody else? That is your draft, so where did your draft go and how did it get changed?

Mr Sands: My draft was prepared for the Minister. I subsequently received an e-mail from the private office stating that the Minister wished that reference to Turkington's to be changed to the Glass and Glazing Federation.

The Chairperson: Who in the private office made that request?

Mr Sands: I have a copy of the e-mail. It came simply from the private office. It is an official within it, one of the girls who worked in the private office.

The Chairperson: Is there a name on that?

Mr Sands: A girl called Fiona Lundy.

Mr Wilson: From the very outset, Michael, there was no attempt in the correspondence that you received from the private office — the request from the Minister — to indicate that this was other than a request from Turkington's.

Mr Sands: Absolutely, it was Turkington's all the way.

Mr Wilson: What significance would you have attached, however, to the fact that Turkington's was a member of the Glass and Glazing Federation? You mentioned it in your response.

Mr Sands: I went back to the original letter, dated 2 February, in which they stated that they were active members of the Glass and Glazing Federation.

Mr Wilson: I take it that, without that reference, the significance of anything that they would have said at a meeting would not have been regarded as being as significant as talking to people who were actually members of the Glass and Glazing Federation.

Mr Sands: No, it would have been regarded as the comments of a supplier almost — a manufacturer — and not national standards, which, in fact, is what the Glass and Glazing Federation guidelines were.

Mr Wilson: But, the fact that they mentioned in their letter that they were members of the Glass and Glazing Federation and that they mentioned, during the meeting, that the federation standards would

have been complied with and money would still have been saved would have been quite significant in any aspect of this meeting.

Mr Sands: That is correct.

The Chairperson: Before I bring Jim in, Michael, I want to address this important issue. Were you not surprised to receive that request to change the characterisation of the meeting? It also included Fusion21. In the previous evidence session, Fusion21 did not enter. It is not mentioned in any of the correspondence from Turkington's, for example, requesting the meeting. Were you not surprised that you were asked through the private office by the Minister, as you stated, to change your draft to include the Glass and Glazing Federation and Fusion21? Would you not have sought to correct that?

Mr Sands: You are absolutely right, Chair: it was a draft that I prepared. My role as a civil servant is to advise the Minister and to draft submissions, letters etc for him. At the end of the day, it is his responsibility to accept my draft or change it in a particular way. In this instance, he asked for it to be changed to the Glass and Glazing Federation. Because the reference had been made in the original letter, I did not have a great deal of difficulty with that.

The Chairperson: Fusion21 was not addressed in the earlier letter and it was not at the meeting, so did you not feel that you needed to correct that as it was factually incorrect?

Mr Sands: I knew that he had a meeting with Fusion21. I was not involved with that meeting, so what his reference was to —

The Chairperson: Your draft letter was in response to the meeting of 16 April, not any other meeting. I am trying to clarify that for the record.

Mr Sands: That is why I referred to it as Turkington's, purely Turkington's.

The Chairperson: I appreciate that. You have stated that you were asked through the private office, and your understanding is that the Minister subsequently got another draft or a new version of the letter that included not only the Glass and Glazing Federation but Fusion21, which had at no time been mentioned prior to that.

Mr Sands: That is correct.

The Chairperson: OK. That is fair enough.

Mr Allister: Would you read us the e-mail from Fiona Lundy?

The Chairperson: We will have a copy of that for all members.

Mr Sands:

"The Minister has seen and read your submission of 18/05/2012 and has requested that the letter to Alex Maskey be amended. See attached letter with amendments. Para 3 - remove Turkington Holdings Ltd and replace with 'Representatives of Glass and Glazing Federation'. Also, Fusion 21".

Mr Allister: So, that was an express instruction from the Minister.

Mr Sands: Through the private office.

Mr Allister: You knew, from being present at the meeting, that that was importing an inaccuracy into the letter.

Mr Sands: I go back to the actual letter, which states that Turkington's was an active member of the Glass and Glazing Federation.

Mr Allister: Yes, but that was not what the letter was now going to say.

Mr Sands: As I said, I prepare drafts in relation to providing information to the Minister. If he decides to change them, it is his responsibility.

Mr Allister: So, there are no circumstances in which you would say, "Minister, you must've confused something. That is inaccurate. Fusion21, for example, has nothing to do with this". You would just let him make an error, if it was an error.

Mr Sands: Fusion21, as I said, I was not involved in at all. He asked that that be put in.

Mr Allister: Would you let him make a mistake if it was a mistake?

Mr Sands: I knew that he had met Fusion21, so it was not a mistake.

Mr Allister: Would you let him change a letter to make it inaccurate about the meeting that you were at and pass no comment?

Mr Sands: If I thought that it was inaccurate, I would go back to him, but, in that instance, they were members of the Glass and Glazing Federation.

Mr Allister: That is not what the letter said. The letter said that he met representatives of —

Mr Sands: His terminology. If he wishes to refer to them as representatives rather than members, I —

Mr Allister: I think that you started your evidence by telling us that you were quite clear that you had been at no meeting with the Glass and Glazing Federation.

Mr Sands: It was with Turkington's.

Mr Allister: Yes. So, the Minister took it upon himself to expressly change that to give a quite different impression in respect of a meeting that you were at — namely, a meeting with Turkington's — to imply that it was a meeting with a representative of the Glass and Glazing Federation and another body, Fusion21.

Mr Sands: As Turkington's have described, there was no gain or advantage to be gained from Turkington's as far as that meeting was concerned. As far as I —

Mr Allister: Sorry, what does that have to do with the question I asked you?

Mr Sands: — was concerned, to refer to them as representatives of the Glass and Glazing Federation or members of the Glass and Glazing Federation did not mean a great deal to me because the original letter referred to them as active members.

Mr Allister: What has it to do with answering my question to tell us whether there was a gain for Turkington's?

Mr Sands: Turkington's referred to it earlier. I thought that I would repeat that.

Mr Allister: Mr Sands, I am simply asking you how it came about. OK, he is the Minister and you are but the civil servant, but he changes a letter that you had accurately drafted to give an inaccurate representation, and you simply acquiesce in that.

Mr Sands: Yes I did.

Mr Allister: What about the minutes? Who took the minutes at the meeting?

Mr Sands: Reference has been made several times to these minutes. The minutes, in my understanding of a meeting, would be circulated to those present so that, in fact, there was an accurate record kept of that meeting. To be quite honest, I am not sure by whom this note or aide-memoire, however it might be referred to, was taken.

Mr Allister: Well, it is headed. Should we not regard it as a minute, then?

Mr Sands: I do not think so. I think that it is an aide-memoire. As I say, a minute would be circulated to members of the actual group.

Mr Allister: Who wrote it?

Mr Sands: Sorry.

Mr Allister: Did you write it?

Mr Sands: No, I did not.

Mr Allister: Do you know who wrote it?

Mr Sands: No.

Mr Allister: By a process of elimination, have you a view on who wrote it?

Mr Sands: I would suggest that it may have been a member of the private office.

Mr Allister: Is that a lady named Barbara McConaghie?

Mr Sands: Possibly. I do not know.

Mr Allister: You have never checked that.

Mr Sands: No.

Mr Allister: You could check that.

Mr Sands: I would have to go back and do some research.

Mr Allister: So, when the Minister has an official meeting with someone, is there not an official minute kept?

Mr Sands: Not necessarily. It depends entirely on what the meeting is about. In this instance, there was no official note-taker.

Mr Allister: Someone obviously wrote down something. Did you see people writing at the meeting?

Mr Sands: Several people were writing various things, Mr Allister.

Mr Allister: Did you see Barbara McConaghie taking notes?

Mr Sands: From what I remember, she was sitting over to my right-hand side. She could have been.

Mr Allister: "She could have been": that is as far as you can put it.

Mr Sands: Yes.

Mr Allister: When, then, did you first see, if we can call it a minute, this minute?

Mr Sands: When it was requested under freedom of information at the end of August, I believe.

Mr Allister: The end of August. So, do you know when it was written up?

Mr Sands: No. Again, there is no date on it.

Mr Allister: No, indeed. As for the content, when you read it, what did you think?

Mr Sands: The content referred to the discussion that took place at the meeting, which was around the Glass and Glazing Federation guidelines.

Mr Allister: I am sorry, let us start with the very heading: "Meeting with representatives of the Glass and Glazing Federation — 16 April". Jim McKeag and Ian Young were listed as the representatives of the Glass and Glazing Federation. You knew straight off that those were inaccuracies.

Mr Sands: They were from Turkington's, Turkington Holdings.

Mr Allister: Sorry, it says:

"Meeting with representatives of the Glass and Glazing Federation".

Jim McKeag was listed as a representative of the Glass and Glazing Federation and Ian Young the same.

Mr Sands: As I said, I did not see these until August when they were released under a freedom of information request. They were not circulated after the meeting.

Mr Allister: So they were not circulated. This minute — forgive me if I call it wrong — talks about hinges on a number of occasions. Do you recall hinges being discussed at the meeting?

Mr Sands: I do.

Mr Allister: Who raised the issue of hinges?

Mr Sands: I believe that it was Dr McPeake.

Mr Allister: Dr McPeake. Was there much discussion about that?

Mr Sands: As far as I can remember, there was discussion around the different types of hinge. I am not a technical person in any particular way, but there was a reference to casement hinges or hotel-type hinges.

Mr Allister: Was there any participation by Turkington's in that that you recall?

Mr Sands: Not that I recall.

Mr Allister: How long did the meeting last?

Mr Sands: Thirty or 45 minutes. Normally, the Minister would schedule meetings for 30 minutes.

Mr Allister: So you are thinking that it was 30 minutes.

Mr Sands: Thirty minutes or slightly more than that.

Mr Allister: Let us move on to the follow-up, then. Fill in the blanks between the meeting and the drafting of the letter that was then changed by the Minister.

Mr Sands: I thought that I had already described that to the Chairman. I drafted the letter, which was sent to the Minister for his issue. The minute, which I have referred to and read out, came down from the private office. I changed that to reflect the Minister's wishes, and it went back up to the private office for issue.

Mr Allister: So, in the intervening month or thereabouts, what had been going on?

Mr Sands: Sorry, you need to be more specific.

Mr Allister: I think that the meeting was on 16 April and the letter that you were drafting was around 18 May.

Mr Sands: It was in response to a request from the Chairman of this Committee for information.

Mr Allister: So, you had had no involvement with the issue in the meantime.

Mr Sands: Well, nothing further had really happened at that stage. Dr McPeake will explain to you that they were already looking at specification. They probably were, but I was not involved.

Mr Allister: Had you had further contact from the Department's housing unit with the Housing Executive?

Mr Sands: The Department's housing advisory unit responded to me in relation to my request for it to look at the Glass and Glazing Federation guidelines. It responded to me and confirmed that, in fact, there was scope for substantial savings.

Mr Allister: I want to go back to the minute. Was the minute shared with the Housing Executive?

Mr Sands: I cannot answer that, because, as I said, I was not even aware of it until the freedom of information request came in at the end of August. There is no circulation list on it; it is not signed by anybody; and it is not dated.

Mr Allister: Is that unusual?

Mr Sands: It is, yes.

Mr Allister: Dating it would tell us when it was written. Thank you.

Mr Brady: Without labouring the point, I will follow on from what Mr Allister was asking. You were at the meeting. Had you not been at the meeting, presumably you might have asked for more information. Essentially, you are saying that you acquiesced to the request to change the draft, but you knew that Fusion21 was not at the meeting.

Mr Sands: The reference is to "and Fusion 21", so the meeting with Fusion21 was after the meeting with Turkington's.

Mr Brady: That is not clear from the letter that was sent to the Committee. It implies that Fusion21 was at the meeting.

You talked about an aide-memoire. Maybe minutes are not always kept of meetings with the Minister, yet we have had meetings with the Minister most recently that you were at and there was somebody there taking what I might describe as copious notes. It seems as though a fairly accurate record is kept for the Minister's purposes and certainly for the Minister's office of any meeting with him. That includes the length or whatever. That has been the case with all the meetings that I have been to with the Minister. Somebody has been there who writes a lot. So, if you had felt that there was an inaccuracy, would you have questioned that, or did you acquiesce and say that that was what the Minister wanted, even if it was inaccurate?

Mr Sands: If a proper note of a meeting had been circulated for comment, I would have seen it. That is the opportunity to make any changes to a properly recorded minute of a meeting, but we were not given that opportunity.

Mr Brady: You did not see the aide-memoire or what might be considered as minutes for this meeting.

Mr Sands: Not until some time around the end of August.

Mr Brady: But you were prepared to change the letter at the request of the Minister without necessarily knowing whether it was accurate.

Mr Sands: As I said, I supply a draft to him. It is up to him to agree what he finally wishes to issue.

Mr Brady: It is almost a 'Yes, Minister' kind of situation. I am not being facetious when I say that.

Mr Sands: No, if the Minister requests that, I have to acquiesce to what he wants —

Mr Brady: I do make the point. I was not being facetious.

Mr Sands: I understand.

Mr Brady: It just sounds like that kind of situation. Thank you.

Mr F McCann: I find it strange that a Minister would go to a meeting with anyone — a meeting as important as the one with Turkington's — of which a minute was not kept. Mickey is right: at a recent meeting, there seemed to be an extensive minute being taken. I take it that, after every meeting, the minutes are typed up and put about for people to look at and a copy is filed. What happened in this case?

Mr Sands: That would not be the case all the time, Mr McCann. It is the responsibility of the private office if it is going to record a note or whatever of a particular meeting. In this case, it did not happen.

Mr F McCann: You were at the meeting. I think that you said that you believed that there was somebody taking notes at the meeting. So, you would think that, just for the point of accuracy of what happened at the meeting, they would be typed up afterwards and people who were present at the meeting would be given copies of what had been said. You would also file a copy of the notes taken so that, should occasions such as this occur, you have something to refer to.

Mr Sands: I would have expected so, yes, but that did not happen.

Mr Campbell: I want to establish the context of how the meeting came about and how it was described. The Chairman in his introduction, others when asking questions and, indeed, the witnesses that we had from Turkington's previously were very clear that the meeting was sought by them as Turkington. They were absolutely clear on that, but we are now talking in a post-'Spotlight' programme context, during the inquiry and the subsequent media intensity around the whole issue. I want to take you back 18 months. I am always suspicious of people who expect there to be a clear, laser-like memory. I can hardly remember what I did last week, never mind 18 months ago. However, going back 18 months, I presume that it was a meeting in the midst of a number of meetings on a range of issues. Is that correct?

Mr Sands: Yes. I could be with the Minister two or three times a day on different issues.

Mr Campbell: OK. I will try to get the Glass and Glazing Federation issue dealt with. I was a Minister twice, and I have been an MP for 12 years and an MLA for 15 years. I cannot recall people ever coming to see me, saying what they were coming to see me as, but then being very explicit about who they were not coming to see me as. Did that happen on this occasion, to your knowledge?

Mr Sands: No. They introduced themselves as coming from Turkington.

Mr Campbell: I do not want to lead the questioning here, but was it "We are here from Turkington's and want to make it absolutely clear, in case there is any doubt, that we are not here from the Glass and Glazing Federation"?

Mr Sands: No, they did not say that.

Mr Campbell: You have never had anybody come to you and say that, so we are clear about that. Therefore, when people talk about explicitly ruling out the Glass and Glazing Federation, can we assume that they mean that they requested a meeting as Turkington, full stop?

Mr Sands: Yes.

Mr Campbell: OK, that is good. I am glad to hear that. We heard from the Turkington witnesses that, when the meeting was being set up through a special adviser, whom Mr Turkington had got to know through the Minister's previous participation in the Department of Culture, Arts and Leisure (DCAL), they mentioned at that stage that they were members of the Glass and Glazing Federation. In fact, they wore it as a badge of honour, as you would if you were a member. As the Chairman said, it does not automatically make you a bad person if you are a member of the Glass and Glazing Federation. It seems to have been mentioned then. It was mentioned in a letter. I can understand why somebody who wears membership as a badge of honour would indicate that both in the preliminary meeting and at the meeting, but do you have an explanation as to why the change was sought? Is it your view that there was a misunderstanding?

Mr Sands: I am afraid, with all due respect, that only the Minister can answer that question.

Mr Campbell: OK. However, you are clear that Turkington representatives came as representatives of Turkington's but were wearing that — as I described it — badge of honour as members of the Glass and Glazing Federation.

Mr Sands: Absolutely, because all that we discussed at the meeting were the glass and glazing guidelines.

Mr Campbell: Were those mentioned throughout the meeting, or just periodically?

Mr Sands: They were mentioned throughout the meeting. There was a description of how the Glass and Glazing Federation guidelines differed from the method at the time of Housing Executive installation requirements.

Mr Copeland: Thanks, Michael. This must be difficult in some respects. You were aware when you were at the meeting that you were speaking to representatives of a company that did not have a contractual connection with the Housing Executive but had a subcontractor connection with someone who did.

Mr Sands: I was not even aware of that at that time.

Mr Copeland: Were you aware at that stage that the Housing Executive had apparently been merrily breaching health and safety regulations by utilising the method that it had been?

Mr Sands: No. I would not have been aware of the actual installation requirements of the Housing Executive. That is purely an operational matter for it.

Mr Copeland: Did you, at any time throughout the time frame that we are looking at, have any communications at all with the Minister's special adviser, and would you, in the normal course of your work, have contact with the Minister's special adviser?

Mr Sands: Daily.

Mr Copeland: Did you ever discuss with the special adviser the possible difficulties that the Minister might get into because of the change between your initial draft, which I think was accurate, and his final letter that was sent out?

Mr Sands: No.

Mr Copeland: It was never mentioned.

Mr Sands: No.

The Chairperson: I will be clear with you, Michael. You are satisfied, from what you have said so far, that the meeting referred to was with Turkington.

Mr Sands: Yes.

The Chairperson: And that, although the representatives from Turkington's would have understandably referred to themselves as members of the Glass and Glazing Federation, at no time did they claim to be representative of the Glass and Glazing Federation.

Mr Sands: No. I go back to the original letter, which described them as "active members".

The Chairperson: At no time, from your understanding of the meeting, was Fusion21 at the meeting.

Mr Sands: No, absolutely not.

The Chairperson: The draft letter that has been presented in evidence, which was written by you, referred to Turkington's as being at the meeting, and you were requested by the Minister, through his private office, to amend it to refer to the Glass and Glazing Federation and Fusion21.

Mr Sands: My letter states:

"My officials and I have had informal approaches and letters from a number of firms in the double glazing industry and along with the Chief Executive of the Housing Executive I met with representatives of the Glass and Glazing Federation and Fusion 21".

That does not tie it down to a specific date.

The Chairperson: That was about a "meeting". I will put this to you Michael: are you satisfied that the meeting that you attended on 16 April was asked for by Turkington's and was attended by Turkington's representing Turkington's?

Mr Sands: Yes.

The Chairperson: And it did not represent anybody else.

Mr Sands: No.

The Chairperson: And there was nobody else in that meeting. Fusion21 was not there.

Mr Sands: Apart from the Housing Executive. There were no other companies there.

The Chairperson: You are very clear in your evidence thus far that your draft of the letter accurately reflected that and that you were requested via the private office by an e-mail from a named individual, on the direction of the Minister, to amend it, which you then did.

Mr Sands: Yes.

The Chairperson: But that is not an accurate reflection of the meeting, because Fusion21 was not at it.

Mr Sands: It was not. The letter does not state a specific date. It states that I had meetings with Fusion21, which is correct.

Mr Clarke: Although it seems that the Chair is trying to tie you down to a specific point, is it fair to say that you could broaden that also? I do not think that anyone is not acknowledging the fact that everyone is aware that they were from Turkington. Even this minute or aide-memoire — whatever you want to call it — refers to Turkington's as well as the Glass and Glazing Federation. Given the evidence that you have just given, do you accept that they represented the view of the Glass and Glazing Federation when they were at that, on the basis of the reference to the industry standards?

Mr Sands: They referenced and represented the guidelines of the Glass and Glazing Federation, yes.

Mr Wilson: The fact that they talked about the federation guidelines and about being members would have been as significant as any part of the meeting, especially in discussing the kinds of issues that you were discussing.

Mr Sands: Yes, the significance is around the evidence that they were bringing to the Minister and to that meeting that there were savings to be made if the Glass and Glazing Federation guidelines were followed.

Mr Wilson: I want to put some balance to the questions that Jim asked, because he seemed to ignore it. He referred to the minute that you did not approve or were not asked to approve about the two people being representatives of the Glass and Glazing Federation. Can you confirm, as the minute confirms almost immediately, that, when they were introduced to you, they were introduced as people from Turkington.

Mr Sands: Yes. That was the first time that I had met them. I did not know who they were.

Mr Wilson: There was no attempt to hide from officials who the people were.

Mr Sands: No, not at all.

Mr Clarke: Michael, if all of this were to happen again, would you give more or less weight to a double-glazing firm, which is just a double-glazing firm, or to a double-glazing firm that is a member of the Glass and Glazing Federation?

Mr Sands: I would give much greater weight to the member of the glazing firm that is also a member of the Glass and Glazing Federation, because it was the guidelines that we were discussing, not the role of Turkington.

Mr Clarke: Fair enough.

Mr Copeland: I have another small point, Michael. We have confirmed your understanding of the Fusion21 meeting. In the context, I presume that it was associated with the matters that were under discussion at the meeting at which Turkington's was represented. Have you any knowledge of what was discussed with Fusion21 [*Inaudible.*] several others? I presume that they may well have been Northern Ireland-based companies. Fusion21 appears to be in Merseyside.

Mr Sands: I believe that you have been supplied with information on those meetings.

Mr Copeland: Were similar issues discussed, broadly speaking?

Mr Sands: No, I think that Fusion21 was pushing procurement issues.

Mr Copeland: What would have been the relevance of including Fusion21 to the exclusion of the, presumably, Northern Ireland-based companies?

Mr Sands: As I said, Mr Copeland, I was not at the meeting, I was not involved in it and I have no opinion on it.

Mr Brady: I have a general question, Michael. You said that you go to many meetings — sometimes two or three a day — with the Minister and special adviser. In the normal course of events and under normal circumstances, do you expect minutes or an aide-memoire, whatever terminology is used, to reflect accurately what happened in meetings and who was present?

Mr Sands: Absolutely, because if a proper note is taken, in normal circumstances, it is circulated to those who were present so that they have an opportunity to comment on or correct anything in it.

Mr Brady: Would you expect an aide-memoire to be accurate as well?

Mr Sands: You would expect it to be, yes.

Mr F McCann: I do not know if I picked you up properly, Michael, but you said that you would give more credence to somebody who refers to the Glass and Glazing Federation than you would somebody who has 25 or 30 years' experience in the same thing. Would you not have to treat them on their respective merits?

Mr Sands: Yes, but an independent company coming in could be selling the role of that particular company to their advantage, but this company, as an active member of the Glass and Glazing Federation, was bringing in those guidelines that I had never heard of before.

Mr F McCann: Is everybody who installs windows, a subcontractor as well as a main contractor, a member of the federation? Even if not, people have to meet certain standards before they are accepted for tenders.

Mr Sands: I am sorry, but that is one for —

Mr F McCann: You mentioned that they would give more credit to somebody who says that he comes from —

Mr Sands: A professional organisation, yes.

Mr F McCann: That is interesting.

The Chairperson: Michael, you have said a couple of times that you did not suggest that the meeting that was referred to and included Fusion21, for example, was one meeting. I have to put it to you that it does say that in the next paragraph. It states:

"As a result of this meeting".

It seems to me that that is a very clear contradiction of what you have told the Committee.

Mr Sands: I had not noticed that, Chairman. I suggest that you are right and that that would contradict it.

The Chairperson: You are accepting that this letter, which you drafted and subsequently amended at the request of the Minister, reflects one meeting.

Mr Sands: I drafted it as one meeting with Turkington. It was subsequently changed at the request of the Minister to include that, and I inserted his request.

The Chairperson: However, two minutes ago, you gave evidence to say that it did not reflect that it was one meeting.

Mr Sands: I am sorry. I missed the first line of that.

The Chairperson: Do you not think that that is a very important omission? It is clearly one meeting. You drafted the letter, you amended the letter, and the letter clearly states:

"As a result of this meeting".

That is a very important part of this discussion this afternoon.

Mr Sands: You are right.

The Chairperson: This goes to the heart of the specific question that we are dealing with today. Did that letter represent the meeting, or did it mislead the Committee?

Mr Sands: I can only state what I actually prepared. I prepared that draft on the basis of one meeting with Turkington's, which is why it says "at this meeting". It was subsequently changed at the request of the Minister to take out the reference to "Turkington Holdings Ltd" and to put in:

"representatives of the Glass and Glazing Federation and Fusion 21".

The Chairperson: Do you now accept that the letter, which was sent to me on behalf of the Committee — that makes it all the more important — referred to a meeting that, as characterised in that letter, did not represent the meeting that you attended?

Mr Sands: It would have done. Yes.

Mr Wilson: Michael, do you accept that the use of:

"As a result of this meeting"

— means that the previous paragraph is divorced from that paragraph? The previous paragraph talks about not just Turkington's and Fusion21 but a number of other firms. It is clear that a number of meetings are referred to in the previous paragraph, and the next paragraph does not suggest whether that meeting is with some of the other local firms, the Glass and Glazing Federation, Fusion21, all of them together or all of them separately. The Chairman is probably straining issues a little if he tries to lift paragraph 3 of that letter and say that what is contained in that paragraph refers to one meeting.

Mr Allister: With respect, the member could not be further from the accuracy of it. The previous paragraph refers to the Minister's officials and himself having had:

"informal approaches and letters from a number of firms" —

not meetings; letters and informal approaches — and,

"along with the chief executive of the Housing Executive, I met with Turkington Holdings and Fusion21 to discuss double glazing ... As a result of this meeting".

It really is; it flows.

Mr Wilson: No —

Mr Allister: There only was one meeting.

The Chairperson: One at a time and through the Chair.

Mr Wilson: With due respect, there is reference to:

"representatives of the Glass and Glazing Federation and Fusion 21".

There is no indication that those were meetings of two people together. It could be interpreted as two people separately —

Mr Allister: Until you come to the next paragraph.

Mr Wilson: — or two people together. The request from the Chairman talked about the meeting with Turkington's: that is where the meeting — singular— comes in. You need to go back to the Chairman's original letter to see why a particular meeting was referred to. It is only then that you get the proper context for it.

The Chairperson: I want to take one member at a time. That was my reading of it, and I think that the people around the room have enough intelligence to understand grammar.

Mr Wilson: Let us read it in context with the letter that you wrote to the Minister. That may give us a totally different interpretation of the —

The Chairperson: What is very important is that the letter was addressed to the Committee, through me. That is the status of the letter. There is no other. That is an important point.

Mr Wilson: Michael, for the record and so that we always keep this in the right context, as a result of whatever "this meeting" referred to, whether it was a meeting of all the firms in Northern Ireland,

Turkington's, representatives of the Glass and Glazing Federation, Fusion21 and Santa Claus, there were £15.1 million of savings.

Mr Sands: Yes.

The Chairperson: To satisfy the Committee — this is an important evidence-gathering session — Michael, are you satisfied that that is not an accurate reflection of the meeting of 16 April? Do you accept that?

Mr Sands: As I said, I should have changed that second paragraph to read:

"as a result of the meeting on 16 April with Turkington".

The Chairperson: And you have no explanation of why, on reflection, you did not point that out to the Minister. You did the draft. Was that draft changed? If you did the draft, was that in your draft?

Mr Sands: Yes. The draft was changed.

The Chairperson: You wrote the letter as pertaining to a meeting, and the original draft referred to Turkington's in that meeting. You were subsequently asked to change that. Is that what you are telling the Committee?

Mr Sands: Yes.

The Chairperson: Do you accept that?

Mr Sands: Yes.

Mr Clarke: On that point, Michael, during the time that you have worked with Ministers, have they ever asked you to change drafts on any other occasions?

Mr Sands: Oh, yes. They are only drafts that I submit. At the end of the day, it is up to them to change them in whatever way they wish.

Mr Clarke: So that is not unusual.

Mr Sands: No, not at all.

The Chairperson: But they need to be accurate.

Mr Clarke: Chairman, you are putting words back into the mouth of the person who is giving evidence again.

The Chairperson: That is the purpose of the inquiry.

Mr Wilson: I want to put one last point to Michael. We will look at the letter in the context of the letter that the Chairman sent to the Minister. However, there is another way in which this could have happened. Quite frequently, when you change a draft in one paragraph, it has implications further down that are not always picked up. Your original letter referred to the meeting with Turkington's, and the next paragraph talks about a meeting. The Minister might, at a later stage, have said, "I want to change that. I did not just have a meeting with Turkington's; I also had a meeting with Fusion21. So, I stuck Fusion in but did not then pick up that, in the next paragraph of your original draft, you had only referred to the Turkington's meeting". That is possible as well.

Mr Sands: It is possible that that is what happened.

The Chairperson: In fairness, I do not think that Michael or anyone else can second-guess why somebody else made a change.

Mr Sands: As I said, you need to address that to the Minister.

The Chairperson: You gave a response on that earlier.

Mr Allister: On that point, you do the draft and send it to the Minister, and the Minister sends it back. Presumably, it is sent back to you because you were the original drafter and a cautious senior civil servant. You read the redraft, and you sign it off. Is that right?

Mr Sands: That would normally be the case, yes.

Mr Allister: So you would have read it, word for word, as redrafted by the Minister.

Mr Sands: All that he changed was one particular reference —

Mr Allister: Yes, but, if that changed the meaning of a subsequent paragraph —

Mr Sands: I missed that.

Mr Allister: — you would have been very alert to that.

Mr Sands: I should have been.

Mr Allister: Did you conclude that the Minister wanted to say that "this meeting", which he brings the letter to in a fourth paragraph, was, in fact, with the Glass and Glazing Federation and Fusion21? You could not have missed the import of "this meeting".

Mr Sands: I did. I am sorry.

Mr Allister: You did. Was it not that you knew perfectly what the Minister was changing and thought, "He is the Minister. Let him do it"?

Mr Sands: As you said, I missed the import of the following paragraph. I had drafted it as "Turkington Holdings" for one meeting.

Mr Allister: Did you read it when it came back to you?

Mr Sands: I cannot remember whether I did or not. I had drafted it, but all that was changed was the name of a company. Nothing else was changed.

Mr Allister: No. It inserted a new body — Fusion21 — that had never been heard of before in this conversation. That was a totally new import. That must have made you sit up and see, yet you simply rubber-stamped it.

Mr Sands: The third paragraph of the letter referred more generally to what was going on, and it was only the third line before the end of that paragraph that referred to Turkington's. I knew that the meeting had taken place with Fusion21, but I should have changed the first four words of the next paragraph. I missed that.

Mr Allister: The Minister is, equally, an intelligent man, who would have known the import of talking about "this meeting". Is that right?

Mr Sands: That is up to the Minister to answer, not me.

Mr Allister: Given your work with the Minister, would you not be surprised if he missed that detail?

Mr Sands: That is really for the Minister to answer. All I did was change the draft that I had prepared, which referred to one meeting.

Mr Allister: Did you think that the letter to a Statutory Committee of the Assembly on a specific issue was important? Should every word not have been measured to make sure that it was right?

Mr Sands: It should.

Mr Copeland: Mr Wilson contended that £15.1 million had been saved, and you acquiesced. Is that £15.1 million that has been saved so far, or —

The Chairperson: Sorry, Michael. That is not part of the substance of the inquiry.

Mr Wilson: I have seen letters go out, and sometimes gaffes in them are caught and sometimes they are not. The idea that, somehow or other, everything that leaves a Minister's office is 100% word perfect and, if it is not, you attach some sinister reason to that is a bit naive, quite frankly. Michael, you received a specific request from the Minister's office to change one particular sentence in a letter.

Mr Sands: Not even a sentence, just the reference to "Turkington Holdings".

Mr Wilson: It is quite possible that, having had such a specific request to change that reference, it was changed, somebody looked at it and they were perfectly satisfied with it. The fact that there are implications further on in the letter could easily be overlooked. Is that not the case?

Mr Sands: It is. Yes.

The Chairperson: Before I move on to other colleagues, are you saying, Michael, that, notwithstanding all the public attention and Assembly debate in the Chamber and at Committee level, it is only this afternoon that you accept, on reading that letter, which you drafted, that it is an inaccurate reflection of the meeting? I put it to you that that is a glaring omission from a senior official.

Mr Sands: I missed that reference. With the change that was effected in changing "Turkington Holdings" to refer to two other companies, I missed the reference in the next paragraph:

"As a result of this meeting".

The Chairperson: Do you accept that, when you read that letter now, it tells me that the meeting, which is in the previous paragraph —

Mr Sands: Yes.

The Chairperson: Do you accept that that does not reflect the meeting?

Mr Sands: It does not reflect the meeting because Fusion21 was not at that meeting.

The Chairperson: If members are happy enough, we will move on to John and Declan.

In your submission, John, I think you state that, around the end of 2011, you contacted the Glass and Glazing Federation in London to seek a meeting to discuss how you might construct a procurement process around the double glazing issue. You were advised that there was no representative of the federation in Northern Ireland. That is in the submission.

Dr John McPeake (Northern Ireland Housing Executive): Our head of procurement made that contact.

The Chairperson: So you were aware at the end of 2011 that there were no representatives of the federation here. Is that right? The minutes that were provided of the meeting of 16 April refer to "representatives" of the industry.

Mr Declan Allen (Northern Ireland Housing Executive): Chairman, can I correct that? I contacted the Glass and Glazing Federation in London with the specific purpose of trying to find somebody in Northern Ireland to have a conversation about our forthcoming double glazing procurement. It did not provide me with any details of any members. That is not to say that there were not any members —

The Chairperson: I am not talking about members; I am talking about representatives.

Mr Allen: — of the Glass and Glazing Federation.

The Chairperson: I am talking about representatives, not members.

Mr Allen: Sorry.

The Chairperson: You were advised that there were no representatives. When the minutes of the meeting of 16 April were circulated, which refer to "representatives" of the Glass and Glazing Federation, did that not lead you to say, "Oops. That is not correct"?

Dr McPeake: I saw that note only after we were summoned to appear before the Committee. The Department circulated its briefing materials, and that was included in them. I saw that note of the meeting just in the past couple of weeks.

The Chairperson: Recently.

Dr McPeake: Yes. We were not consulted about that, and we did not see it.

The Chairperson: So you were at the meeting of 16 April and did not have any account of it afterwards. Were there no minutes reflecting the meeting?

Dr McPeake: No minutes were taken, as far as I am aware. My colleague Mr Allen made a personal note of some issues, but we did not see the particular document that you referred to until recently.

Mr Allister: Chairman, should we not have the witnesses read their submission into the record? We have not heard Dr McPeake and Mr Allen's evidence.

The Chairperson: I was just going to ask them to do that, but I wanted to make that first point for clarification.

Dr McPeake: The Committee asked three very specific questions and then requested additional supplementary information. I will make a brief comment on each and let the written record stand as well.

The first issue was the organisations that attended that meeting. On 16 April 2012, together with Declan Allen, my head of procurement, and a management trainee who was shadowing me for that week, I attended a meeting that the Minister hosted at his offices in Parliament Buildings. My diary entry for that meeting reads:

"Meeting with Minister McCausland and Jim McKeag and Ian Young, Turkington Holdings, to discuss double glazing in NIHE houses".

To be totally accurate, the word "double" is spelled incorrectly in my diary entry.

The Housing Executive was initially advised of that meeting via e-mail to our general information department on 28 February 2012, and we were advised that the Minister had agreed to meet Ian Young of Turkington Holdings. We were advised that the Minister's special political adviser had suggested that I be invited to attend that meeting. So, that e-mail was, in effect, an advance warning of a meeting that was yet to be scheduled. Subsequently, my personal assistant received a telephone call, which she believes was from the private office, and the detail of the diary entry was how it was described to her when that telephone call was made. I requested that Declan Allen, my head of procurement, accompany me to the meeting because of his earlier involvement in meetings with industry representatives about the ongoing work that we were doing on the double glazing specification.

The Committee asked a second question about our understanding of the purpose of the meeting. All that I can say is that we were not advised of any specific purpose beyond discussing the double glazing of Housing Executive houses. We were not asked to provide a briefing in advance, which, occasionally, we are, and we did not receive any specific request for preparation from the Department or the Minister's office. At the time, Turkington Holdings was a subcontractor working on Housing Executive contracts on behalf of Mascott. We were aware that it had some ideas about how double glazing could be fitted more economically, and, as the Committee commented, there had been a meeting at our headquarters with our policy and standards side on 13 March 2012. I just checked my notes on that, and they show that the Turkington's representative was an individual called Cary

Hyndman. I am advised by David Adamson, who was at that meeting, that the revised or different approach to fitting was among the things that were discussed. Equally, in going to the meeting, we were acutely aware of the wider Programme for Government target to double-glaze all housing Executive stock by the end of the CSR period, and we were actively working on producing a dedicated double glazing framework contract to do that.

The third question that you asked me to comment on concerned our role in attending the meeting. In broad terms, we understood that our role would be to listen to the contractors' suggestions and to take part in any discussions that arose. Representatives from Turkington Holdings commented on the then current approach of the Housing Executive's contractors to fit windows, and they compared that with the alternative approach that they used based on the Glass and Glazing Federation standards. They were very aware of our approach, because they were working as a subcontractor at the time. The major difference between the two was the reduced requirement to remove and chip off the plaster in the window reveal, the result of which would be that you would need to pay a redecoration grant in far fewer cases.

During the meeting, which lasted, I think, about 40 minutes, I explained that the Housing Executive was currently reviewing a number of aspects of our specification, including the types of windows, the frames, the glazing and the hinges. I explained in broad terms to all present what we were doing. I also commented that my technical staff were aware of the Glass and Glazing Federation's approach and that we were considering its potential. The matter had previously been drawn to our attention. My understanding of the situation is that Turkington Holdings raised nothing at that meeting that the Housing Executive was not already aware of or working on.

I will not go through the detailed commentary on the timeline, which I have provided under the heading "other business", but I thought that it was important to say briefly, as additional background, that we have reviewed the specification for double glazing on a number of occasions. There was a fundamental review in 2006 and another in 2010.

When we came to the meeting on 16 April, we were in the midst of another significant review. In particular, given the scale of the double glazing work that we were going to embark on, I had asked that we satisfied ourselves that we had future-proofed that specification as far as reasonably possible. A deal of work was being done at that time, particularly because of our concerns about the volumes and the opportunity that that procurement would bring.

That is all that I propose to say as introductory comments. I am happy to take any questions that you may have.

Mr Copeland: Thank you, John; you are very welcome. John, will you read the diary entry for me again, with or without the spelling mistake?

Dr McPeake: I have fixed the spelling mistake in my text. It says:

"Meeting with Minister McCausland and Jim McKeag and Ian Young, Turkington Holdings, to discuss double glazing in NIHE houses."

Mr Copeland: At that time, were you aware that there was a difficulty with health and safety with the then method?

Dr McPeake: No, I personally was not aware of that.

Mr Copeland: Was it known in the organisation?

Dr McPeake: I honestly cannot say. However, given the earlier conversation, I have made a special note to check that.

Mr Copeland: The weight that was given to that aspect strikes me as strange. It also strikes me as curious and strange that a body such as the Northern Ireland Housing Executive could accept tenders based on something that was contrary to health and safety guidance.

Dr McPeake: If I were to put a proportion on it, I would say that, at the meeting on 16 April, 85% of the conversation was about the Glass and Glazing Federation standard fitting method and our

procurement. The health and safety issue that Turkington's mentioned was touched on in passing. That is why I say that I am not aware of the detail and that I want to double-check it when I go back to the office. However, the vast bulk of the conversation that day was on specification, and it focused particularly on the fitting method.

The Chairperson: Thank you for that. Again, that is not the focus of today's meeting at all.

Before I bring Jim in, I want to follow up on the initial point. John, you said that you subsequently received telephone confirmation of the date of the meeting and so on. That came from the private office and was received by your chief executive's PA. The detail of how the meeting was described has been discussed. How was the meeting described by the private office?

Dr McPeake: As I said, my PA tells me that she typed into my diary precisely what she was told on the phone.

The Chairperson: Did that come from the private office?

Dr McPeake: She believes that it was the private office.

The Chairperson: Does that lead you to believe that that is the private office's interpretation of the meeting with Turkington?

Dr McPeake: That is how the meeting was described to us, Chair. I have not read anything into it other than that.

Mr Allister: The first that you knew about the fact that there was going to be a meeting was in an e-mail on 28 February. Do you have that e-mail?

Dr McPeake: No, I do not have it. We get about one million e-mails a month. The Housing Executive has a policy of purging e-mails after a period of time. I have seen a copy of it from the Department, and I am sure that we could get a copy. The essence of it is advance warning to our general information department.

Mr Allister: Does Mr Sands have a copy?

Mr Sands: I do not have it here.

Dr McPeake: I am sure that we can get a copy from the Department.

Mr Allister: What did you say is the general thrust of the e-mail?

Dr McPeake: It is just giving us advance warning. It says in my commentary that the Minister had agreed to meet Ian Young and that the special political adviser had asked that I, too, be invited to attend. There was no reference to a date at that time. It was simply advance notice that an agreement had been reached to have a meeting. The details of the meeting came later by telephone.

Mr Allister: Can you get us that e-mail?

Dr McPeake: I believe so.

Mr Allister: And you are very clear that the diary entry is exactly the product of what the private office said.

Dr McPeake: That is simply what I have been told, Mr Allister. I cannot speak to that personally, because I did not take that phone call.

Mr Allister: When did you first hear the suggestion that, in fact, the meeting that you had been at on 16 April was with representatives of the Glass and Glazing Federation?

Dr McPeake: I believe that it was when the Minister made his statement in the Assembly. I cannot be precise about that.

Mr Allister: Having been at that meeting, did that come as a surprise to you?

Dr McPeake: Yes.

Mr Allister: At that meeting, was there any hint or suggestion that the two gentlemen from Turkington's were representing anyone other than Turkington?

Dr McPeake: No.

Mr Allister: Do you understand how anyone at that meeting could have concluded otherwise?

Dr McPeake: Other than the fact that there was extensive discussion about Glass and Glazing Federation standards and, indeed, that the Turkington representatives mentioned that they were members, I did not have the advantage of seeing the letter that Turkington's wrote to the Minister, so I would not have been aware of it. Others who were present at the meeting would have seen that letter.

Mr Allister: But there was no representation made.

Dr McPeake: They never purported to be representatives of the Glass and Glazing Federation. They mentioned that they were active members, but my understanding and, I believe, my colleague's understanding was that they were there purely as representatives of Turkington Holdings. The diary entry reflected my understanding of that.

Mr Allister: Nothing that happened at the meeting changed that understanding.

Dr McPeake: No.

Mr Allister: Did you say that you had never seen what we have been referring to as the "minute" of the meeting?

Dr McPeake: No. I saw it when the Department circulated the papers after we had been summoned here.

Mr Allister: Were you surprised by it?

Dr McPeake: It looks to me as though it is not a minute but just an observation. It is very incomplete as regards the discussion that happened on the day.

Mr Allister: Did the heading "Meeting with representatives of the Glass and Glazing Federation" surprise you?

Dr McPeake: Yes. That is not how we would have described it. In a response to, for example, a BBC freedom of information request, we made it clear that we were meeting representatives from Turkington Holdings Limited. That was our understanding of it.

Mr Allister: What discussion was there at the meeting about hinge types?

Dr McPeake: I raised that in the context of the ongoing work that we were doing on the specification. We were looking really at three major things: the type of window frames; the glazing component; and the hinges. We had made changes to our hinge specification in, I believe, November 2011. So, I raised the discussion and made a number of observations in the context of what we were doing, but that was only part of a general comment on the revisions to the specification.

Mr Allister: Was there any input from Turkington's on that?

Dr McPeake: On the hinge issue, I do not recall any. Its major focus was on the fitting method and the Glass and Glazing Federation standards approach.

Mr Allister: How unusual is it — maybe it is not at all, but you tell us — for somebody who is actively engaged as a subcontractor in a contract with the Housing Executive to meet with those at the highest level of the Housing Executive and with the Minister to discuss matters that are germane to the work that they are doing?

Dr McPeake: We have rules on meeting contractors at certain stages of a process. My colleague from procurement may want to comment on this, but, as a general principle, once the procurement is live, we do not have discussions with the contractors. However, we had not gone to market; we were still in the process of thinking what the specification might be. Good commercial practice suggests that engagement with the industry is the norm. However, I do not recall having been to any previous meetings involving the Minister and a contractor. I do not want to be definitive on that; it is possible that there may have been others, but I do not recall any others at any time.

Mr Allister: So, there would have been meetings with contractors, presumably at different levels and even at your level in the Housing Executive, but you can never recall a Minister being at one of them.

Dr McPeake: I personally do not recall having direct meetings with a Minister and contractors being present. That does not mean to say that there were not any, Mr Allister. I would need to check my diary for that.

Mr Allister: Maybe "summons" is too strong a word, but, in a sense, you were told to be at that meeting?

Dr McPeake: I interpret it as an invitation. It was, as I understand it, a suggestion from the special adviser. When the Minister wants to see an official, the official would usually go.

Mr Allister: But there was no briefing asked for. You were not asked to prepare anything in advance.

Dr McPeake: No, we were not.

Mr Allister: Is that unusual?

Dr McPeake: It depends on the circumstances. Sometimes we would be given an indication that they want to discuss x, y and z, and we would come prepared, and other times that would not be the case. In this instance, we did not receive any specific requests from either the Minister or the Department.

Mr Allister: So, the meeting takes place on 16 April, and, on 30 April, the Minister issues a direction to you. Is that right?

Dr McPeake: He issued a letter to me requesting a number of things and, in fact, asking for a fundamental review of our specification. That, in truth, made me smile, because I had already told him that we were in the midst of a fundamental review of the specification.

Mr Allister: Was he stalling any further roll-out?

Dr McPeake: If you do not mind, I will refer to the letter, just to be clear about it. He indicated that until the review — that is, the review of the specification, which he described as a rigorous review — was complete, all further double-glazing installation should be held until the new contract provisions were in place.

Mr Allister: Was that or was that not an operational decision for the Housing Executive?

Dr McPeake: I think that that is a difficult question for me to answer. In a sense, we were already doing what the Minister asked us to do. We were in the midst of a fundamental review of the specification, and we wanted to get that procurement out to market as quickly as possible. It was perhaps unusual that he asked that we not do any further double glazing unless other orders for works had been placed.

Mr Allister: I think that the Minister, and Mr Hoodless at a later stage, were anxious to say that decisions about these matters were operational.

Dr McPeake: Yes, that position emerged at the end of the process.

Mr Allister: There was not much sign of that at this point — on 30 April — was there?

Dr McPeake: You can understand that position, but my interpretation of this, and I accept fully that people may interpret things differently, is that the Minister wrote to me on a couple of occasions and I responded over the period from 30 April until September. Essentially, all the queries that he had were about value for money, and he was seeking our confirmation that what we were proposing to do constituted value for money. I do not believe that that is an unreasonable suggestion.

Mr Allister: No, I am not suggesting that it is. Did you have any meetings with Fusion21?

Dr McPeake: Yes. I met representatives of Fusion21; I may have met them twice. Those were essentially fact-finding meetings. We had an introductory meeting originally and then a fact-finding meeting, and I had arranged for my head of procurement to visit its operation in Liverpool just to better understand how it was structured.

Mr Allister: Can you put a time on that?

Dr McPeake: I am afraid that I could not do it today, but I can say categorically that there was no representative from Fusion21 at the meeting on 16 April. We met Fusion21 separately, but double glazing was not the subject of those discussions.

Mr Allister: Mr Allen, do you have any diary entry of the meeting.

Mr Allen: It is quite similar to that of Mr McPeake. John invited me to attend that meeting with him on 16 April, and I typed it into my diary that I was going to meet Turkington's on 16 April.

Mr Clarke: Where this review that has been in the midst is concerned, why, given that someone from industry can identify a £15 million saving, did your Department let it get so wrong in the first instance?

Mr Allen: Sorry, get —

Mr Clarke: In how the specifications had been drawn up.

Mr Allen: I do not look after specifications, Mr Clarke. I am head of procurement; I deal with the commercial side of doing procurements and looking after commercial contract management, but I do not have any information on how our specifications are constructed or maintained.

Dr McPeake: If you wish, I can offer a comment on that.

The Chairperson: Again, this is really not the purpose of the inquiry today, Trevor.

Mr Clarke: I knew that, I just wanted to see.

Dr McPeake, how would you describe your relationship with the current Minister?

Dr McPeake: My personal relationship, or —

Mr Clarke: Your working relationship.

Dr McPeake: I think that it is respectful.

Mr Clarke: Are you not apprehensive about some of the decisions that he is currently making where the Housing Executive is concerned?

Dr McPeake: Do you mean on the future of the Housing Executive? No. The Housing Executive supports the principle behind the social housing programme. It makes perfect sense to us. You might argue that the devil is in the detail, but the Minister has given a full commitment to engage with all the stakeholders on that.

Mr Clarke: I am not really interested in the Minister's view on it; I am more interested in your view on what is happening in the Housing Executive, driven by the Minister.

Dr McPeake: I support it. I think that it is the right thing to do, and we want to shape and influence the actual outcome.

Mr Clarke: So, does that mean that you would not suggest that some of the Minister's decisions would cloud your recollection of what took place previously in these meetings?

Dr McPeake: Absolutely not, no.

Mr Wilson: This point seems to contradict some of the others, Mr McPeake, but you said that you were surprised when you heard that the meeting had been described as a meeting with representatives of the Glass and Glazing Federation. Why would you be surprised, given that we already heard from Mr Sands, and as you mentioned, that, on a number of occasions during that meeting, federation standards and membership of the federation were referred to? Why would you be surprised that some reference should be made to the fact that these people were associated with the Glass and Glazing Federation?

Dr McPeake: There are two reasons, really. Our diary entries were unequivocal; it was very clear, and I had the knowledge that my head of procurement had already spoken to the Glass and Glazing Federation in London, which told us that it had no representatives that we could speak to in Northern Ireland. So, that is why I thought it was surprising.

Mr Wilson: That is not what you said. You said that you were surprised at the reference to the Glass and Glazing Federation, but you have already said to us in your evidence that the federation was mentioned on quite a few occasions during the meeting.

Dr McPeake: Yes, but that was in the course of conversation during the meeting. It was also very clear in what I said that, when the Turkington representatives attended, they did not purport to represent the Glass and Glazing Federation. Indeed, I have now had sight of their letter, and they did not purport that in it either.

Mr Wilson: That is not what you were surprised about. You were surprised, according to what you said earlier, that there was any reference to the Glass and Glazing Federation at all.

Dr McPeake: No, that is absolutely not what I said.

Mr Wilson: Right. That is good.

Dr McPeake: I said that I was surprised that it had been described as a meeting with representatives of the Glass and Glazing Federation.

Mr Wilson: But you were not surprised that, in any record of the meeting, Turkington should be associated with the Glass and Glazing Federation, or, indeed, that, in any such record, there should be reference to the Glass and Glazing Federation?

Dr McPeake: No, not at all. I do not see that as a conflict.

Mr Wilson: The second thing that you said was about the direction by the Minister — I noticed that, when you said it, it made you smile — and what he said about the review, because the review was already under way. You seemed to have some reason to disagree with his direction that further work stop. Why was that?

Dr McPeake: We were concerned simply about the fact that we had the money to spend on the double glazing, we had contracts in place, and we had tenants who needed the work done. He had indicated to us that he wished the work to stop, bar the jobs for which works had been ordered. We took advice on that and found that not only were there job schemes — that may be a better description of them — where contractors had placed orders with their supply chain, but there were schemes on which we had briefed contractors, and that would be considered a formal order.

Through an exchange of correspondence, we came to an agreement about that with the Minister and we were satisfied with that outcome. Towards the end of the year, when we completed — rather, to be technically correct, when we started — all those schemes and we still had the resource available to do others, I wrote to the Minister again and secured additional approval to go ahead with further schemes using the revised fitting method but with the current specifications.

Mr Wilson: You really should not have been surprised that a Minister who had been made aware during those meetings of not thousands or hundreds of thousands, but millions of pounds of savings that the Housing Executive had clearly not identified — indeed, it seemed to be in no urgency to identify them, in so far as it had strung out a company that wanted to talk to it about those savings — would, at some stage, say, "Actually, maybe we should not be spending any more on those contracts until we see if those savings can be realised."

Dr McPeake: Well, you connected two different issues there. On the first, which is about the savings, we were absolutely committed to realising those savings. As a number of people have commented, our estimated figure was around £15 million. When we look at the detail of that, we think that about £9.5 million of it comes from not having to pay out redecoration grants and about £5.5 million comes through the procurement process. During May, we were able to introduce a number of test schemes using the new fitting method and satisfy ourselves that it was competent and that the work was of good quality.

We introduced a new protocol for all schemes moving forward from 1 June. Our belief is that, at that point, we had achieved the savings and the fitting method, so allowing the existing contracts to continue and deliver the work would have delivered those savings. The only saving that remained to be achieved was the saving that would arise from changes to the specification in procurement. Our focus through the rest of that period was on trying to get to the market as quickly as we could. We had already achieved the saving on the redecoration grant by changing the fitting method with the introduction of the new protocol on 1 June.

Mr Wilson: Maybe your answer says more about the way the Housing Executive deals with public money than about the Minister. The remaining savings that you are talking about through procurement probably amounted to £5 million or £6 million. Maybe the Housing Executive thinks that it is not worth delaying things to make those kinds of savings. However, that is a subject for another day.

I just wanted to pick you up on the point that you were surprised — almost seemed a bit miffed — that the Minister had asked for these things to stop because the contracts were already out there. I would have thought that it was perfectly reasonable, after having meetings with organisations that the Housing Executive had dragged its heels on, that the Minister should ask for a cessation of contracts in order to make the kind of savings that were being proposed. Of course, at that stage, you would not have had the evidence that you are making savings on the redecoration grants either, would you?

One other thing: the Minister was not meeting with the contractor, was he? He was meeting someone who, as was made quite clear, had identified that there could be savings that Housing Executive officials had refused or dragged their heels on. The Minister then decided to hear from him. It was not a meeting with contractors.

Dr McPeake: No. Turkington is a contractor, but you are quite right, it is not a contractor of the Housing Executive. It is a subcontractor.

Mr Wilson: So it would not be unusual. The Housing Executive or its officials would not take a dim view of a Minister meeting someone who, just because they happen to do some work in the public sector, finds the door shut in their face? It is not unusual for a Minister, regardless of the relationship between a firm and the public sector, to meet someone who has concerns about public expenditure.

Dr McPeake: I accept that absolutely. We would regularly meet. I do not know the circumstances behind Turkington's points, made earlier, about e-mails sent at the back end of the previous year. I will certainly check that. I do not personally know about that, Mr Wilson. However, we were happy to attend the meeting and we did not see it as presenting a difficulty for us, commercially or in any other way. We were satisfied to do that.

The Chairperson: You suggested earlier that it was surprising in that you cannot recall any other meeting similar to that with anyone else. You said that, subject to checking your diary to verify it.

However, you did not believe that you had attended any other meeting between a single contractor and the Minister to discuss something.

Dr McPeake: I do not believe so. We have certainly attended meetings with the Construction Employers Federation, with the Minister present, on a number of occasions. However, I want to be very clear that I cannot be definitive. I think that it was the only time, in the context of the double glazing procurement anyway, that we met a contractor with the Minister present. However, I have already acknowledged Mr Wilson's point that they were meeting with the specific set of proposals.

Mr Copeland: Please stop me if I stray, Chair. During the previous evidence session with the two gentlemen, they used the phrase "live on site". It was, presumably, a live contract. One of you said subsequently that you would not meet contractors when a contract is live. Do you mean any contract or just the contract under discussion?

Dr McPeake: No, just when we are in live procurement. You have to guard against the scenario that you go to the market in a procurement situation, and then potential bidders want to come in and discuss things with you in the midst of that. We do not do that. However, with the double glazing procurement, we were in the formative stages and working on the specification, so we did not see that as being inappropriate.

Mr Copeland: We have heard a good deal about the Glass and Glazing Federation, which is, seemingly, held in great respect. Was it a surprise to you that that body did not have any representation in Northern Ireland?

Dr McPeake: Truthfully, I did not give it too much thought. At the end of the day, my head of procurement, the director of housing and I met early in December and agreed that it would be appropriate, as we were working on the specification, to have a period of engagement with the industry. As part of that engagement, we sought to speak with representatives of the Glass and Glazing Federation.

Mr Copeland: Was that the Glass and Glazing Federation GB?

Dr McPeake: In England, yes. I believe that it is the parent body that sets the standards.

Mr Copeland: I am just curious about the relevance of that. If we are talking about UK-approved standards, there may well be difficulties with building control. Where there are not difficulties? Was it checked out that they concurred with building control requirements here?

Dr McPeake: Our concern was to understand what the options were.

Mr Copeland: I do not doubt you, sir — not for one moment.

Dr McPeake: That is all the issue was. As part of our procurement process, we simply wanted to know whether there was a better way of doing it. It had been drawn to our attention by a number of different people that there were other ways of doing it. Our window installing programme has historically been done by general building contractors, not specialist window manufacturers and fitters. We sought to take advantage of that, but we were aware of many instances in which the fitting method was poor. Windows had just been stuck in with expanding foam and a burglar was able to come along with a Stanley knife and cut the window out. We wanted to be absolutely certain that, if we were going to change the fitting method specification, it would work well, it would be safe and secure for the tenant and that there would be a good thermal bond with the frame. The issue with the slip is that it can cover a multitude of sins.

Mr Clarke: Dr McPeake, what weight would you have given to an argument from a window fitting company as opposed that of someone who was a member of the Glass and Glazing Federation?

Dr McPeake: It would not have influenced me one bit. My view —

Mr Clarke: So you are saying that, if a father and son operation that fitted PVC windows managed to secure a meeting with the Minister, you would put as much weight on what they said as you would to representatives of a company that was a member of a recognised organisation with which you were already in contact?

Dr McPeake: No, I am saying that I would give everyone equal hearing. I would consider the evidence as presented and form my own views.

The point is that we were aware of the Glass and Glazing Federation and its specification in advance of the meeting at which Turkington's was present. The federation had already spoken to members of our policy and standards teams about the fitting method. The issue did not arise. We were aware that it had proposals, we thought that there was merit in them and we knew we needed to do something to look at the issue. It seemed to us to be perfectly consistent for them to come along so that we could listen to what they had to say and respond accordingly.

Mr Clarke: When did you first make enquiries to the Glass and Glazing Federation about its proposals for the standard?

Dr McPeake: I believe that it was the back end of the previous year when we made efforts to contact it. We had looked at the guidance that was available on its website and from other sources. We wanted to meet with a representative, but we were unable to do that.

Mr Clarke: I think that you said earlier that it did not supply you with the names of its members. So it is not that you could not meet them; it is that the organisation did not supply you with the names of its members. Is that right?

Dr McPeake: The federation told us that it has no representative. We asked whether there was a representative that we could speak to and were told that it had no representative in Northern Ireland.

Mr Clarke: You are not resentful, then, of the company —

Dr McPeake: Not at all.

Mr Clarke: — given that it showed the savings that I believe your procurement people should have exposed, instead of depending on a window supplier.

Dr McPeake: Well, I think you are working on the assumption that Turkington's was the only company that raised that issue with us. That was not the case. Through our own research, we were aware of the Glass and Glazing Federation before Turkington's met us in March. I have to say —

Mr Clarke: So you were aware of it for some months before March, but you were quite happy to continue to waste public money even though you knew that there was another method that would save public money?

Dr McPeake: No. We were doing the work as part of the ongoing review of the specification for the new procurement. I think the fundamental —

Mr Clarke: But given that you knew there was another method that could have saved millions of pounds, would you not have thought it more useful to cease the programme to try to save public money so that the programme could be expanded to more people?

Dr McPeake: Well, as I explained, we had to satisfy ourselves about the fitting method, which is why we went into the field with our contractors to do a number of test schemes. Our focus at the time was on the new procurement. The Minister's intervention required us to introduce the revised fitting method into the current contract, which I think was a sensible decision. I certainly supported that.

Mr Brady: Mr Allen, you contacted the Glass and Glazing Federation in December 2011 and were told that it had no representatives here. Did it come as a surprise to you, then, when representatives of Turkington's said that they were members of, but were not there representing, the Glass and Glazing Federation at the meeting? Mr Young indicated that he was chair in 2005 and 2006, which meant that he had a fairly high profile in that organisation. Did it come as a surprise to find out that you were

sitting with two people who were members of the Glass and Glazing Federation but were not there to represent it? That point has been made. Following on from that, would you have thought that those were people you could talk to because they were members of the federation, even though you had been told previously that it virtually did not exist here in the North?

Mr Allen: The huge surprise for me was the previous evidence statement that the gentleman was the chairman of the Glass and Glazing Federation. I was trying to find somebody in Northern Ireland who we could bring into our offices and talk to about how we should put together a double glazing procurement process. The lady in London was at pains to get it through to me that there was nobody I could speak to, not even in GB, so I asked whether there were members in Northern Ireland who she could point me in the direction of. Obviously, because of the Data Protection Act, she could not give me those particular details. That was the end of the conversation.

Mr Brady: If you will excuse the pun, it was not as transparent as it might have been in that situation.

Mr Allen: Absolutely.

Mr F McCann: I have a couple of points. A lot has been said about store being put in the Glass and Glazing Federation. I take it that there are quite a lot of standards right across Europe on the installation of windows. The point I am making is that you said that you would treat everyone equally if they had a background in glazing, so it is not down to just the Glass and Glazing Federation.

Dr McPeake: Yes.

Mr F McCann: We keep being asked that question. John, I think that you said you were surprised that you were asked to go to a meeting with a company and the Minister to discuss possible difficulties with contracts that were either out there at the time or might have been out there shortly afterwards.

Dr McPeake: I do not believe I said that. Maybe I misspoke; I do not believe that I made that point. I simply said that we received notification of the meeting and that it was clear who it was with. I attended, and I asked my colleague from procurement to attend with me. I was not surprised by that. I think that I answered another question about whether it was usual or common. It was not particularly common, but that does not mean to say that there was anything wrong with it.

Mr F McCann: Was it unusual?

Dr McPeake: I am not a civil servant. I do not meet the Minister that often. I meet him formally twice a year in performance reviews for the organisation, and I might see him once every couple of months because of issues on the ground. It is not like the situation of a civil servant who may be with him every day, if not several times a day. It is hard for me to say whether it was usual or unusual because there is no pattern. The issues that come to me through the Minister's office tend to be quite specific or policy-related matters. I cannot really judge whether it was unusual.

Mr F McCann: Sammy raised the whole question of savings. The vast bulk of the savings was in the form of depriving people of redecoration grants. Were any redecoration grants paid after the contract was awarded?

Dr McPeake: Yes. I would not describe —

The Chairperson: Sorry. We are straying completely from the terms of reference of the inquiry.

Mr F McCann: Sammy raised the issue, so I asked the question.

The Chairperson: It was not responded to because it is completely outside the terms of reference. Sorry, Fra.

Mr Wilson: From what you have said, the Glass and Glazing Federation appears to be like some covert underground group. It will not let you know who its members are and it will not tell you who its representatives are. It does not even know whether it has representatives in England. I do not know how it gets its message over. The representatives from Turkington's never claimed to be representatives. Nevertheless, would you say that, if you were speaking to the chairman of an

organisation in a particular area, you could be fairly sure that you are getting a representative view of that organisation?

Mr Allen: Yes.

Dr McPeake: One would assume so. I think that he may have said that he was chairman of the Northern Ireland branch.

Mr Allister: In 2006?

Dr McPeake: Yes. I do not think that we would have any doubt about the bona fides of Turkington's and its knowledge of the Glass and Glazing Federation standards.

The Chairperson: Maybe Declan can answer this question. I do not know the status of the organisation, but I think that Fra touched on this question earlier: do all the organisations or contractors doing such work need to be members of that organisation, or is it optional?

Dr McPeake: No, it is not a requirement.

The Chairperson: In many industries, people have to be accredited. Do you have any idea, off hand, whether the majority of contractors doing that type of work are members of that association?

Dr McPeake: I believe that it is a trade body for specialist window installers. Until recently, our double glazing work has been done by general contractors. I would have been surprised if any of them were members of the Glass and Glazing Federation. In my view, the membership is irrelevant; it is the standard and the advice that it has produced on how to fit windows that is relevant. We can take advantage of that, and we have done so.

The Chairperson: Again, I want to make it clear that the Turkington representatives made it very clear that they did not indicate at all that they represented any body other than their own company.

Mr Brady: I want to raise a small point. John, you said that Mr Young might have mentioned the fact that he had been chair of the Glass and Glazing Federation. However, Declan said that he was surprised when he heard that today. You were at the same meeting. Perhaps you were just not paying attention.

Mr Allen: It means that the chief executive's memory is better than mine.

Dr McPeake: I meant that in the context of today. I do not believe that he indicated that he had been a former chair at the meeting. If he did, I did not pick up on that at the time.

Mr Brady: I just wanted to get clarity on that. Thanks.

Dr McPeake: As I said, I do not doubt Turkington's knowledge of the Glass and Glazing Federation standards.

The Chairperson: Although it has been referenced a lot, nobody at the meeting of 16 April, which is what we are concerned about today, indicated that they were there to represent the federation. I think that Sammy was making the point that there has been a lot of talk about an organisation that has not presented itself here to anybody. No other members have indicated that they want to ask a question. Sorry, Stewart, my apologies.

Mr Dickson: On how many occasions has the Minister or any previous Minister under whom you have operated issued you with a direct instruction?

Dr McPeake: I think that this was the only occasion on which that happened.

Mr Dickson: That is fine. Thank you.

The Chairperson: OK. Michael, John and Declan, if there is nothing that you want to add, we will leave it for this afternoon. Thank you, gentlemen, for your participation.