Committee for Regional Development 11th September 2013

Translink Briefing: Delayed Start to Phase 2 of the Londonderry Rail Scheme

Mr Jimmy Spratt — We move then on to agenda number five, departmental Translink briefing on the delay to phase two of the Londonderry rail scheme, I refer members to the copy of the DRD press release issued last week. And again I know that certainly the first and deputy first ministers of OFDFM on the program for Government said that the procurement process was at an advanced stage just a few weeks before in relation to this and all of a sudden then we get a press release again the committee was not given any prior warning or anything else about it or no discussion about it, which again I have to say is disgraceful. Can I welcome Clive Bradberry from Translink who's going to brief us on the issues around this procurement process. Clive.

Mr Clive Bradberry - I would look to start off by saying that work as not stopped nor has it been suspended, we've been working harder through the summer to keep things moving than we would have intended to but we have had a setback in our procurement of the signalling works, and it is very disappointing given the success that we've had to date on the overall program for Coleraine Derry. We were following a procurement strategy of a two stage design and build, with a sort of fixed fee design contract, following straight into a sort of fixed priced install test and commission contract. This sort of design and build model is that model advocated by CPD, that allows for early contractor involvement, it's a single procurement exercise and it makes sure that the design risks sits with all one contracting body and you don't get a fight between two different people if, if there's an error in design. We'd market tested this with, with various contracting bodies particularly contracting bodies which are all really based in GB, it seems to be there was a stomach for this and people interested in carrying out the work for us. As I said it's a model, design build model, was the model we used for the first phase on Coleraine

Derry that worked very well for us and was very successful. Our PQQ for this procurement ended in February of this year, we had 22 interested parties that looked at the information online but when the closing date came we only had actually 4 formal submissions, looking at those four formal submissions only three of them were actually confident enough to carry out the works and would be given tender documents. PQQ closed as I said at the end of, at beginning of February, by the middle of February one of the three qualifying contractors actually pulled out citing that they changed their contracting strategy while they were still willing to do signalling design works in Northern Ireland they did not want to put men on the ground to do installation and commissioning works going forward. That left us with, with two remaining bidders at the end of February, and tenders, I, you know, invitation tender were sent out for those two bidders with the return date for the 8th of April. During the second week in April we actually had one of those two bidders withdraw from the competition, they cited that they did not believe they could submit a compliant competitive commercial offering, whatever that meant for themselves. That meant that come the end of April we only had one tender submission, we evaluated that, that tender including benchmarking to industry cost, by our specialist cost manager and the bid was confirmed to be of good quality, but when we actually looked at the cost, the costs far exceeded our project estimates, it contained a large number of percentage mark ups, and when talking to the contractor they seemed unwilling to move on that price. From our cost modelling we've done for the scheme using the rates contained within that bid it showed that the outgoing costs at the time went from 27% above our estimates, sort of something on the order of about four million pounds. Having reviewed this bid and done the benchmarking work our cost managers were unable to recommend the bid because they could not say it's, it represented value for money for public purse, our review of their report we had to concur with the conclusions, once we had accepted that, we had to move ahead and find another way of procuring these works. We immediately developed a new strategy, where we are going to split the principal's design from the detail the installation and testing. This will mean going forward we have to do two procurement exercises, and whilst it will reduce the, the opportunity for fast tracking the work it will mean we'll hopefully get more competition into the market place. The PQQ for the new

design the principal design has been completed we've had four good qualifying companies for that, tenders have been sent to those companies, and they are due for return at the beginning of October. Current program as it sits will indicate that our completion will now be towards the end on 2016 assuming we go through sequential tendering, and by that means, we, we've now tendered and we do design work once the designs completed we then carry on to tender to do the installation and testing work. We are currently considering further options to try and overlap these stages, although that may increase project risk but, it, it's an option we're looking at, that's where we are at the moment.

Mr Jimmy Spratt – Okay, Just in terms of the difficulties with the procurement process, you say initially there was four interested and that fell to three.

Mr Clive Bradberry - Yeah

Mr Jimmy Spratt - etcetera etcetera, it would, the extra money was an extra four million did I pick you up right?

Mr Clive Bradberry – Yes

Mr Jimmy Spratt - Given that you have sixty million pounds in the bank why could the four million not have been taken out of that given that we're going to be another year possibly two years down the line before this could be done. What extra cost is that going to incur in relation to that time limit? I suspect it's going to be an awful lot more than twenty two million pounds.

Mr Clive Bradberry – I don't believe that to be the case, I think it would be very difficult for us to justify spending that amount money, for this particular element of the works as I said it came down to value for money question. We had benchmark costs that we believe it should have come out to, it was well in advance those benchmark costs, and that's because it was only a single bid at end of day, we had nothing else to balance it against and to compare it against at that point, and we just had to make the call, and said no I'm sorry I just cannot justify this against public purse.

Mr Jimmy Spratt – What stage did the department become aware of this problem?

Mr Clive Bradberry – The department were fully informed at all stages of progress in the project.

Mr Jimmy Spratt – So it didn't come as any surprise to them?

Mr Clive Bradberry - It shouldn't have, no.

Mr Jimmy Spratt – Right, in terms of the twenty two million which was the estimated cost now, you say that you don't reckon it's going to cost any more in two years' time, who confident can you be of that?

Mr Clive Bradberry – We, we've done, we have readjusted our estimates to allow for the new program and that's where we are.

Mr Jimmy Spratt – Sorry can you explain that more fully you're being very technical about the whole thing

Clive – The twenty two million re-estimate was done earlier on this year, we, we've looked at new programme considering our current strategy, and made our estimates in accordance with that, and that's where that is.

Mr Jimmy Spratt – So is this a new design then?

Mr Clive Bradberry – No the design will be the same I should say, we've just looked at programme and the way we are delivering the design has, has changed, rather than being one complete design and construction package we are, are divorcing the earlier elements that what we call the principals design away from a detailed design.

Mr Jimmy Spratt – So with the twenty two million you're going to get less work done in the new procurement process is that right?

Mr Clive Bradberry – No for twenty two million we will have exactly the same project as we would have had but just delivered in a slightly different way.

Mr Jimmy Spratt – And how much longer is the new delivery going to take?

Mr Clive Bradberry – It's going to take us through until about the end of 2016 now

Mr Jimmy Spratt - 2016?

Mr Clive Bradberry – Yes

Mr Jimmy Spratt – In terms of the, you mentioned that one of the companies that tendered was not prepared to, I think you used the phrase, did not wish to put men on the ground.

Mr Clive Bradberry – Yes.

Mr Jimmy Spratt - What do you mean by that, and for what reason did they give you a reason?

Mr Clive Bradberry – They, they said, I'm trying, the term they used, they've said that for their installation and testing commissioning works they are concentrating on the main market which would be GB, and because they were not based in Northern Ireland, these resources not based in Northern Ireland, they didn't think they could be commercial competitive in sending people over to Northern Ireland to do such work, which is, which is slightly strange, because they have worked for us before in doing installation works and been quite successful in that.

Mr Jimmy Spratt – That was my next question, are they doing other work for you?

Mr Clive Bradberry – Not, they are doing design work for us but not installation works.

Mr Jimmy Spratt – And who does the installation works presently, is it a local firm?

Mr Clive Bradberry – No there are no local firms in Northern Ireland that do signalling and installation works.

Mr Jimmy Spratt – So the other firms are actually, the one firm that you finished up with, in terms of the process .

Mr Clive Bradberry – Yes.

Mr Jimmy Spratt – They were prepared to send personnel to Northern Ireland?

Mr Clive Bradberry – Correct yes.

Mr Jimmy Spratt – To another part of the United Kingdom,

Mr Clive Bradberry – Shall, I'll make one slight correction that there is one company in Northern Ireland that does signalling works but it, it's now a one man band who would not be capable of doing this, so slight correction to my earlier point there.

Mr Jimmy Spratt – Right, it just seems very disappointing that this whole thing, does that mean that the whole loop is going to be held up as a result for over two years?

Mr Clive Bradberry – The operation of the loop will be held up, yes, and, we share that disappoint and frustration as I said before we had been going so well on this whole programme the phase one had gone very well for us, and it is extremely disappointing that we've had this problem

Mr Jimmy Spratt - It's really a bit of a shambles isn't it?

Mr Clive Bradberry – No I wouldn't say it's a shambles, it's recognised that procurement, and land vesting's are the two most difficult things in Northern Ireland projects, we've had a setback, it's not a complete, it's fatal to the project, we've had a setback we have to put more time into the programme but we will deliver it.

Mr Jimmy Spratt – Well it's really another Translink shambles

Mr Clive Bradberry – No, I don't think it is a Translink shambles, I say again, it, it's very difficult some of these procurement, it, it's extremely complicated piece of work we had a strategy that worked for us on phase one, we just found that the market has moved against us, and we've had to try and come up with another of doing, dealing with it.

Mr Jimmy Spratt – Well should you not have been aware of these things before you went into the procurement process to make sure that you had everything tied down prior to the process taking place, because given that a procurement process takes almost a year, it's my understanding, I think most members understand it takes almost a year for procurement process to actually take place, certainly that's what we've been told in other areas within

DRD, this new procurement process surely it's not an entirely new process, it's if you like a tweaked process.

Mr Clive Bradberry – It's almost going back in time if anything.

Mr Jimmy Spratt – Why is it taking so long then?

Mr Clive Bradberry - Well because you have to go through the whole process again of pre-qualifying, issuing tenders and reviewing those tenders.

Mr Jimmy Spratt – Well surely you folk, from your end and with the procurement documents etcetera etcetera, you're tweaking those documents, and surely that should be a shorter process than an initial process starting from zero if you like.

Mr Clive Bradberry – Yes, yes and it has been compressed and we had a number of documents that, that we could tweak but you're still obliged to go through I think is it forty two days of a PQQ process with the OJEU notice, so you sort of that, that's, then once you've got that you have to review and score those submissions and then put out for your tender.

Mr Jimmy Spratt – I mean forty two days and two years is an awful lot of difference in it, can it not, and, and you know, why can it not be brought on sooner rather than later in terms of a two year process and the whole thing stalled for that length of time.

Mr Clive Bradberry - We are looking at ways of whether we can overlap our now sort of two separate procurements to try and improve that programme but I'm not going to make any promises here until we've looked at that fully and decided how we would make that work.

Mr Jimmy Spratt - Did the chief executive of Translink and other senior officials within in Translink and the board of the Northern Ireland holding company know about this whenever they presented the accounts to the committee recently?

Mr Clive Bradberry - When had that been? I can't remember when that date was.

Mr Jimmy Spratt - 10th of July

Mr Clive Bradberry – It would have been a matter on discussion at that point yes.

Mr Jimmy Spratt – So you had informed, you're telling me, you're telling the committee that you had informed the senior team within Translink of this failing, at what point did somebody then let executive ministers know that this whole process was going to be stalled for that length of time?

Mr Clive Bradberry – Well as I said before, we were working with the department and they were fully informed of what was happening as the project progressed.

Mr Jimmy Spratt - Okay Stuart Dickson.

Mr Stuart Dickson – Thank you chair and thank you Clive for coming with what is fairly disappointing news with regards to this project. Two questions, in terms of the Translink commitment to this project you now have a gap of two years.

Mr Clive Bradberry - It's not a gap, it, it's, the programme has had to be extended by two years, we will be working throughout that period.

Mr Stuart Dickson – Yes, but what you really should have been doing is working with the project as it was being delivered on the ground during this period of time, I presume these staff in Translink will not be twiddling their thumbs now that there's no work to do.

Mr Clive Bradberry – There will be no one in Translink twiddling their thumbs.

Mr Stuart Dickson - What will they be doing during this period of time?

Mr Clive Bradberry - The installation work will be done by contracting authorities not by Translink staff.

Mr Stuart Dickson – But presumably that is supervised and you must have some oversight?

Mr Clive Bradberry – Where we have our teams that look at those sort of things they have plenty of other week to be getting on with, my signalling teams have a full programme of works.

Mr Stuart Dickson – So does this allow you to advance other work, what I'm trying to get at is not to be negative but to be positive to see how you're going to reschedule your own work.

Mr Clive Bradberry — It, It may well mean that there are other pieces of work that will come, come through sooner. With something like signalling and installation testing work it is as you appreciate is a safety vital equipment that the the quality assurance methodology behind it is, is vast so, so a lot of the work is actually self-certified by the people that are doing these things, you have got guys called principals tester that come in and will not sign off any equipment until they have tried to break the system utterly and completely and those are the guys that give us the assurance that these things are working correctly before we put them into service, it's actually such a high skill we don't actually hold that skill within Northern Ireland because it's something you have to be doing all day every day to hold that competency, so it wouldn't actually be my own teams that would sign the system off.

Mr Stuart Dickson – Just chair briefly.

Mr Jimmy Spratt – Go ahead.

Mr Stuart Dickson – You indicated that the main area, the main contractor area for, for procurement would appear to be other contracted in the United Kingdom.

Mr Clive Bradberry – Yes.

Mr Stuart Dickson - Would that be the case for the Republic of Ireland as well, would their rail company have similar difficulties in it helping.

Mr Clive Bradberry – I'm not fully aware of how Irish Rail would procure their signalling works, they would work to slightly different standards to ourselves there may be other companies in the south that could do that work for them

Mr Stuart Dickson - Higher or lower?

Mr Clive Bradberry – Different.

Mr Stuart Dickson – So there are, are their contractors who are based or mainly based in the Republic of Ireland who could do this work.

Mr Clive Bradberry - I don't know is the honest answer, if there were, didn't show any interest to our OJEU notice that was advertised in the official journal.

Mr Stuart Dickson - Yea okay thank you.

Mr Jimmy Spratt - David McNarry.

Mr David McNarry – Thanks chairman, you said to the chairman earlier on that you knew of the problems before July, that you knew of them and that therefore the Translink board would have known of them pretty pronto I would imagine around the same time.

Mr Clive Bradberry - I think the report was made to the Translink board committee in early July.

Mr David McNarry - Would you know then when the minister was made aware of it?

Mr Clive Bradberry - Not specifically, I say, I know that, that the department work with us on the project and would have been informed of what was going on.

Mr David McNarry – Sorry I can't hear you.

Mr Clive Bradberry – Sorry I don't know the minister would have been specifically informed first but the department worked with us on the project and would have been informed.

Mr David McNarry – Okay when would the department have known about it?

Mr Clive Bradberry – As, as I say they work with us all the time they are part of our project board.

Mr David McNarry – So when you knew they knew about, in terms of the money, this money set aside whose bank is that money in?

Mr Clive Bradberry – It will be, it's grant funded so it would be held by department until we've completed works and can draw down that grant.

Mr David McNarry – So it's just sitting there?

Mr Clive Bradberry – It's, it's held by the department yes, now whether department drew it, draw it down from DFP, or however that works.

Mr David McNarry – Okay how confident are you that money will be there have you require it, have you, have you been given a blank cheque?

Mr Clive Bradberry – No, we're never given a blank cheque, we work with the department to look at funding requirements for the various years in the corporate plan and we have to make adjustments as projects move around it will cause some difficulties in balancing the capital project but I feel confident we can do that.

Mr David McNarry – Could you, if I may chairman.

Mr Jimmy Spratt - Go ahead.

Mr David McNarry – Could you maybe just elaborate on causing difficulties, the only reason I'm probing this with you Clive is because of the importance of money and it's because of the history of this department not spending its money wisely, and in my opinion if you don't mind me saying it's certainly giving Translink far too much money that I, that I am unable to reconcile with, but no matter, with this amount of money you said it'll cause some, some problems in balancing books really on capital expenditure. Could you stretch that out for me a bit?

Mr Clive Bradberry – We, we set up and have a capital programme that shows all the projects we want to try and deliver over the next, if you take it it's ultimately set up over the next twenty five years but as the closer you get to today the more details would be within that programme. Each of those projects will have a spend allocated against to them and into a financial year and then you have to look at all the projects in a particular financial year and make sure that the overall spend equates to your grant allocation for that year. If a project slips then the spend allocation for that year might not be achieved and we either have to, to rebalance that spend allocation with the department or bring other projects forward to, to use up that allocation and that's the process well be going forward at the moment.

Mr David McNarry – So you won't be using it but you remain confident that when you make a call on it will be there for you to have?

Mr Clive Bradberry – We believe so yes.

Mr David McNarry - Could I just, you said something that I haven't heard anybody else say before in the short time I've been sitting here, that Translink, you actually forward plan, this is great news, twenty five years ahead for projects.

Mr Clive Bradberry – Yes.

Mr David McNarry - Any chance that chairman, we could see that advanced planning documentation detailed what we are to expect from this illustrious company over the next twenty five years, because I'm sure the Committee and you chairman and certainly I recall how hard it was almost pulling teeth to get a three year plan out of them that the company really weren't prepared to divulge to us in any form.

Mr Clive Bradberry - If you make a request in to the company I'm sure we can provide something.

Mr David McNarry – There is such, there is such a, I mean you have seen it you have just referred to it

Mr Clive Bradberry – Yes.

Mr David McNarry - You have a twenty five year project plan.

Mr Clive Bradberry – For my, for my infrastructure capital works we have a plan that would go up to twenty five years, I said the main, main items that are shown on that, that length of plan are for track renewals because we see that as being a twenty five thirty year programme, other details would get very sketchy as you go out five years ten years and beyond.

Mr David McNarry – Fair yes.

Mr Clive Bradberry – But, but for my main track renewals I have a plan that sits looking at twenty five years.

Mr David McNarry - I'm If you have one then those other items that work around you, they must have something that links to it so it would be very interesting if we really could see that chair in the light of the work that we're doing.

Mr Jimmy Spratt – We'll make a request for that.

Mr David McNarry - I just would like to express as, I'll put it as best I can, disappointment that when the knowledge arose of this it would appear that the department knew about it in July.

Mr Jimmy Spratt – Well I was just going to probe that a little bit farther. What sir Bradbury has just told the committee is that the board were informed in early July and that the department sits on the project board now, if the board were informed in early July I suspect that the project board knew about it some considerable time before that, where they would report it to the board, when did the project board firstly have the knowledge?

Mr Clive Bradberry - The main discussion on the problems that, that we didn't believe we could continue with procurement would have been at the end of June.

Mr Jimmy Spratt - The end of June?

Mr Clive Bradberry – Yes

Mr Jimmy Spratt – The end of June? The last week in June? When? What date in June?

Mr Clive Bradberry – Give me a second, I'll tell you when the project board was, the 19th of June was our project board.

Mr Jimmy Spratt – The 19th so that's the middle of June as opposed to the end of June.

Mr Clive Bradberry – Towards the end.

Mr Jimmy Spratt — Which is a wee bit more, little slight bit of difference there it's only a couple of weeks but never worry about that. In terms of the project board knowing at that stage the department would have known at that stage in the middle of June, when did you first become aware? And I assume that once you became aware, because this is a pretty serious matter in terms of a procurement process, when did you become aware of it as the person in charge of the operation, and at what point would you have, I assume that just you wouldn't become aware and not bother telling anybody else within the

organisation now I assume that you would have you told the chief executive as soon as you became aware of a serious situation like that how do you communicate those things?

Mr Clive Bradberry - I would have been aware earlier in the process before the 19th of June that there was concerns with the, with the submitted prices and the team that were working with the bidder for to try and see if we could those prices reduced, I think it was probably about a week before the project board sat down with the team and went through their findings with me such that we could prepare for the project board meeting on the 19th. I would have indicated to my colleagues at the executive that there may have been issues either verbally or, or I can't remember back to whether in my monthly report I would have indicated at that point.

Mr Jimmy Spratt – Whenever you say colleagues, who's the colleagues?

Mr Clive Bradberry – The executive, the senior executive team within Translink.

Mr Jimmy Spratt – Chief executive?

Mr Clive Bradberry – Would have been included yes.

Mr Jimmy Spratt - Who else? The operations director?

Mr Clive Bradberry – Yes.

Mr Jimmy Spratt – And who else?

Mr Clive Bradberry - General manger bus general manager rail finance director.

Mr Jimmy Spratt – So quite a lot of people would have been told?

Mr Clive Bradberry – The senior management team in Translink yes.

Mr Jimmy Spratt – So they would have been aware of it almost a month before the board were made aware of it?

Mr Clive Bradberry – I, I, I'm struggling to, to remember whether it was put for the whole team into my monthly report which would have been end of May early June but there was a specific paper put to the executive team to explain the issues and propose a way forward for approval at end of June which was about the 25th 26th of June.

Mr Jimmy Spratt - Sorry for interrupting you Mr Mc Narry, but I felt it was important to tease that out.

David – You have teased that out probably more expertly than I was going to do it. I just wanted to come back Clive to the disappointment that I have, I understand and there's no answer you're not taking any exceptions you knew, you passed it on, and then it became fatal blow as one would say. Could you tell me from the time that it was clear that the company and the department knew what was going to happen, why do you think it took until the 5th of September for the minister to make a statement?

Mr Clive Bradberry – I would have to refer that to the department, I don't think that's for me to comment on.

Mr David McNarry – I think it might be appropriate.

Mr Jimmy Spratt - Translink issued a statement at the same time.

Mr Clive Bradberry - I don't believe that we did I think we just issued a response to specific press enquiries.

Mr David McNarry – I think it might be useful Chairman if we were to ask the department why was there this lengthy gap on such an important issue. Because I sense that you actually, and I'm not quizzing you for dates to be specific but we got it down to the 19th of June as a date when you were informing senior colleagues to put it that way.

Mr Clive Bradberry – 19th of June when our project board would have discussed this matter and come to the conclusion that we could not have gone forward with that procurement, and put a recommendation up to my senior colleagues.

Mr David McNarry - How long was it before that it took you to dwell on that, when did you actually realise this? On the 18th of June or?

Mr Clive Bradberry – No, no, the project board is, I share the project board and it is my project delivery team that sit there and it's at times that we make the strategic decisions on the project to move forward.

Mr David McNarry – You meet every 2 weeks or?

Mr Clive Bradberry – No, it's once a month.

Mr David McNarry – Once a month.

Mr Clive Bradberry – And during that month, during the month previous to that we'd received the final report from the cost managers saying that they couldn't reconcile this bid and didn't believe it was value for money and that was considered at the project board on the 19th of June and we agreed that we couldn't go forward and had to come up with an alternative strategy which was also discussed and then a paper was drafted to go to the Translink executive group for agreement to that alternative strategy for the end of June sorry about the 25th or 26th of June, 25th I think.

Mr David McNarry - If I may just what was the reaction of the executive, the Translink executive?

Mr Clive Bradberry – Same as everybody else, disappointed that it hadn't worked that we couldn't take it forward and very keen that we came up with an alternative strategy as quickly as possible to move forward.

Mr David McNarry – Disappointed? That's the strongest feeling that you sensed was there they were disappointed it wasn't horror or hell or what on earth is going on, how did this happen?

Mr Clive Bradberry - I think the paper we submitted explained what had happened, as I said before it was a procurement strategy that had been tried and tested, it was a procurement strategy that was advocated through CPD, I think it's actually mandated through CPD, unless you can show reasons otherwise we had been the soft market testing had indications that the market was happy to go for it as we'd suggested it's just that the market moved against us when the bid came out.

Mr David McNarry – Exasperated terminance, sorry.

Mr Jimmy Spratt - The project board, who from the department sits on the project board?

Mr Clive Bradberry – I don't that's fair for me to name names I can ask.

Mr Jimmy Spratt - Well I mean, let me put it this way to you Mr Bradbury, you're in front of a committee here who is asking questions on a very serious issue of something that we had hoped would be finished done and dusted the executive and the Department were making the money available and the whole process has been messed up, what's so secret about a project board I mean who sits on it on your side and who sits on it from the Departments side, it's a simple question and I'm putting it to you now.

Mr Clive Bradberry - The people who sit on it from my side would be my, my professional heads that have an involvement in the project, the project manager, our, our, consulting project managers and as I said members from the department would sit.

Mr Jimmy Spratt - What positions, what seniority from the department are on that board?

Mr Clive Bradberry - I honestly don't what the seniority of the person on the department would be.

Mr Jimmy Spratt – Well we will make a formal request in writing from the committee you have refused to answer the question clearly that I asked you.

Mr Clive Bradberry – I've just asked that you ask the department rather than refusing to answer it.

Mr Jimmy Spratt – Well I take it that you have refused to answer the question and I'm not happy at that.

Mr Clive Bradberry – I apologise.

Mr Jimmy Spratt - I don't see why there should be secrecy in who sits on a project board quite frankly.

Mr Clive Bradberry – I just don't believe that there should be an issue.

Mr Jimmy Spratt – What secret is there in that can you explain that to me, don't interrupt me please.

Mr Clive Bradberry – Sorry.

Mr Jimmy Spratt – Would you explain to me what the likely secret or national secret that might be in that who would sit on that board?

Mr Clive Bradberry – I don't want to be in a position of naming individuals, I don't think it's an individual's issue, and I don't want to cause, personally, cause embarrassment.

Mr Jimmy Spratt – Well there's no accusation that it's an individual issue but I think it is important from our point of view that we know who sits on that project board.

Mr Clive Bradberry – I, I, I am more than happy to, to, to say who sits on the project board from a Translink point of view but again I would just please request that you speak to the department for their members.

Mr Jimmy Spratt – That's incredible, incredible I must say absolutely incredible once again you're being less than open with the committee Mr Bradbury, and I take exception to that.

Mr Clive Bradberry – I think I've answered all of your questions fully about the process and what happens it's just that I feel very uncomfortable about naming individuals.

Mr Jimmy Spratt – Well I mean I asked you for even the ranks of the department and you refuse to answer that.

Mr Clive Bradberry – I've not refused to answer, I just said to you I do not know.

Mr Jimmy Spratt – You don't know?

Mr Clive Bradberry – I don't know the civil service seniority ranking.

Mr Jimmy Spratt – It's somewhat incredible that you sit as chair of a project board and you don't know the seniority of the people who sit within the department on the project board quite frankly.

Mr Clive Bradberry – I'm sorry, I'm afraid I don't know the grade; the civil service grading it's as simple as that.

Mr David McNarry – Would it be in order just to ask you that there was a member from the department present?

Mr Clive Bradberry - Yes.

Mr Jimmy Spratt - One member? Or more than one?

Mr Clive Bradberry - One member.

Mr David McNarry – One member, okay.

Mr Jimmy Spratt – Okay well we'll maybe ask the department to see if we can into the national secrets of your project board on Translink Mr Bradbury. Any other questions members? Delores Kelly.

Mrs Dolores Kelly – Just, if I could ask what is the impact of the delay other than, I'm talking about to the passenger and the would be travellers, and what are you putting in place to facilitate their journeys?

Mr Clive Bradberry – The trains will still be operating as it is, the impact is that we won't be in a position to go to an hourly service until this work is finished.

Mrs Dolores Kelly – And the current service is?

Mr Clive Bradberry – It's a two hourly service.

Mrs Dolores Kelly – It's quite a substantive impact in terms of people's expectations of the development of the region.

Mr Clive Bradberry – The opportunity for us to increase the timetable will be in.

Mrs Dolores Kelly – And could I then ask chair In relation to that then and the issues around procurement are there no mechanisms by which the timescale for procurement can be shortened?

Mr Clive Bradberry - I'm looking at it to see how we can overlap, at the moment we've removed the principals design from the main detail and installation work, which we have sort of programmed to undertake

sequentially, we will complete the design work and then we will send a tender out on that design work, I'm looking to see mechanisms that we can slightly overlap for those two pieces to shorten the programmes but I need to understand what the tendering risk would be to make a decision.

Mrs Dolores Kelly – Well we sure would like to hear more about that, those deliberations, but if it's not too naïve a question, you know, why can some of the frequency of the trains not be increased, I mean are they carriages all full on the two hourly, and if they're not then can addiction smaller one meet the needs of the public? That's not a stupid question.

Mr Clive Bradberry – We are operating larger train sets on that line at the moment to carry the numbers of passengers, we cannot go to hourly service without the signalling system being upgraded, you just cannot the number of trains on the line with the current signalling system.

Mrs Dolores Kelly – Thank you.

Mr Jimmy Spratt - Ross Hussey.

Mr Ross Hussey – Thank you chair, I'm confused but it doesn't take much to confuse me. There was a procurement process and prior to that there would have been an initial costing where someone would have worked out what they thought was required for this, on what basis was that done, you know who was comparing what with what to arrive at a price that you thought that the?

Mr Clive Bradberry – Yes, we would have used our own experience of designing and installing signalling works to come up with what we believed to be the estimated cost, cost mangers we used would have been familiar with projects in GB rail in costing signalling works and benchmarking signalling works and we used information from there as well.

Mr Ross Hussey – You were, familiar costs in GB clearly there's a skill shortage here that's not available in Northern Ireland this would have to come in from GB or elsewhere? If that was the case was the additional costing for accommodation and other bits and pieces added to your price wherever it was arrived at?

Mr Clive Bradberry – We would have sort of used cost that we would have had from previous projects yes.

Mr Ross Hussey – You said you believe so

Mr Clive Bradberry – I haven't seen the details of the estimate to say definitely but that would be the normal way of doing things

Mr Ross Hussey – Could we find out because clearly if we're going to get a price and the price in Leeds is going to be twenty million clearly the cost in Northern Ireland will be twenty million plus travel and sustenance and accommodation?

Mr Clive Bradberry – It's is quite usual for these signalling engineers to move around the country even within Great Britain so there will always be living away allowances, quite often for these gentlemen.

Mr Ross Hussey – Yes but obviously with the train system that runs there in many cases they go home again at the weekends or whatever, here there's that additional cost, and it would cost that little bit more to come here because it does seem to me that Translink are being held to ransom because clearly companies from Great Britain can charge that bit extra to come here because you don't have the skills, they do.

Mr Clive Bradberry – We have, I have a small installation and testing team but something of this size would be beyond our, well not our capabilities but beyond resource levels.

Mr Ross Hussey – So on the 19th of June the decision was made that all the tenders that had come in were not to the required standard?

Mr Clive Bradberry – Could you repeat that again for me sorry.

Mr Ross Hussey - On the 19th of June when the board met at that stage the board was told that we had nothing here that was of the required standard.

Mr Clive Bradberry – I wouldn't use the word required standard, the quality of the bid we received was acceptable but it was the cost that was put against it that we didn't believe was value for money.

Mr Ross Hussey – So we cost, and this was this gap, how much?

Mr Clive Bradberry – In the order of about four million pounds.

Mr Ross Hussey – The chairman has already made reference to the fact that it's been delayed and everything else, and all the cost factors being equal, it clearly will be more expensive by the time we come to the end, what was plan B?

Mr Clive Bradberry - For which?

Mr Ross Hussey - What was plan B whenever you put forward your plan for this tendering system that went out to tender, what was plan B that if this didn't all come into place, what was going to be the alternative? Or is the alternative that we just stop and look again?

Mr Clive Bradberry – We've actually put the alternative in process already and the alternative is that we have split the tender package or the works package sorry, we have removed the requirement to do the principals design from the detailed design and installation and that seems to be opening up market more for us.

Mr Ross Hussey – And are you confident then that you will be able to deliver this at the end of 2016 or by the end of 2016 or are going to be looking again in a couple of months' time that the whole thing has fallen on its face again?

Mr Clive Bradberry – I am more confident that we will be successful with this current procurement for the principal's design and I am hopeful that when we got out to market place again for the installation and testing because the principal's design has been taken away from it that we will gain more bidders.

Mr Jimmy Spratt - Why could you not have done that in the original tender process in the contingency plan that you have? Why did you not do it?

Mr Clive Bradberry – We could have done it why did we not do it as I said before we looked upon the two stage design and build as being a preferred option for doing that, as I've obviously said it's what we did for phase one very successfully it allows for early contractor involvement to look at the design develops and to comment, it allows, it makes sure that all the risk for the design the delivery design stays with one contractor so you don't have a contractor coming up with a problem with the design and sort of blaming the

designers and the designers saying no it's the contractors fault so you keep that risk all in one place and it also means you can get an overlap on the start and sequencing of installation works and procurement materials as the design's being completed so it shortens the programme.

Mr Ross Hussey – I think chair that's why I asked the question why was there no plan B, a plan B would have been to do with what was happening, to me that would have made sense and I'm no expert in rail but the tendering process, to me that's the steps I would have followed

Mr Clive Bradberry - That's exactly what we've done, we, we've been through plan A, as soon as it became clear that plan A wasn't going to work we put plan B into position.

Mr Ross Hussey - Plan B should have been ready and ready to slip in as soon as this happened, because of the nature of this and because of the fact we want it delivered as soon as possible. But anyway, thank-you chair.

Mr Jimmy Spratt - Any other questions, thank you.