

Mr Trevor Clarke  
Chair of the Committee for Regional  
Development  
c/o Committee Clerk  
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Your Ref:  
Our Ref: DRD/SUB/1101/2015  
Date: 02 June 2015

Dear Trevor,

## **WRITTEN MINISTERIAL STATEMENT - COLERAINE TO LONDONDERRY TRACK RELAY**

I intend to make a Written Ministerial Statement on 02 June 2015 to inform members of the latest position in relation to Phase 2 of the Coleraine to Londonderry Track Relay project.

I attach for your information, an advance copy of the statement which is embargoed until 11:30 on 02 June 2015.

I had previously advised that the Project Assessment Review (PAR) report would be released to you when the procurement process was completed. As that is now the case, I attach the report for your information.

The PAR was undertaken because it was important to take advice from independent experts on project management and because of the procurement difficulties experienced on the project. There had already been one failed procurement and it was clear that there was evidence of likely cost increases. The review confirmed that the current supplier base in the UK for this type of signalling work is very overstretched and confirmed that those companies who may have been expected to bid for this project are already heavily committed in Network Rail projects in Britain. This created a clear risk to the procurement process for signalling works in Phase 2 and meant that the handling of certain information

had to be handled appropriately. The PAR review emphasised that the status of the project was in RAG terms assessed as red.

You will note that the report specifically identified the risk of a nil return in the procurement exercise for the signalling and telecoms contract and clearly the premature release of this report could have jeopardised the entire process.

The risks identified were well founded and I believe the actions taken were prudent, well founded and in the wider public interest.

I trust that you will agree with me that my concerns were justified by subsequent events.

A handwritten signature in black ink that reads "Danny Kennedy". The signature is written in a cursive style with a horizontal line underneath the name.

**DANNY KENNEDY MLA**  
**Minister for Regional Development**