

**SUE GRAY**  
**PERMANENT SECRETARY**

2<sup>nd</sup> Floor West  
Clare House  
303 Airport Road West  
BELFAST, BT3 9ED  
Tel No: 028 90816590  
E-mail: [sue.gray@finance-ni.gov.uk](mailto:sue.gray@finance-ni.gov.uk)



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William Humphrey  
Chairperson  
Public Accounts Committee  
NI Assembly  
Parliament Buildings  
Ballymiscaw  
BELFAST, BT4 3XX

25 November 2020

Via email – [committee.publicaccounts@niassembly.gov.uk](mailto:committee.publicaccounts@niassembly.gov.uk)

Dear William

**PUBLIC ACCOUNTS COMMITTEE EVIDENCE SESSION – REQUEST FOR ADDITIONAL EVIDENCE INFORMATION**

Thank you for your letter of 9 November 2020 requesting the provision of additional evidence by way of follow-up to my recent correspondence.

The tables have been updated to include the information requested. In the case of my own Department, I can confirm there is a current Senior Business Owner in place, John Crosby, for the AccountNI and eHR contracts. The updated information is highlighted in red in the tables attached at **Annex A**.

In the case of the Department of Justice, the Department has withheld the names of their senior responsible Owners on the following grounds:

*Given that PAC findings may be reported/published the names of DoJ SROs/contract owners have been withheld from this return for security and data protection reasons on the grounds that they are junior staff members of the Department of Justice. This information has therefore been withheld under s40(2) (Personal Information of third parties) and s38 (Health and Safety) of the FOI Act.*

In relation to your question regarding the provision of NI Direct Strategic Partner annual project accounts, the NI Direct Strategic Partner, BT, has apologised for the delay in providing the annual project accounts for the financial years from 2015-16 through to 2019-20. However, the absence of regular reporting of the annual project accounts to the Department was also a symptom of poor contract management,

which has been addressed, as outlined in the evidence sessions, with a dedicated contract management team. The team have reviewed all of the project accounts to date and will be requesting the 2020-21 accounts as soon as the financial year completes.

BT has advised they have taken steps internally to ensure that any and all future obligations regarding project accounts are prepared and audited in line with the contract timescales. The contract management team are meeting with BT regularly to manage this process.

I hope this response covers the information you requested. Should you require anything further please get in touch.

Yours sincerely

A handwritten signature in black ink that reads "Sue Gray". The letters are cursive and slightly slanted to the right.

**SUE GRAY**

**Copy distribution:**

Paul Duffy

Ignatius O'Doherty

DoF Contracts – live contracts valued at £50m+

**ANNEX A**

Name and type of contract	Original contract length	Start date, break dates and end date	Service provider name	Details of any extension period and reasons why it was extended	Original cost versus cost to date	Whether or not open book accounting forms part of the contract	Name of current SRO	Number of SROs since contract start
Account NI	12 years	9 March 2006 to 8 March 2018	British Telecom	<p>Contract has been extended to 8 March 2022 (with the option to extend to 8 March 2023).</p> <p>To ensure continuity of essential services</p>	<p>Original cost: £52m</p> <p>Approved revised cost: £100m</p> <p>Cost to date: £90.8m</p>	Yes	<p>The SRO role finished for Account NI with the completion of the Gateway 5 reviews in 2011.</p> <p><b>However there is a current Senior Business Owner in place - John Crosby.</b></p>	<ol style="list-style-type: none"> <li>1. David Thomson (2002 - 2009)</li> <li>2. Paul Wickens (2009 - 2011)</li> </ol>

NI Direct Strategic Partner Procurement	7 years with an option of a 3 year extension	23 October 2012 to 22 October 2022	British Telecom	Contract has been extended to October 2022  To complete contract exit and maintain continuity of essential services	Original Cost: £50m  Approved revised cost: £110m  Cost to date: £92.5m	Yes	Paul Duffy (interim SRO)	1. Paul Wickens (start date to October 2019) 2. Paul Duffy (May 2020 to present)
Electronic Human Resource (eHR) Strategic Partner Procurement Project (the HR Connect Contract)	15 years	29 March 2006 - 28 March 2021 - break dates at any time on or after 10 years (28 March 2016)	Fujitsu	None – currently under negotiation to ensure continuity of essential services	Original cost: £185m  Cost to date: £206.4m	Yes	The SRO role finished for HR Connect with the completion of the Gateway 5 reviews in 2011.  <b>However, there is a current Senior Business Owner in place John Crosby.</b>	1. Derek Baker (2006 - 2009) 2. Paul Wickens (2009 - 2011)

NI Public Sector Shared Network - Provision of Managed Network Services including Unified Communications to the NI Public Sector	7 years	1 October 2019 to 30 September 2026 (option to extend by 2 years)	British Telecom	N/A	Original cost: £400million  Cost to date: £29.5million	The Project is not Open Book accounting for the reasons below:  1. Each item is individually priced and therefore customers can decide whether or not to purchase via PSSN.  2. There is a minimum spend on the contract which allows customers to use a different contract vehicle if they prefer.	Paul Duffy (interim SRO)	<ol style="list-style-type: none"> <li>1. Paul Wickens (October 2016 from procurement stage to Oct 2019)</li> <li>2. Paul Duffy (May 2020 to present)</li> </ol>
The Northern Ireland Public Sector Shared Data Centre Project	10 years	30 Aug 2016 to 29 Aug 2026 (option of 2 three year extension periods)	British Telecom	Option of 2 three year extension periods post 29 <sup>th</sup> Aug 2026	Contract range from £20m to £70m  Current spend £5.54m	The Project is not Open Book accounting for the reasons below:  There are two main components	Paul Duffy (interim)	<ol style="list-style-type: none"> <li>1. Paul Wickens (from start date – October 2019)</li> <li>2. Paul Duffy (May 2020 to present)</li> </ol>

						<p>of Data centre Pricing</p> <p>Facility charge per Data centre Rack – This is price booked per rack for the full 16 years (10 years + potential extensions)</p> <p>Electricity charge – This is fixed a year in advance per Kw/h by SIB using the projected forward price of gas – using Intercontinental Exchange (ICE) model</p> <p>These two mechanisms allow all Users to manage the rack numbers and ensure</p>		
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						<p>competitive electricity pricing</p> <p>To further protect Users there is a minimum commitment in the contract set at around 20% of current spend which in essence allows Users the option to migrate Data Centre business elsewhere if market conditions dramatically changed.</p>		
Property Maintenance Pan Government Collaborative Framework 2019 - Lot 1 North	4 years	1 April 2020 to 31 March 2024	Graham Asset Management Ltd	<p>The Framework Agreement shall be deemed to have commenced on the date of execution and will expire on the first anniversary of that date.</p> <p>This Agreement may be renewed in relation to any one or more Contractor(s) by written notice taking effect on the first, second or third</p>	<p>Original cost: £50m</p> <p>Cost to date: £548k</p>	No, but reserve the right of audit	Gareth Brown	1.Gareth Brown (1 April 2020 to present)

				anniversary of the commencement date, in each case.				
Property Maintenance Pan Government Collaborative Framework 2019 - Lot 2 South	4 years	1 April 2020 to 31 March 2024	H & J Martin Ltd	The Framework Agreement shall be deemed to have commenced on the date of execution and will expire on the first anniversary of that date. This Agreement may be renewed in relation to any one or more Contractor(s) by written notice taking effect on the first, second or third anniversary of the commencement date, in each case.	Original cost: £50m Cost to date: £345k	No, but reserve the right of audit	Gareth Brown	1. Gareth Brown (1 April 2020 to present)
Landweb Transactional Based Contract	20 years	7 July 1999 to 6 July 2021	British Telecom	Two year extension to 7 July 2021 The extension period was necessary as we had no replacement system to Register Land & Property and as this forms a wider implication to the Northern Ireland economy it was necessary to extend ensure continued service.	Original cost: £46m Cost to date: £105m	No	Christine Farrell	1. Arthur Moir (1999 to 2006) 2. Patricia Montgomery (2006 to 2012) 3. Patricia McAuley (2012 to 2014) 4. Arthur Moir (2014 to 2016)



								5. Christine Farrell (2016 to date)
NICS - Collaboration - Provision of Agency Workers	4 years	6 December 2016 to 5 December 2020	Premiere People Kennedy Recruitment Staffline Hays MPA Recruitment	N/A	Published value: £105m  Spend to date: £145m	No	Sharon Smyth	1. Sharon Smyth (December 2016 to present)

Department: Communities live contracts valued at £50m+

ANNEX B

Name and type of contract	Original contract length	Start date, break dates and end date	Service provider name	Details of any extension period and reasons why it was extended	Original cost versus cost to date	Whether or not open book accounting forms part of the contract	Name of current SRO	Number of SROs since contract start
Post Office card account (DWP are the owner of this contract and DfC are one of several GB Government departments who are part of this contract)	7 Years + 2 Year extension	December 2014 to November 2021	Post Office Limited	N/A	DWP Contract is worth £250m  DfC are part of this contract and DfC Original predicted costs of £17.1m  Spend to date: £19m	Yes	Linda Williams	6  <u>Previously</u> Karen Ward Gavin Patrick Kathryn Hill Gillian Morton Joyce Bill

<p>Medical Support Services Contract</p>	<p>7 years with option to extend for 3 years (19 June 2021).  However contract subsequently extended a further 6 weeks to 31 July 2021 to co terminate at the same time as the PIP contract</p>	<p>June 2011 to June 2018  Extension June 2018 to June 2020  Extension June 2020 to July 2021</p>	<p>Atos</p>	<p>2 year extension agreed in June 2017 to align with DWP contract with CHDA/ Maximus, as alignment with any future MSS procurement that DWP carry out would benefit DfC both practically and economically.  A business case was then approved to avail of the provision for a further one year plus a 6 week extension period to the 31 July 2021 to align with the expiry date of the equivalent DWP Health &amp; Disability Assessment Service (HDAS) and PIP contracts.</p>	<p>The total costs to March 2020 was £83.41m.  The forecast total costs is £106.99m</p>	<p>Yes</p>	<p>Linda Williams</p>	<p>6  <u>Previously</u> Karen Ward Gavin Patrick Kathryn Hill Gillian Morton Joyce Bill</p>
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<p>Contract Purchase Agreement - Personal Independence Payment Assessment Service</p>	<p>Original Contract term was for 5 years (with option to extend for a further 2 years) i.e. 20 Nov 12 - 19 Nov 19.</p> <p>Contract was subsequently extended to July 2021.</p>	<p>November 2012 to November 2017.</p> <p>Extension from November 2017 to July 2019.</p> <p>Extension from August 2019 to July 2021</p>	<p>Capita</p>	<p>In November 2012, Capita was awarded a 5 year PIP contract in NI (with the option to extend for a further 2 years), valued at £59.2m. It was originally anticipated that Capita would begin delivering services from July 2013, however this was delayed until June 2016 after the Welfare Reform Bill successfully completed its passage through the NI Assembly. Following commencement of the live service in GB, it quickly became apparent that the contracts were not commercially viable as the</p>	<p>From November 2012 to July 2019 - contract value £88.2m - actual spend £80.6m</p> <p>From August 2019 to September 2020 - Contract extension value £18.1m - actual spend £17.6m</p> <p>Total Original Cost to date £106.3m</p> <p>Actual cost to date £98.2m</p>	<p>Yes</p>	<p>Linda Williams</p>	<p>6</p> <p><b>Previously</b>  Karen Ward  Gavin Patrick  Kathryn Hill  Gillian Morton  Joyce Bill</p>
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original assumptions provided at the procurement stage, particularly the length of time taken to complete a PIP assessment, transpired to be incorrect. In line with DWP, the Department undertook a subsequent contract review with Capita. This review resulted in revised assumptions, the contract being extended for a further 1 year and 8 months, and an increased contract value of £88.2m.

In 2017 the Department, working in partnership with DWP, began work

			<p>to procure a new assessment provider to deliver the service from August 2019. However, after engagement with the wider market the procurement was cancelled, primarily as there was not sufficient time for suppliers (other than the incumbents) to develop/provide a supporting IT solution to deliver the service. As a result, both DWP and DfC extended their health assessment contracts until July 2021 to allow time for DWP to begin developing an IT solution that would replace the incumbent's IT, and would reduce</p>				
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				incumbent advantage in future procurements. This extension was valued at £32.5m.				
Heating Services Contract - Lot 2, Belfast Region 2	4 years +2 + 2	1 November 2017 to 31 October 2021 - end date 31 October 2025	Engie (Contract novated from Carillion)	N/A	Original cost: £84m  Cost to date: £23.4m	Open book accounting does not form part of the contract. However, NIHE reserves the right of audit and inspection of all contracts.	Paul Isherwood	1
Heating Services Contract - Lot 4, South Region 2	4 years +2 + 2	1 November 2017 to 31 October 2021 - end date 31 October 2025	H&A Mechanical Services Ltd	N/A	Original cost: £61m  Cost to date: £13.2m	Open book accounting does not form part of the contract. However, NIHE reserves the right of audit and inspection of all contracts	Paul Isherwood	1

Heating Services Contract - Lot 6, North Region 2	4 years +2 + 2	1 November 2017 to 31 October 2021 - end date 31 October 2025	H&A Mechanical Services Ltd	N/A	Original cost: £60m  Cost to date: £15.2m	Open book accounting does not form part of the contract. However, NIHE reserves the right of audit and inspection of all contracts.	Paul Isherwood	1
Response Maintenance Repairs Frameworks 2016 - Lot 2 Belfast Region 2 - South & East Belfast Area	4 years +3 + 3	1 August 2016 to 31 July 2020 - end date 31 July 2026	Engie (Contract novated from Carillion)	24 months to 31 August 2022	Original cost: £164.5m  Cost to date: £20.9m	Open book accounting does not form part of the contract. However, NIHE reserves the right of audit and inspection of all contracts.	Paul Isherwood	1



Response Maintenance Repairs Frameworks 2016 - Lot 4: South Region 2: South Area (excluding Craigavon), Mid Ulster & South West Area	4 years + 3 + 3	1 August 2016 to 31 July 2020 - end date 31 July 2026	Combined Facilities Management	24 months to 31 August 2022	Original cost: £192m  Cost to date: £25.7m	Open book accounting does not form part of the contract. However, NIHE reserves the right of audit and inspection of all contracts.	Paul Isherwood	1
Response Maintenance Repairs Frameworks 2016 - Lot 6 North Region 2 - Causeway (excluding Coleraine) & West	4 years + 3 + 3	1 August 2016 to 31 July 2020 - end date 31 July 2026	Combined Facilities Management	24 months to 31 August 2022	Original cost: £176m  Cost to date: £32.8m	Open book accounting does not form part of the contract. However, NIHE reserves the right of audit and inspection of all contracts.	Paul Isherwood	1

Department: Economy live contracts valued at £50m+

**ANNEX B**

Name and type of contract	Original contract length	Start date, break dates and end date	Service provider name	Details of any extension period and reasons why it was extended	Original cost versus cost to date	Whether or not open book accounting forms part of the contract	Name of current SRO	Number of SROs since contract start
Project stratum - Provision of Broadband Services	Build to Dec 2023 + 7 years in life	November 2020	TBC - contract award is imminent, but has not yet been made.	N/A	Original cost to DfE £150m + £15m from DAERA	Yes	Diarmuid McLean/Paul Grocott	5  <b>Previously</b> Eugene Rooney <sup>1</sup> Colin Lewis Chris Stewart
DfE Training for Success 2017 Programme	2 years	1 August 2017 to 31 July 2021	Please note this programme has 16 contracted training organisations. In addition, the 6 Further Education Colleges deliver TfS via	2 x 1 year extensions. These training services were still required by the Department, implementation of new programmes have been	Initial Business Case Cost £167.5m. Addendum Business Case Cost £108.7m.  Actual spend to date £88.2m	Open book was included as part of the supplier relief variations. Previously CPD's standard conditions of contract used, including audit clauses	Jim Wilkinson	1

<sup>1</sup> Had accepted the SRO role but did not take on formal duties due to retirement plans.

			SLA arrangements	delayed due to Covid				
ApprenticeshipsNI 2017	2 Years	1 August 2017 to 31 July 2021	Please note this programme currently has 21 contracted training organisations (plus 7 FE colleges delivering services via SLA arrangement).	2 x 1 year extensions. These training services were still required by the Department.	Business Case Cost £90.9m.  Actual spend to date £30.1m	Open book was included as part of the supplier relief variations. Previously CPD's standard conditions of contract used, including audit clauses	Jim Wilkinson	1

Department: Infrastructure live contracts valued at £50m+

**ANNEX B**

Name and type of contract	Original contract length	Start date, break dates and end date	Service provider name	Details of any extension period and reasons why it was extended	Original cost versus cost to date	Whether or not open book accounting forms part of the contract	Name of current SRO	Number of SROs since contract start
Parking Enforcement	10 years	1 November 2012, 1st Break - 1 Nov 2016, 2nd Break - 1 Nov 2019, End Date - 31 Oct 2022	NSL	Extensions follow the contract (4 + 3 + 3 years)	Original Contract Value £80m  Spend to date approx £64m	Yes	Deidre Mackle	5  <b><u>Previously</u></b>  (1) Bob Cairns  (2) Terry Deehan  (3) Deaglan Coleman  (4) Ciaran de Burca

Term Contract for Asphalt Resurfacing (Ards, Down, Newry & Mourne) Call off Contract for individual Works Orders up to £350k.	6 years	July 2013, First break date July 2016, End date July 2019	Gibsons (Banbridge) Ltd & TH Moore (Contracts) Ltd Joint Venture	Extensions followed the contract (3+1+1+1years). Further extensions from July 2019 to January 2021 for several reasons, including a challenge to the tender process in March 2019 and delays in developing replacement tender, including CoVID.	Original Contract Value £45.5m  Spend to date £49.3m	No	John Irvine	3  <u>Previously</u>  (1) Bob Cairns (2) Pat Doherty (3) John Irvine
Roads - DBFO Package 1, Upgrade of the motorway network into Belfast from the North and South, as well as the enhancement of the Westlink.	30 years	Start date 3 February 2006 to 2 February 2036	Highway Management (City) Limited	N/A	N/A for DBFO: £162m Construction  Spend to date £498m	No	Conor Loughrey	5  <u>Previously</u>  (1) David Orr (2) Geoff Allister (3) John White (4) John Irvine

Ongoing Operational and Maintenance Costs.								
Roads - DBFO Package 2, Upgrade of A4 between Dungannon and Ballygawley; A1 Junctions between Sprucefield and Loughbrickland , A1 between Sprucefield and Cloghogue. Ongoing Operational and Maintenance Costs.	30 years	Start date 16 November 2007 to 15 November 2037	Amey Roads NI Limited	N/A	N/A for DBFO: £252m  Constructi on/ Spend to date £966m	No	Conor Loughrey	4  <b><u>Previously</u></b>  (1) Geoff Allister (2) John White, (3) John Irvine

A5 WTC Main Contract Section 1 New Buildings to South of Strabane	ECI 2 Stage <sup>1</sup>	Award Date 7 December 2009 Has not moved to Stage 2 Construction	BBM JOINT VENTURE	None	£192m contract value  £8.3m spend to date	Yes	John Irvine	3  <b><u>Previously</u></b>  (1) John White (2) Pat Doherty
A5 WTC Main Contract Section 3 South of Omagh to Ballygawley	ECI 2 Stage <sup>1</sup>	Award Date 7 December 2009 Has not moved to Stage 2 Construction	GRAHAM FARRANS JOINT VENTURE	None	£222m contract value  £9.6m spend to date	Yes	John Irvine	3  <b><u>Previously</u></b>  (1) John White (2) Pat Doherty
A5 WTC Main Contract Section 2 South of Strabane to South of Omagh	ECI 2 Stage <sup>1</sup>	Award Date 7 December 2009 Has not moved to Stage 2 Construction	ROADBRIDGE SISK MCWILLIAMS JOINT VENTURE	None	£186m contract value  £2.6m spend to date	Yes	John Irvine	3  <b><u>Previously</u></b>  (1) John White (2) Pat Doherty
A6 Randalstown to Castledawson Dualling	ECI 2 Stage <sup>1</sup> : Construction Contract 4 years	Award Date 1 May 2015 Moved to Stage 2 Construction 13 June 2017	GRAHAM FARRANS JOINT VENTURE	9 weeks extension due to Covid-19	£142m contract value	Yes	David Porter	2  <b><u>Previously</u></b>  (1)Deirdre Mackle

		Programmed Completion date 28 April 2021			£146m spend to date			(2)David Porter
A6 Dungiven - Drumahoe Dualling	179 weeks	Award Date 28 March 2018 Programmed Completion Spring 2022	SACYR WILLS SOMAGUE JV	None	£171m contract value  £113m spend to date	Yes	David Porter	2  <b><u>Previously</u></b>  (1)Deirdre Mackle (2)David Porter
DVA ICT Strategic Partner	7 years (+3)	8 March 2019 to 7 March 2026 (7March 2029)	Fujitsu	N/A	£60m (£4.7m to date)	Yes	Mike Beare	1

Note: 1. The advancement of the ECI Contract is dependant on funding being made available to deliver the Stage 1 Design and Stage 2 Construction Phases. The contract length is therefore not determined at date of contract award.



Department: Justice live contracts valued at £50m+

**ANNEX B**

*Given that PAC findings may be reported/published the names of DoJ SROs/contract owners have been withheld from this return for security and data protection reasons on the grounds that they are junior staff members of the Department of Justice. This information has therefore been withheld under s40(2) (Personal Information of third parties) and s38 (Health and Safety) of the FOI Act.*

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Barracuda Harmonisation	15 years	31 October 2001 to 31 March 2024	Information not published	5 year extension	£56.1m £49.5m	N	Not published	2
Core IT Managed Service	3 years	1 May 2016 to 30 April 2023	Information not published	Option for 2 x 2 years	£100m £47m	Y	Not published	2
Security & Operational Support Services	3 years	7 March 2018 to 6 March 2021	Information not published	Option for 2 x 2 years	£97m £33.3m	Y	Not published	1