



Northern Ireland
Assembly

Committee for Infrastructure

OFFICIAL REPORT (Hansard)

Translink

4 March 2020

NORTHERN IRELAND ASSEMBLY

Committee for Infrastructure

Translink

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Members present for all or part of the proceedings:

Miss Michelle McIlveen (Chairperson)
Mr David Hilditch (Deputy Chairperson)
Ms Martina Anderson
Mr Cathal Boylan
Mr Keith Buchanan
Mrs Dolores Kelly
Ms Liz Kimmins
Mr Andrew Muir

Witnesses:

Mr Paddy Anderson	Translink
Mr Chris Conway	Translink

The Chairperson (Miss McIlveen): I welcome the witnesses from Translink: Mr Chris Conway, chief executive; and Mr Paddy Anderson, chief financial officer.

Mr Chris Conway (Translink): Good morning.

The Chairperson (Miss McIlveen): You are both very welcome this morning. If you would like to open the session with a short report, we will follow up with some questions.

Mr Conway: OK. Thank you, Chair and members, for the opportunity to meet you today. You will have read the brief that we sent you, and I am just going to touch on a couple of points in my opening statement before I hand back to the Chair.

Translink is a public corporation that was established under the Transport Act (Northern Ireland) 1967. Its subsidiary companies are Ulsterbus, Metro and Northern Ireland Railways, which has responsibility for the operation and the infrastructure of the railways. Translink operates 13,000 bus and train services each day. It carries over one and a half million passenger journeys per week and takes around 80,000 young people to school every day. We have an extensive fleet of buses and trains that require ongoing servicing and maintenance. We also manage 300 miles of rail track and associated structures, valued at over £3 billion. That is a national asset that requires ongoing maintenance and renewal. We also manage bus and train stations and halts throughout Northern Ireland.

We have seen a resurgence in public transport usage. Passenger numbers are over 85 million journeys this year. That is the highest in over 20 years, and the demand continues to grow. This supports the Programme for Government vision and the delivery of most of the 12 strategic outcomes,

as well as directly linking with wider Government policy on climate change, sustainable energy, social inclusion, public health and clean air.

Recent successes are the Glider, which was a Northern Ireland Executive flagship project that connects east and west Belfast. There have been more than 45,000 additional passengers per week on this corridor, with increased usage by people with disabilities and the elderly and a significant reduction in emissions. Rail upgrades include the Coleraine to Derry/Londonderry line, with the addition of an hourly service, Newry service enhancements and the construction of the north-west transport hub and Portrush station. Metro, Ulsterbus and Goldline enhancements have also been made over the last three years, where possible within funding constraints. Foyle Metro has also been introduced.

Translink also supports the tourism industry with large events, notably The Open at Portrush, which had 200,000 visitors using public transport, and the annual Balmoral Show. We have also introduced an integrated website and journey planner and have seen a 25% growth in online ticket sales, which increases accessibility to public transport.

On resource funding, approximately 80% of Translink's turnover comes from passenger carriage and 20% from public service obligation funding. That is a highly efficient split between passenger carriage and public service obligation funding and is achieved only by cross-subsidy across the network. Public service obligation funding is agreed under a public service agreement, which is a contract under EU regulation 1370/2007. It is paid out for routes that are socially necessary but not commercially viable. Translink has been relying on its reserves and in-year funding bids to maintain these services, coupled with letters of comfort from the Department for Infrastructure that, as a minimum, it would support Translink to meet its going-concern requirements. That situation has been brought about by a significant reduction in the Department for Infrastructure budget in 2015-16. However, Translink has continued to deliver these services in good faith to support the social, economic and environmental well-being of Northern Ireland. Translink now has a legitimate expectation to be appropriately funded in line with the commitments made. Given the contractual nature of those commitments, we were surprised that in-year funding was not allocated by the Northern Ireland Executive in January, as these costs, coupled with a gap in concessionary fares income, are, in our view, inescapable.

We need urgent clarification on those matters. In addition to a recent meeting with the Infrastructure Minister, we have asked for a meeting with the Finance Minister to seek clarification on the Northern Ireland Executive's intent regarding these socially necessary services, funded through a public service obligation, along with the concessionary fare scheme. However, Translink remains committed to working with the Infrastructure Minister to deliver the strategic outcomes of the draft Programme for Government to:

"connect people and opportunities through our infrastructure"

and very much welcomes the Minister's stated commitment to public transport, recognising the social and economic benefits, as well as the urgent climate change crisis and the health risks associated with poor air quality.

On capital funding, we have a backlog in bus fleet investment and rail infrastructure investment, as well as in the enhancements that are needed on the Enterprise service for higher frequency and journey-time improvements. The Department for Infrastructure urgently needs to agree a multi-annual contract over approximately a 10-year period so that we can take a long-term sustainable approach to our critical infrastructure rather than the short-term and annual budget approach. Notwithstanding those issues, we have continued to push ahead with key capital projects for public transport, including the Belfast transport hub, which is a Northern Ireland Executive flagship project; the Translink future ticketing system, which will make public transport more accessible; and, as you are aware, the hydrogen bus project, which is an example of a capital project that will continue to support the growth and development of public transport and address climate change.

In summary, public transport is crucial to the social, economic and environmental well-being of Northern Ireland and to tackling climate change and poor air quality. Translink is committed to supporting the Infrastructure Minister and the Northern Ireland Executive in improving well-being for all, as per the draft Programme for Government. However, we cannot do it alone. We have continued to deliver services in good faith over the past three to four years. We now need the Northern Ireland Executive to ensure the continued delivery of vital public transport services in Northern Ireland.

To conclude, the current funding issues for public transport infrastructure are critical, but public transport infrastructure has been underfunded in Northern Ireland for many years — you just have to go back to the 2015 Northern Ireland Audit Office report to see that — and, given the cross-cutting nature of public transport to support the Programme for Government outcomes and the commitments of New Decade, New Approach to tackle climate change head on and turbocharge infrastructure delivery, it is important that the Northern Ireland Executive send a clear message that Northern Ireland is open for business by investing in an efficient and attractive public transport network. I am sure that many people, including the elderly, people with disabilities, young people, commuters etc — people who depend on public transport on a daily basis to get to work or education, or simply to combat loneliness — would like to hear that message also.

I have included some funding comparisons in the brief. They help to show what other regions in the UK and Ireland are doing to develop and grow public transport in the face of the climate change crisis.

The Chairperson (Miss McIlveen): To start with a positive, I congratulate you on the transport hub and the success of the Glider. I hope that members have been taking the opportunity to use the Glider, because it is a superb service into the city.

Mr Conway: Thank you.

Mr Paddy Anderson (Translink): Thank you.

The Chairperson (Miss McIlveen): In your submission, you stated that Translink has a legitimate expectation to be appropriately funded by DFI. The paper from the Department that has been tabled today says:

"As per the Public Service Agreement between the Department and Translink, the Department must compensate Translink for its discharge of the public service obligation of running the public transport network within Northern Ireland."

In your opinion, is the Department in breach of that contract and agreement?

Mr Conway: Yes, there are a number of factors in that. We have a contract through the public service agreement, and that is part of an EU regulation. We have also had letters over the past three to four years from permanent secretaries of the Department reaffirming their commitment to that. Even though they were not able to have a budget, and we used our reserves during that period, they reaffirmed their commitment to those services on an ongoing basis. We have a management statement and financial memorandum that also articulates the funding requirement. Even as recently as six months ago, we got an extension to the public service agreement, which, again, committed the Department to the ongoing stability of the services and made a commitment to the services on an ongoing basis. Based on all that, we believe that we have a legitimate expectation to receive the funding for those services. It is not really a route that we would choose to go down, but, if we have to use it, it is certainly a backstop for the Translink board of directors. We would prefer to work with the Government to try to get a solution to the ongoing funding issues.

The Chairperson (Miss McIlveen): Moving forward, you stated that Translink has now reached that critical point where the directors will be obliged, legally and practically, to take action to ensure that it is a going concern. What exactly will that mean for you as a board?

Mr Conway: As a board, we have used our reserves for the last three to four years. We are now at a point where those reserves are at a minimum level for us to assure our long-term viability. This is not a short-term solvency issue; it is about long-term viability. We have to make sure that we have enough reserves to manage any risks that might happen in the business on an ongoing basis, and we have to retain those at a certain level. We have had that independently assessed as well. Now that we can no longer use our reserves to fund the services going forward, we are asking that the Department and the Northern Ireland Executive make a commitment to those services. They are very much cross-cutting in nature, and they provide social inclusion for people. They are critical to health, education and the economy. In reality, given the cross-subsidised nature of our service, they are good value for money. If those services were not there, there would be impacts on the health budget, the education budget and the economy. It makes good sense, as well as everything else, to do that. We are trying to work through this period to get a commitment, and, as I said, we have sent a letter to the Finance Minister to see whether we can meet him to understand what the commitments will be in the Budget. Translink

has legal responsibilities, and the board of directors has legal responsibilities, and we believe that we have a very strong legal case on the public service agreement in any case, and that would be our next step if we were not able to reach agreement with the Government in the next few weeks.

The Chairperson (Miss McIlveen): The Northern Ireland Transport Holding Company and Translink will be regarded by many as asset-rich. Are you content that the estate that you manage is being fully utilised and is contributing to the company?

Mr Conway: Yes, absolutely. The majority of our assets are operating train stations, bus stations and engineering facilities. We have some commercial assets that are attached to those facilities, but they are very small now compared with how they were in years gone by. We work with the Strategic Investment Board (SIB) to commercialise those assets and to get best value for money from them. We get a revenue return from those assets on an annual basis, and that actually goes to offset our public service obligation. If we cannot get a market return for those assets, we will sell them. We have sold over £1 million worth of assets over the last couple of years. Again, we work very closely with SIB to make sure that we get good returns from those assets.

The Chairperson (Miss McIlveen): Of course, once it is sold, it is sold. You can sell it only once.

Mr Conway: Correct. Thank you.

The Chairperson (Miss McIlveen): You referenced in your papers the ageing fleet and said that some vehicles are over 15 years of age. To maintain the reliability and safety of the fleet, how often should vehicles be replaced?

Mr Conway: The average age of our Ulsterbus fleet is around 10 years. The normal age for the industry is around seven years. That means that we have fleet older than 15 years. To give you an example of what we are maintaining, we have Goldline fleet that have one million miles on the clock. The real challenge is that, as chief executive, I have a responsibility for the health and safety of the one and a half million passengers who use our service every week. We have a very strong commitment to safety. Those vehicles are all kept at a high level of safety and a high standard of maintenance to stay on the road, but there is a cost to that. There is a maintenance cost and a serviceability cost, and having fleet of the right age enables us to reduce our maintenance costs and reduce our public service obligation as well. We have seen with the Glider and some new buses on the Urby routes, for example, that people respond to newer vehicles and better facilities and that those increase passenger usage. We really need to continue to invest in our fleet for that reason as well. Running old fleet is certainly a cost that we do not need to bear.

The Chairperson (Miss McIlveen): Your paper states that the backlog of rail infrastructure maintenance would require £55 million per year over a 10-year period. That is to maintain the existing network. If we were to move to electrification, that would be further investment. What are the estimated costs of that?

Mr Conway: We did an independent assessment of our railway infrastructure to see what is required annually to maintain it. People do not really see infrastructure on a day-to-day basis when they are using the trains, but, in reality, parts of our infrastructure are very old and have had just limited maintenance to keep them running. We have rail track that dates to pre-1976, for example. We did an assessment of all the critical areas on the network, and we estimate that we will need to spend around £55 million per annum over the next five to 10 years not only to maintain our network as it currently sits and without any additional enhancements but to renew its key assets.

We have not done a full assessment of what would be required for either extensions or electrification. We are working on that, and, particularly with the decarbonisation of public transport, we will have to consider some electrification. New technologies on trains mean that they can now operate in bi-mode. They can have batteries and electrification, which means that they need only partial electrification of the network. I do not have a figure for that at the minute, but it is something that we are actively working on.

Mr Boylan: Chris, thanks very much for your presentation. I addressed this when the officials were in, and I know you said that you do not want to go down this route, but with regard to breach of contract, is there a legal statute for challenge if you need to use it?

Mr Conway: Yes. We have a legal expectation to receive that based on all the information I already outlined. That could be a route we go down. It is very much not a route we would prefer to go down; we would prefer very much to work with the Government and reach a resolution of the issues, but it certainly is there.

Mr Boylan: That is fair enough. I was just seeking clarity.

You said you have had discussions with the Minister. We all know that there are viable and non-viable routes. I speak in the context of protecting rural services, which address isolation and support rural communities. Have you had to reconsider any of your plan given that you have been underfunded for a number of years?

Mr Conway: For any enhancements we have made to the service, we have always been very conscious of what funding was there. We have always had to make sure that we did not increase the funding that was required. We have looked at improving a commercial route at the same time as making an adjustment to a socially necessary route and making sure that we could afford that within the budget. There are more things that we would like to do, but our ability to do them has been limited because of the uncertainty in funding.

Mr Boylan: A report last year stated that Translink supports 6,000 jobs and has gross value added of nearly £200 million. That is a massive contribution to the economy.

The Chair asked a number of questions that I wanted to ask, but I want clarity on another point. You have dug into your reserves. What is the bare percentage minimum you have to hold onto?

Mr Conway: About 10% of our turnover is approximately the way we work. It is a little bit like personal savings. You want a couple of months of your income to see you through any critical issues you might have to face. That tends to be the way we work. As I said, we did an independent assessment of that by working through our working capital needs and any critical issues that we might be faced with, and that was the independent assessment that we got.

Mr Boylan: I have an interest in climate change. You have introduced some new measures. Have you further plans?

Mr Conway: We have a bus fleet strategy and a rail fleet strategy looking at the decarbonisation of public transport. We have introduced hydrogen as a pilot project. That is a collaboration between us, the bus manufacturer, Wrightbus, and Energia, an electricity supplier, which is using its wind farm to produce hydrogen. We are also looking at the procurement of some electric fleet later this year. We will use both as pilots. Queen's University is going to do a piece of collaborative work with us to assess which routes are best used for hydrogen and electric or even whether to maintain diesel for a longer time depending on the efficiency of the different technologies. We plan that our future procurement for Metro in Belfast and Foyle Metro will all involve either a hybrid or a full electric fleet. We will then start the transition for Ulsterbus and Goldline beyond that.

We also have a strategy for our rail fleet. We have some new fleet coming into the service over the next couple of years, and, after that, we will start to look at more efficient fleet and some bi-mode technologies that can be used on rail fleet.

Mr Hilditch: Chris and Paddy, you are very welcome this morning. It is nice to see you. Two weeks ago, a departmental official in response to one of our colleagues indicated that there was almost a doomsday situation coming because there could be a collapse of the whole transport system here in Northern Ireland. What is your assessment of that statement?

Mr Conway: At the minute, as I said, my priority is to work with the Government to find a solution. I appreciate that the Budget is happening around March and that the new financial year starts in April. It is a critical issue; I do not want to, in any way, take away from the fact that it is a critical issue and of great concern to Translink, to the board and, I am sure, to a lot of people who use our services on a daily basis.

Mr Hilditch: There is a lot of media attention. Users were concerned, and questions were asked.

Mr Conway: As I said, the first priority is to work with the Government. If the Government decided that they could not afford those services, we would have a legal expectation that there would be a transitional phase for that. It would be unlikely that we would have a situation where everything would just stop one morning; we would work through a transitional phase for that. Translink would be committed to working with the Government on that.

Mr Hilditch: The departmental official also indicated what type of services you would probably drop first and whatnot. Have you had any of that detailed conversation at all?

Mr Conway: No. I do not think it is right to speculate on that or to create panic around what is going to happen to public transport, particularly when there are enough other things to be panicking about at the minute. Our duty is to continue to run and maintain those services for people who are in urgent need of them. We have to remember that one in five people in Northern Ireland do not have access to a car; they rely on public transport. There are also people with disabilities, the elderly and all those with urgent needs, in addition to commuters, supporting the economy and addressing the whole issue of climate change.

We need to take a step-by-step approach to this. The first approach is to get the Government's commitment to and understanding of what they intend to have in the Budget. From that, we can assess any transitional plans or how we would manage the service. That is our responsible approach to it. We have mentioned that, at some point, the directors will have to take their legal responsibilities into account, but, as I said, our first step would be to press the Department and the Executive on the legal contract that we have with them and the ability to exercise that.

Mr Hilditch: Where those legal responsibilities are concerned, you mentioned reserves and various things, but would the company then have a limit on what sort of debt it could carry?

Mr Conway: We do not carry any debt, as such; we operate on a work-capital basis to manage our reserves, so any debt that Translink gets into is actually the Government's debt. We have a very limited ability to get into debt.

Mr Hilditch: You are doing some great work on the green environmental stuff and hope to introduce a few different schemes. How will you fund that? Does it come out of a separate environmental fund, or does it come out of your ordinary budget?

Mr Conway: It comes out of our ordinary budget. We applied for a grant for the hydrogen buses through the Office for Low Emission Vehicles. It gave us a top-up grant for the hydrogen buses, for example, and the hydrogen fuelling station. The base capital for a standard bus comes out of our normal capital for the bus fleet.

Mr Hilditch: Finally, I have a question that you may not have been expecting. Have you had any discussions with the Government about coronavirus? Obviously, there are a lot of users on the public transport system.

Mr Conway: Yes, absolutely. We have been having regular calls with the Public Health Agency (PHA) for a number of weeks, and we will continue to do that. We are taking all the precautions that it advises. Most are the precautions that everyone else is being advised to take, which are handwashing and making sure that we take proper precautions in that area. We have also been asked to display some posters on public transport to advise the public, for example, and we have done that with our employees as well. The guidance from the PHA is very much that people using public transport are at no greater risk than the general public, and that is true for our employees. Therefore, it is about taking the normal guidance that the Public Health Agency is asking everyone to take.

Mr Hilditch: OK. Thank you. I have a few local issues, but I will save them for another day.

Ms Kimmins: Thank you, Chris, for your update. As someone who is new to the Assembly and to the Committee, I thought it was great to go to see the new hydrogen buses. It is a very positive story in the light of all this, and, as Mr Hilditch said, we had quite a grim update from one of your colleagues a few weeks ago. Hopefully, we will start to see a wee bit of positivity.

It is important to note that, with the underfunding and the reductions in funding, we have been dealing with Tory austerity for this last 10 years. The money that has been cut could be used for public

transport and public services. We see this right across the board. Everybody here realises that at this stage, so we have an uphill battle with it.

I have just a couple of questions on concessionary fares. I note that there is a £90 million shortfall. If that is not met, have you plans, or is there any backup plan, on how to address that? Just yesterday, we had a motion in the Assembly on crime and older people, and one of the biggest issues in that was social isolation. It is mentioned in your briefing document that public transport plays a huge role in addressing social isolation for many groups. It would be really concerning if the concessionary fares were taken away or limited. Also, will the criteria for them change? How will we determine who will have access to concessionary fares?

Mr Conway: As far as this year goes, we funded those through our own reserves. The gap of about £10 million has been funded through that, and we obviously cannot continue that going into next year. That begs the question of the Government about what the concessionary fares policy is. If the policy, as it stands, is going to continue, it will need a greater budget to go with it. Policy cannot be put down without a budget to match it. That is what we have been asking for.

There are lots of areas where concessionary fares could be enhanced, particularly for young people, in my view. We have a half fare for people up to 16, and then, once they are at a point where they are thinking of getting a car, we charge them a full fare for public transport. There are areas like that where we could make better use of the concessionary fares budget, but how it gets set is really a policy issue for the Government. Translink administers the scheme. Our role is to administer it in line with the budget and the policy, but, at the minute, we have a mismatched policy and budget, and we need to get them matched again.

Ms Kimmins: That is very important to you. It is very much an issue that affects all Departments, so there needs to be good cross-departmental thinking on it because it impacts on so many different areas.

I have one more quick question. You mentioned that you need extra maintenance money for rail. Is that for the entire rail network, or is it for specific lines?

Mr Conway: It is for the entire rail network. We have been funding around £25 million to £30 million a year on the maintenance of the rail network. It needs to be raised to £55 million a year to manage the ongoing maintenance. It is an ageing asset. As I said with the bus fleet, if you have an ageing asset, the maintenance bill goes up while you are trying to maintain it.

Mr K Buchanan: OK. I welcome the success of the Glider project. I assume that you have no plans to extend it to Cookstown yet? *[Laughter.]*

Mr Conway: Not yet.

Mr K Buchanan: I will pick up on my colleague's point about coronavirus. We do not know where that is going, obviously, but for public transport, it is worrying. Have you any additional plans apart from displaying public health information?

Mr Conway: We are pretty much following the public health information as a result of the information that came out from the UK Government yesterday. We are putting together a business continuity plan as well for how we could be sure to maintain vital services if we had a higher absence rate than normal, for example, due to coronavirus. Again, the Public Health Agency, to protect public transport, is saying that there is no greater risk on public transport than any other service that people are using. Therefore, we should be vigilant and make sure that we make people aware of hygiene and all those issues, but there is no further guidance other than that at this point.

Mr K Buchanan: Excuse me for not knowing this, but how often is your public service agreement signed with the Government? Is there a period of time that it runs for, or is it continuously run?

Mr Conway: It was signed in 2015 —

Mr K Buchanan: For a period of?

Mr Conway: For an initial period of five years. It was signed in 2015, but the five years started in March 2016 at that new financial year. It ran for five years to 2021, and the Government have taken an option to extend it by a year to 2022.

Mr K Buchanan: It is still a live agreement.

Mr Conway: It is still a live agreement, yes.

Mr K Buchanan: Do you have a plan B up your sleeve; that if the Government are not forthcoming with your shortfall, you will go down the legal route?

Mr Conway: The obvious next step for us is to do that. It is not a step I really would choose to take, but, obviously, it is open to us, and we have a legitimate expectation to meet the needs of the public service agreement.

Mr K Buchanan: Obviously, you have had conversations with the Minister.

Mr Conway: Yes.

Mr K Buchanan: Are you getting any indication or light from those conversations?

Mr Conway: The Minister has been very positive, and she is very committed to public transport. She has said that very openly on a number of occasions, and we very much welcome that. I think that the Minister would say to us that, until she gets a budget agreed with the Department of Finance and the Northern Ireland Executive, she cannot get give any further commitments. She is very supportive of public transport and wants to see the right funding put in place to address it going forward. That is why we want to meet the Finance Minister as well. To be fair, you could do a round robin and meet the Ministers from all the Departments, because all the Departments are impacted by any decisions on public transport.

Ms M Anderson: Thank you, Chris, for your presentation. Like Keith, I listened with envy about the Glider, and I look forward to the day when we see a Glider in Derry. I suspect that we may waiting a long time. If we could just get a train from Derry to Belfast that takes us there quicker than a car, that would be viewed as progress where I come from. I am hoping that we arrive at that point in the not-too-distant future.

As Liz said, we are very conscious that there is a £600 million hole in the Executive Budget, and then we had New Decade, New Approach, which promised all things to many people, with no funding coming with it, despite the promises that engagement would take place if people signed off to this. We are now in a situation where it seems that we will get nothing but Barnett consequentials. I view this as the disaster of partition and the consequence of this island being divided and partitioned as it is. There are obviously opportunities in an all-Ireland way of delivering for transport and everything else, despite that not being probably the shared view of others around this table. It is a conversation that will be needed into the future.

You were talking about bimodal trains being considered again. I would like to know the route, but I suspect it is not Derry to Belfast we are talking about. If it is Dublin to Belfast, can we get an update on that? Can we also get an update on the extra maintenance that you talked about for rail? Is that for the entire network, or is that for just specifics? I would like to ask you a separate question after that.

Mr Conway: Just so I understand, Martina, was your first question on what I mentioned about new technology for trains?

Ms M Anderson: Yes.

Mr Conway: You mentioned Belfast to Dublin, so I will comment on that first. Obviously, we have a separate strategic document on how we increase frequency and the journey time on the Belfast-to-Dublin route. That works separately because there is a separate agreement between us and Irish Rail from our local network, if you like. Translink and Irish Rail are putting together an appraisal on how we would, first, get to an hourly service on Belfast to Dublin, which would allow for better connection between Belfast and Derry, for example, and also how we look to journey time improvement and,

ultimately, electrification on that route. Irish Rail has a plan to electrify the northern part of the network going into Dublin, too. It would make sense for us to look at that.

When I talk about looking at the decarbonisation and electrification of our rail network, I am talking about the whole rail network. I was in Transport for Wales recently, which has a full electrification programme for the Valleys. We are looking at the model that it is using. It has bi-mode trains and is looking at partial electrification. We are keen to find out how well that would work and whether it is technology that we could use to decarbonise our entire local public transport network.

The maintenance budget that I talked about is for the entire Northern Ireland rail network. That network has 300 miles of track and 1,600 civil structures, such as bridges, culverts, signalling, user-worked crossings and level crossings. There is a lot of infrastructure that has to be maintained on a regular basis. As I said, we have sections of the rail track that are aging and areas that need to be replaced urgently.

Ms M Anderson: Can I deal with another matter? In your opening comments, you mentioned that Translink is a public body. I am conscious that you are subject to section 75 equality-screening duties. I am also very conscious of testimonies and reports that are coming forward. I believe that Translink took a policy decision to allow Home Office immigration officers and gardaí to stop and board vehicles, question and examine passengers, and seek passports and other documents from them. When asked by a number of organisations about this change, Translink said, I believe, that the policy decision was made because, legally, it has to facilitate such checks. However, I believe that that is not the case, given the passport control exemptions. I refer primarily to the British Immigration Act of 1971, which we are still operating under, and the Irish exemption on the duty to carry that out in the Irish Government's Immigration Act 2004, which was amended in 2011.

I want to ask about the legal obligations that Translink is referring to in response to the question about why it is facilitating such checks in a democratic society. Dolores and I were on the Policing Board together at one time, and I know that she is working on this issue to understand what the legal obligations are for people who are stopped and asked for papers confirming their identity and status. That is strictly controlled and clearly provided for by law. What was the policy decision? Was it EQIA-ed? Was there screening done on it? How come we are getting testimonies, which are alarming if true, that this is racial discrimination? We are being told that passengers are often singled out for questioning on the basis of their skin colour or ethnic indicators. I am extremely alarmed about this. I am very clear about the role of Departments to ensure that they fulfil their section 75 obligations and duties, and that policy changes such as this are screened and consulted on so that people are made aware of them.

Mr Conway: If immigration officers, gardaí or PSNI ask us to pull over, Translink has a responsibility to pull over. As you can appreciate, there is only a bus driver there when they board the vehicle. What the immigration officers, PSNI or gardaí do when they are on our vehicle is their responsibility. We do not facilitate that. We just pull over and apply the proper protocols for a security or immigration official asking to board the vehicle, be it a bus or train. We are required to do that; that is the legislation that we operate under. The legislation on what an immigration officer should be doing when he is on the vehicle and all of that is outside our remit. We do not see that as our responsibility. I am happy to take advice on that, Martina, but, certainly, the legal advice that we have at the minute is that our responsibility is to pull over if we are asked to pull over and allow an officer on board if they ask to get on board. What they do when they are on board is not really our full responsibility. As you can appreciate, we have only a bus driver on board at that time.

Ms M Anderson: Given the testimonies that have come about as a consequence of the boarding of buses and what has taken place on them, has the matter been brought to the Minister's attention? The Minister would probably probe what immigration officers and others are supposed to do when they are on buses in order to ensure that they are compliant with the law, as opposed to taking measures that are not in line with immigration law.

Mr Conway: Translink operates the same procedures as any private operator would; we are not doing anything different from what any private operator would do. The issue was raised with us, probably about six months or so ago.

Ms M Anderson: The issue is growing. Concerns are growing. I am hearing the accusation and concerns about racial discrimination quite often now. People are being singled out —.

Mr Conway: Not by Translink, Martina.

Ms M Anderson: No, but the people who are singled out are using Translink; they are paying to get on a bus and go on a journey to reach a destination. The bus is pulled over, and they are being subjected to what they feel is racial discrimination. Whatever anybody feels about a bus being pulled aside — the rights or wrongs of that — and people having to go on the bus to do whatever they have to do, if there is racial profiling going on, or potential racial discrimination, that needs to be stopped at source.

Mr Conway: I appreciate that, but Translink's responsibility is to pull over if we are asked to pull over, as would be a private operator's responsibility as well. It is not a live issue with me at present. I appreciate that people have raised issues with immigration control and other agencies about how they carry that out, but we are just operating within the law. That is our requirement.

Ms M Anderson: I will take the matter up further with *[Inaudible.]*

Mr Muir: For the record, I declare an interest as a previous employee of Translink and a councillor in Ards and North Down Borough Council. I have a couple of questions. On resource funding, how reliant is Translink on monitoring rounds? Has the most recent monitoring round had an impact on the situation that we have discussed this morning?

Mr Conway: In the past two years, we have been able to secure some funding in monitoring rounds. That goes back to our legitimate expectation that we would receive some funding in the most recent monitoring round as well. I believe that the Department did submit a bid. We feel that some of the costs are inescapable at present because of the contract that we have and the critical need of the people who use those services. We were a bit surprised that that was not addressed in the monitoring round. We are now left in a situation where we have a short time to get some commitment agreed between now and the Budget.

Mr Muir: Is there a feeling that concessionary fares need to be fully funded to allow the continued operation of Translink? In essence, the failure to fully fund concessionary fares has brought about the situation.

Mr Conway: The concessionary fares scheme is a policy decision by the Government. As it sits, it would need to be funded closer to £49 million a year. It is a policy decision for the Government to decide whether to make a change to that. We would obviously comply with whatever decision is made by the Government and adjust it appropriately.

Mr Muir: When departmental officials were here, we talked about flagship projects. The view was given that they consume an awful lot of capital expenditure and inhibit the delivery of run-of-the-mill capital expenditure. One of the major flagship projects is the Belfast transport hub. Can you outline the rationale for that to go ahead and why it is felt that it should be a flagship project?

Mr Conway: It was designated a flagship project three or four years ago. When that happens, it means that the capital is ring-fenced for the life of that project. It is a very important project to address the capacity need for the public transport network. We will double the number of railway platforms at Great Victoria Street station, from four to eight; we will also increase the number of Goldline bus stands. In effect, that will enable us to better connect regional areas across Northern Ireland through the Goldline and rail networks. That capacity is urgent. We already carry about 10 million passengers a year through Great Victoria Street station and the Europa bus station. They are obviously not fit for purpose to do that. We can see continued growth in public transport, so there is urgent need to provide that capacity.

In addition, it is a regeneration project. It would help to regenerate that part of Belfast city centre and south Belfast. Great Victoria Street was known as "the golden mile" when I was at university. It is a long way away from being the golden mile now. We see that project as a great opportunity to regenerate the area. We have been to see that in London, Manchester and other areas, where investment in assets like train or bus stations has a regenerative effect across an area. That is critical. We also want to improve journey times and access between Belfast and Dublin and Belfast and Derry/Londonderry. Moving the operation of the Enterprise service to the Belfast transport hub will give us better connectivity across the east coast of the island of Ireland.

Mr Muir: As part of that, is there a plan to retain the car park in the Great Northern Mall? How does Translink feel that having car parks fits with its advocacy for the use of public transport.

Mr Conway: The master plan for what we call Weavers Cross is still being worked on, Andrew. We will go out to procurement for a development partner, because, while the public sector is investing in the transport hub, we want to bring in the private sector to work on the Weavers Cross master plan. That will operate in phases and will depend on the market at a particular time and the regeneration opportunities that there are. We will look at that on a site-by-site basis.

Mr Muir: On the management of assets, not just there but at *[Inaudible]*, has Translink considered whether it should retain those assets or release them as part of the overall move to the increased use of sustainable transport?

Mr Conway: All those assets will transition to sustainable transport over time. I imagine that we would look at transitioning some of them to active transport hubs, for example, with greater parking for cycling, electric vehicles and other modes of transport. As I said earlier, those assets, which mostly adjoin train and bus stations, generate a significant commercial return that helps to offset the public service obligation.

Mr P Anderson: Just to repeat, Andrew: we work closely with outside parties, such as the Strategic Investment Board and other bodies in the private sector, to make sure that we get the maximum return on those and that the call on the public purse does not increase.

Mr Muir: You talked about active travel solutions. It has been found that park-and-ride sites fill up very quickly. What is Translink doing to encourage more active travel solutions that integrate with public transport? I am thinking, for example, of Bangor and Holywood, where park-and-ride sites are full and it is very difficult to get other land to deliver them. How can we create more active travel solutions?

Mr Conway: It is about working in partnership. We need to collaborate with cycling organisations such as Sustrans and with local councils and citizens to encourage behaviour change. A lot of journeys to park-and-ride sites are very short; transport statistics show that some 60% of journeys under two miles are taken by car. We should be encouraging people to use active travel, such as walking or cycling. We have worked with the Department to put in secure cycling storage at key points along the Glider route, for example, and at some of our train stations. That was in response to customers telling us that they had very expensive bikes and were not comfortable securing them in the open. We have provided secure facilities for them also.

It will be more and more about integrating cycling, public transport and walking to form a complete journey. For many, one of the big challenges in moving away from private cars is that you will have to use multiple modes of transport, rather than completing journeys in one mode, and that will require an increase in active travel.

Mr Muir: I have one last question. What potential is there for EU funding for the cross-border rail link upgrade?

Mr Conway: I think that there is potential for that. The PEACE PLUS programme is out for consultation, and that would be one opportunity. Given its cross-border nature and the fact that it is and, when the UK leaves the EU, will be part of a Trans-European Transport Network, there is the potential for joint funding from the EU and the UK Government.

The Chairperson (Miss McIlveen): I ask members, and anyone in the Public Gallery, to make sure that their mobile phones are switched off, as they are interfering with the sound system.

Mrs D Kelly: Thanks for the presentation. I understand the point that you made in response to Martina Anderson about racial profiling, but it might be an issue. I have concerns about it as well. It is something that the border police seem to be managing themselves, with little redress or accountability to us. It is a matter that we might want to refer to the Executive's Brexit subcommittee so that it could look at building relationships over the longer term.

I put on record my thanks to your colleagues in the Lurgan area who have worked very closely with the local community to diminish any disruption on the railway line by dissident republicans. Lurgan station was the most bombed station in Northern Ireland, as you well know, and the Dublin-to-Belfast

line was the most disrupted line over many years. So, thank you for the approach taken by your officials.

Turning to the conclusion of your report, in particular I note the commitment by the Executive where Translink is hitting a number of the strategic outcomes. I am trying to distil the chart on expenditure comparisons. If I am reading it right, Northern Ireland has about £50 or £60 per head of population, whereas you are talking about £275 per head of population in England. Is that disparity correct?

Mr Conway: Yes, that is expenditure per head of population on public transport.

Mrs D Kelly: Can you tell me exactly what that is per head?

Mr Conway: For Northern Ireland, which is the very bottom line — unfortunately, my copy is in black and white — it is about £100 per head of population, whereas the average in the UK is somewhere around £250.

Mrs D Kelly: That is huge.

Mr Conway: Yes.

Mrs D Kelly: You said that you had written to the Finance Minister. Are you hoping to meet him in the near future? He is doing some work with the British Treasury on turbocharging infrastructure.

Mr Conway: We have put a request in by letter and hope to get a response soon.

Mrs D Kelly: Is that for a meeting?

Mr Conway: Yes, it is.

Mrs D Kelly: OK, thank you.

Mr Boylan: Thanks for letting me back in. In relation to green funding, was it the Office for Low Emission Vehicles that we got funding from for the hydrogen buses?

Mr Conway: Yes, it was.

Mr Boylan: Have you bid for more? Are there more opportunities to look for funding, particularly given the climate actions in the 'New Decade, New Approach' document?

Mr Conway: We are continuing to talk to the Department for Transport and the Office for Low Emission Vehicles in collaboration with the Department for Infrastructure to look for opportunities for funding new technologies to decarbonise public transport. As you will be aware, the UK Government have announced £5 billion for decarbonising public transport in England. We would like to see if there is a way that we can access some of that or at least have the same sort of approach in Northern Ireland.

Mr Boylan: Obviously, that would be a cross-departmental bid. You have responsibility under —.

Mr Conway: Yes, as well as working with DAERA on the clean air strategy, we are working with the Department for the Economy on the energy strategy, because transport, depending on what happens to it, will be a big user of energy. Therefore, the Department for the Economy is building transport needs into its energy strategy. So, there are likely to be cross-departmental discussions on how we look at transport, particularly hydrogen and electric vehicles.

Mr Hilditch: Returning to the capital schemes, I want to say that I welcome your information on the Belfast hub. Page 3 indicates that the key capital schemes — there are about six or seven of them — are under way, but there does not appear to be any funding detail attached to them. Is there a total outlay for capital funding or is there an individual breakdown?

Mr Conway: No. When we put them in like that, we are really saying that they are projects that have a letter of offer from the Department and, basically, a commitment to fund them. Those are the high-level projects; we have smaller ones underneath them. As Translink is a public corporation and a sort of arm's-length body, we have to submit an economic appraisal for every capital project to the Department, which gives us a letter of offer once it is content that it is a capital project that it is prepared to support. So, all of those have —

Mr Hilditch: At least a letter of offer.

Mr Conway: — at least a letter of offer. Yes.

Mr Hilditch: I have to ask, regarding the park-and-ride sites, is Trooperslane on the list? *[Laughter.]*

Mr Conway: The park-and-ride facility is proceeding at Trooperslane, and there is work going on.

Mr Hilditch: Good. Thank you. Cheers.

Mr Boylan: Can we have Gliders heading for Armagh as well? *[Laughter.]*

The Chairperson (Miss McIlveen): I could also throw in a park-and-ride facility for Newtownards. *[Laughter.]* It would be very welcome.

In conclusion, you had a data breach a few weeks ago. Can you discuss the impact of that and what precautionary measures you have put in place to prevent something like that happening again?

Mr Conway: We had an IT issue a number of weeks ago. I am not able to go into any detail on what it involved, as an investigation by a number of agencies is under way. However, we have been able to recover from it and secure our network, we have been able to remove any viruses that were on our network, and we are slowly rebuilding business applications. All employees have access to email and all applications again; we are in recovery mode. The circumstances in which the breach occurred are unique and are being investigated by the National Crime Agency.

The Chairperson (Miss McIlveen): You can probably tell from the comments of members that you have the support of the Committee in relation to your budgetary situation. That is certainly something that we will continue to lobby on in the House. Obviously, we will keep a watching brief on the situation, and we may ask you to return to the Committee to discuss the impact of any potential Budget.

Mr Conway: OK. Thank you very much, Chair. I will add one small sentence to my last answer: we did not have any data loss as a result of the breach.

The Chairperson (Miss McIlveen): OK. Thank you both very much.

Mr Conway: Thank you.

Mr P Anderson: Thank you.