



Northern Ireland
Assembly

Public Accounts Committee

OFFICIAL REPORT (Hansard)

Inquiry into Major Capital Projects:
Department for Communities

8 July 2020

NORTHERN IRELAND ASSEMBLY

Public Accounts Committee

Northern Ireland Audit Office Inquiry into Major Capital Projects:
Department for Communities

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Members present for all or part of the proceedings:

Mr William Humphrey (Chairperson)
Mr Roy Beggs (Deputy Chairperson)
Mr Cathal Boylan
Ms Órlaithí Flynn
Mr Harry Harvey
Mr David Hilditch
Mr Maolíosa McHugh
Mr Andrew Muir
Mr Matthew O'Toole

Witnesses:

Ms Jacqueline Fearon	Department for Communities
Ms Tracy Meharg	Department for Communities
Mr Kyle Bingham	Northern Ireland Audit Office
Mr Kieran Donnelly	Northern Ireland Audit Office

The Chairperson (Mr Humphrey): I welcome Ms Tracy Meharg, accounting officer and permanent secretary in the Department for Communities, and Ms Jacqueline Fearon, head of capital delivery in the Department. Good afternoon, ladies, you are very welcome. Before I ask members whether they have any questions, would either of you like to make any introductory comments or statement?

Ms Tracy Meharg (Department for Communities): I will do so briefly, if I may. First, I really appreciate the fact that this meeting was delayed from March, because we were very busy during that period addressing COVID-19. I know that the background to this is all well set out in case study 9, so I will not go into details on that. I just want to remind everyone that, in 2009, the decision was made not to have a multi-stadium. In 2011, the Executive endorsed the budget of £110 million and the £36.2 million for the subregional stadiums. Two of the stadiums are complete and are operational and delivering as planned, with significant community, social and employment benefits.

There is no doubt that, as it said in the report, there have been serious delays in the delivery of Casement Park stadium. The report recognises that there are reasons for those serious delays, including the judicial review (JR), the redesign, safety issues and the complexity of the project. In 2015, there was a project assessment review (PAR) that, really, reset the programme. The subregional stadiums programme has also been subject to significant delays, many of which were down to the fact that a way forward was not agreed before the Assembly collapsed. However, DFC officials are currently engaging with the sector in the development of detailed implementation plans.

That is really all that I have to say in advance. I am happy to take questions.

The Chairperson (Mr Humphrey): I invite members to indicate when they are keen to ask questions. I will bring in Mr Hilditch in a moment.

We took a decision, as a Committee, absolutely cognisant of the fact that you and your colleagues would have been dealing with hugely important and critical life-threatening decisions in relation to COVID, not to have those meetings in what, we believed, was the public interest. Thank you very much for that and for your opening statement.

Mr Hilditch: You are very welcome, ladies. I would add to the Chair's congratulations for the way in which you have worked through recent times. I know that what the Department has provided in my constituency for our vulnerable people has been very welcome indeed, so I thank you for that.

Turning to the Casement Park situation, an application was made in 2013, which was passed, but then the judicial review quashed that application. There was a very high degree of expertise in the Department at that time, but it seemed to be ignored, for want of a better word. That expertise was sought after throughout other parts of the UK and was involved in very similar planning applications. There was one in Brighton that springs to mind, and there were a few others around the UK as well. How come that expertise in the Department and Sport NI was ignored for so long?

Ms Meharg: What I will refer to in my evidence is the examination of that through the project assessment review that was done after it. It would appear that there were weaknesses in how issues were escalated between the safety technical group (STG) and the programme and project board. The PAR in that period was done by an independent assessor and brought in significant technical expertise. The view was that, because Casement Park was much more complex, the experience in Northern Ireland of dealing with stadiums of that size was not as well developed as we would have liked. One of the recommendations from that PAR was that that expertise is developed in Northern Ireland. There was a complete resetting of the STG after that.

The other issue in the PAR, which is quite clear, is that relationships were broken — those were the words that were used. All of us recognise that when relationships are not operating well, communications very often break down as well. A combination of factors made Casement Park a much more complex project than the other two stadiums. Northern Ireland had not had the expertise in the past to address that. Relationships had broken down, and I know that the then CAL Committee had a lot of conflicting views on that. My own view is that, probably, when everybody who came in said what they said, it was their interpretation of what was happening at that time. The PAR was quite clear that that needed to be reset, and I am very comfortable that it was, indeed, to the extent that the UK body —

Ms Jacqueline Fearon (Department for Communities): The Sports Grounds Safety Authority (SGSA).

Ms Meharg: — was actively involved in the project. Indeed, some of the work that was done around the revised project definition is seen as best practice in international terms, particularly in terms of exiting outside of a stadium. There are lessons to be learned there for us, but the really important thing now is that safety has been at the absolute heart of the redevelopment of Casement.

Mr Hilditch: It is a great pity that that expertise was lost to Northern Ireland due to people taking up other roles in other jurisdictions.

Ms Meharg: That is the case when any expertise is lost, but I am also being assured that new expertise is being developed. One of the issues was about recognising that capability development, so the STG took a decision to look at best practice, and I believe that we now have better expertise in Northern Ireland among a wider range of people. It all very much resided with a very small number of people before. Expertise is probably broader now.

Mr Hilditch: It is just a pity that it took the delay in the stadium for that to happen.

How has communication with the residents developed since then? Elected representatives for that area are obviously pushing that. If it were my area, I would be pushing to get the development as well.

What do the residents in that area, who were very vociferous about their human rights and whatnot being impinged upon, think?

Ms Meharg: Yes, indeed. Even before the JR, there had been resident engagement, and, clearly, the residents did not feel that it was adequate. Casement attracts very strong passions in people, either for or against. Following the JR decision, there was very significant engagement with local residents over a 32-week period. Indeed, quite a lot of the redesign and the time taken to do that was down to that engagement with the residents. They attempted to really understand the issues, such as the light, the traffic congestion and the noise, and those issues were all redesigned into the new Casement. It is clear, and it is on record, that some residents still believe and have stated that they are not happy with that size of a stadium, and it will be up to planning to take account of all of the issues in balancing the development of Casement and the socio-economic benefits against the rights of the local residents.

Mr Hilditch: Did the Department ever look at an alternative venue in the county or in the Belfast area to try to achieve what the association wanted to do?

Ms Meharg: Whilst the Department is responsible for delivering the project, all three projects were delivered by the sporting codes. In 2009, after the decision was made not to have a multisport complex, the Department then went to the sporting codes and asked them for their proposals. It was the sporting codes that came back with the proposals about where they would be built.

Casement was always larger, and the reason for that was that, to be a regional stadium, a certain number of people have to be able to attend. It is the Gaelic Athletic Association's (GAA) decision, and that was agreed in the original strategic outline case (SOC) and the outline business case (OBC). In the OBC, a range of options was looked at, and the three stadiums that were identified were deemed to be the most economically advantageous.

Mr Hilditch: They probably would have been built by now and operational for a couple of years, I am sure, if it had been.

Ms Meharg: That is how it got to where it is.

Mr Hilditch: How much is being allowed for the optimism bias in the budget?

Ms Meharg: The way optimism bias works is that you expect, at the early stages of a project, the optimism bias to be higher because of the unknowns and the risks associated with projects, and then, as the project develops and you become more aware of the actual risks, the optimism bias normally becomes lower. The optimism bias has come down. In some of the evidence that you had from the Strategic Investment Board (SIB), there was a conversation about whether people tended to play down the need for optimism bias because there is always a bias to deliver a project with the desire to say it is affordable.

When you go back to the original cost for Casement, the original request for the total stadium project was higher than what was given. Optimism bias is something that needs to be challenged, very considerably, in projects.

Mr Hilditch: I know that. I have been on project teams on and off, for probably 20 or 25 years, and the optimism bias sort of bugs me, to be honest. Sometimes, I go the other way, and I feel like it is a free hand for a contractor to put a few more bills in, and receive additional income from the project.

Ms Meharg: It is very challenging to get right because, obviously, there are so many unknowns in a project. There has to be that balance between over-inflating the cost of the project, but still building in. To be honest with you — I will let Jacqueline add to this — given the fact that Casement was always more complex than the other two projects, going back to that now, with hindsight, maybe we would have said that there should have been more optimism bias in that project. I do not know. Jacqueline, have you anything to add to that?

Ms Fearon: There was more at the time. The optimism bias in this project was started at the programme level. In the OBC, which happens before the procurement, the optimism bias should be at a higher level. At that point, the optimism bias in the OBC was set at 10%. Therefore, when each individual project was invited to submit their business cases, within their own business cases, they adopted the optimism bias calculator, as they would, to calculate the optimism bias for their project,

based on data from previous projects and benchmarking etc. Each of the optimism biases was set separately for the three projects: 3% for Windsor Park, 4% for Ravenhill and 5% for Casement. In the current reassessment, of course, the optimism bias should be reassessed. It is coming in at around just under 5%, which, in monetary terms, is around £3.5 million.

There is a question. There are now more unknown risks. For example, COVID-19 has had an unprecedented impact on the construction industry that, as yet, is undefined. I know that the Central Procurement Directorate (CPD) is in negotiations with the sector, to see how that is going to go. There is an argument that we should be looking at optimism bias across the piece, and reflecting it upwards again, because it is meant to reflect the risks.

As a programme, we have used it very much as an active tool. Yes, it starts high, and, quite rightly, it comes down. However, the use of optimism bias is very stringently defined in our funding agreement with the grantee, with each of the governing bodies, so they cannot use it willy-nilly. They have to apply to the Department to use it. We have to go through our economists to approve the use of it within the terms of how optimism bias should be used. Even though it is allocated, there have to be very strong reasons to use it, and there is a process to go through to get approval to use it.

Mr Hilditch: The subregional programme identified X-amount of pounds for each of the sports. It was in and around £64 million, or that sort of range. That has crept upwards now. The GAA was putting some of its own finances towards it, which we take out of the equation. Now that there will be a vast overspend at Casement Park, will the other sports see any increase in their allocation? It was meant to be an equal spread across the board.

Ms Meharg: You are correct in that, at the time, there was a balance of funding. That was £36.2 million for soccer, which was, in the way that the Executive's agreement was put forward, when budget became available. Obviously, with the increase in spend at Casement, the Minister and the Executive will have to decide on all these things. This was an Executive priority, so the Minister will have to come back to the Executive on this.

Mr Hilditch: In my opinion, it has been a very bad five or six years on the project. I have to be honest and say that I do not think that we have seen the end of the additional funding yet, and I think that we will be lucky if we see £110 million or less spent on the site. Thank you very much for your answers.

The Chairperson (Mr Humphrey): You mentioned the Committee for Culture, Arts and Leisure. Mr Hilditch and I are both survivors of that Committee and have the scars to prove it. We visited the three stadiums. Ravenhill was completed; Windsor was in the middle of its completion; and work had not started at Casement, as is still the case at Casement. To date, what is the cost to the public purse of Casement Park?

Ms Meharg: The costs have not changed much from what is in the NIAO report. I think that it is about £10.5 million up to March 2020. Originally, the development costs were estimated to be about £5 million. Obviously, the development costs have gone up. We expect those be around £11 million.

The Chairperson (Mr Humphrey): Somewhere in the region of £11 million of taxpayers' money has been spent on what?

Ms Meharg: Obviously, a project like this requires expertise through consultants and design teams. There are planning fees, pre-construction designs and survey and admin costs. There are a variety of costs. The fact is that we have to acknowledge that some of those costs are higher because Casement had to be designed twice. Obviously, that will have put up the amount of money around the design of Casement. Some of those costs, obviously, were always going to be required, but there are additional costs there because Casement had to go through a whole process of redesign.

The Chairperson (Mr Humphrey): At least twice, then, money has been spent on designs that may even still not be final designs that are going to be used.

Ms Meharg: We are very hopeful that the existing design will be built. The PAR said that the new design is a superior design; an iconic design. It has been done to address all the issues that were raised through the PAR, through the CAL Committee and through the residents' engagement. We really hope that the design is used.

The Chairperson (Mr Humphrey): Mr Hilditch also mentioned the local community and the residents. When we were on the CAL Committee, there was a very active residents' group that appeared in front of us and whose members regularly attended in the Public Gallery. Confidence was an issue then. Communication was an issue then. Buy-in from the community was an issue then. Have those been addressed?

Ms Meharg: I believe that everything that could reasonably be done has been done. During the PAR review, both sets of community groups were interviewed: Mooreland and Owenarragh Residents Association (MORA) and the Andersonstown Regeneration Committee (ARC). As I said, Casement has passion on both sides in that people also really want it. Obviously, what happens with the planning decision has still to be seen. I think that the most recent view on record from MORA is that it believes that the project is still too large. That is my take on the most recent public announcement on that.

The Chairperson (Mr Humphrey): What is the proposed capacity?

Ms Meharg: It is 34,578.

The Chairperson (Mr Humphrey): I am happy to be corrected on this, and I know that there are people in this room who are much more knowledgeable about the GAA than I am, but I remember that the Ulster final is no longer held in Northern Ireland — I think that it is held in Clones — and, any time that it had been held in Northern Ireland, the capacity never came anywhere near 34,000. Why do we need a capacity of 34,000 still?

Ms Meharg: From my memory, in 2016, about 33,000 people attended the final in Northern Ireland. For a regional stadium to hold the Ulster final back in Northern Ireland, it will have to have that sort of capacity. There is Clones, and I forget the other place where finals are held. Somebody can remind me. Clones is where I went to, but I cannot remember where the other one is.

The Chairperson (Mr Humphrey): You said that, when people came in to give evidence to the Committee for Culture, Arts and Leisure, they, perhaps, had their own views. I clearly remember Mr Scott coming here. He was a safety adviser for Sport Northern Ireland — an employee of Sport NI at that time — and we know what happened there. He dealt in facts; Valerie Brown from Belfast City Council dealt in facts; the blue light people dealt in facts. They did not hold a view; they dealt in facts. It is important to put that on the record.

Mr Boylan: Thank you very much for your comments. You are right about the 34,500. That is a good capacity for an Ulster final, albeit we have taken 65,000 to Croke Park for an Ulster final in the past.

I want to go back to the Audit Office report and what it says about the safety concerns. Is the Department satisfied that, working with the safety technical group and the GAA, you can meet best practice in stadium safety?

Ms Meharg: I am absolutely comfortable with that. I have spoken to the SRO in detail about it, and I have looked over all of the detail that I can find on it. The most recent design was signed off by the STG, which has very well-qualified people. The Sports Grounds Safety Authority participated in that group, and, as I said, it does international safety as well as having statutory responsibility for soccer stadiums in GB. The fact is that the work on this has led to best practice. I am comfortable as accounting officer that all of those issues have been taken into account in the redesign.

Mr Boylan: I am mindful that members may have other questions, but I want to go back to the report. The report is key for us. The report made recommendations and outlined some of the major problems that had been faced in capital projects, generally, such as funding issues, legal challenges and planning issues. This might be a hard question for you to answer, but I want to get your view. When you are a councillor, you learn about the importance of understanding community engagement in all of the planning applications. What have we learned from this and where can we go now? Will you concentrate on community engagement?

Ms Meharg: There was community engagement for the original Casement plan, which fell, and it met the statutory requirements. That said, there is no doubt that there was significant resistance to it. We have moved on a lot in how we undertake community engagement. As I mentioned, the amount of time taken for community engagement was twice that normally taken.

There are also lessons to be learned on good practice. We have spoken to people on other projects, such as the Belfast transport hub, to hear what they are doing. The old adage about taking time at the front end of a project and engaging with the community as best you can applies. That does not mean that you will get everybody to the same place, because there will be people who do not want a project to happen, but it means that you have taken account of their views, insofar as you could, and you can demonstrate that you have done that. That is important in the planning application, because they have to balance the objections with the impact of the project.

Ms Flynn: Thanks very much for coming along today. I should say that I am a West Belfast MLA, so I have many friends and family who live within the small area surrounding Casement Park. I am well aware of the ups and downs and the journey that we have been on in the last number of years to get the planning process to where it is now. I know that, at times, it was particularly tense with residents who had genuine concerns; some of them still do.

A lot of these points have already been touched on by David and Cathal. You finished on the issue of community engagement. I am thinking about how we move forward practically so that no Department is in the position where it has such a backlog, delay and judicial review. Are there any practical steps that the Department could take to try to promote a better engagement process? As you said, Tracy, it is very difficult to foresee at times, as it depends on the community's belief and what residents want or do not want. Has there been any significant learning from the Casement Park process? How could you monitor future projects so that you are being clear from the outset? What can we do to streamline and strengthen the process?

Ms Meharg: Some common themes of 'Major Capital Projects' are the length of time that it will take to come to fruition and, obviously, the costs. Higher-cost projects are more likely to have procurement issues, and projects that have bigger impacts on local communities are more likely to have objections to them. Some of the lessons are to, at the front end of projects, assess the issues against the issues that mean that projects fail, and not just in Northern Ireland. I know that the evidence that you heard previously was very clear that eight out of 10 major projects worldwide run into issues. It is about really taking the time to do that at the front end.

Aside from just capital projects and more broadly in respect of government delivering services to citizens, I would say that COVID-19 has taught us a lot. We had to move very quickly. There was a need to engage with the community and voluntary sector really quickly to get things out on the ground. It is about treating those relationships with respect and trust right across the piece.

Obviously, there is a time when you have to say, "Right, we have done our engagement and learnt all the lessons that we can". You then have to build that in and move on. You can never be certain that you have addressed everybody's issues to their satisfaction, but we need to have demonstrated that we have done the best that we can on that. There is quite a lot of significant evidence that that has actually happened in this project.

Ms Flynn: I agree with that. As I said, I come from the local area and speak to people on their doorsteps, including people who I am not connected to through friends or family who live in the immediate area. As an elected rep for the area, I certainly sense a change and a desire for this to happen. Overall, people in west Belfast want and expect the project to be delivered. I hope that that can be the case.

Finally, the NIAO report, which obviously predated the return of the devolved Administration, directly referenced an inability to progress the draft business case and funding gaps unless and until a Minister was returned. Is the Department now satisfied that those elements can be progressed immediately after a planning decision?

Ms Meharg: Yes. I am on record saying that as an official, but I did not have the authority to reset an Executive commitment around a budget. Once the planning is complete, we will have to look again at the full business case and costs. You will appreciate that it is impossible to identify the costs of a project until we have a time frame for delivery of that project. As we have seen in this project, time equals money. Once the full business case has been developed, and the costs and approvals are in place and the contract has been sorted out, it has to go back to the Executive to finalise the overall costs. That will be a matter for Ministers.

Mr Harvey: Thank you, Tracy and Jacqueline. The original planning permission for Casement Park was quashed in December 2014, and that is five and a half years ago. It seems as though the various

safety and traffic concerns that were raised at that time were dismissed at high levels in your *[Inaudible.]* Would you agree with that, and do you consider that there are any lessons to be learned in the future?

Ms Meharg: The judicial review, which I studied at the time, makes it clear that the judgement was that there were errors in how aspects were processed, rendering the decision unlawful. The JR makes that very clear. It says nothing about the merits of the stadium, but more about the process. The error — the big issue — was the assessment of the effects of a capacity crowd and how that had been calculated. The difference between what was deemed to be the attendance of the previous Casement and the new Casement was 5,400. In the view of the judge, that was neither a fair nor a lawful approach. There were other issues, too, around the fact that the PSNI had made comments that were not passed on to the then Minister. There were other things around other uses of the project, asbestos, and Japanese knotweed.

Clearly, there were errors. However, the traffic assessment was the same as had been done for the other two stadiums, but the point is that this was a much bigger project and a much more complex area. Obviously, how that had been calculated was not satisfactory when it was looked at by the Planning Service, which did not use its own guidance in assessing the project. There are lessons in there, in understanding that Casement was different from the other two projects. A completely different approach has been taken to the assessment of traffic in the new application. For example, there is much more emphasis on a sustainable traffic plan.

I do not know whether Jacqueline has anything to add to that.

Ms Fearon: Reverting to the zero baseline in the new planning application may have — probably has — increased the workload in the assessment phase, and it is important to recognise the learning and the lessons from the JR on the baseline assessment in the first one. Secondly, a very important lesson, and Tracy hits on it, is that it is a very complex project and it is about expanding the capability of our networks in Northern Ireland. The second time round, the Casement Park project team explored the use of consultants in traffic assessment from other parts of the UK, in Scotland and England, who were very experienced, particularly in traffic assessments in major Premier League football stadiums, for example, and in other stadiums across Europe and the world. They particularly sought out the expertise the second time round, having unpicked the assessment in the first JR, to say, "Well, OK, what do we need to do the second time round? We need to do the zero baseline and we need to examine how the consultants do it". That capability, when you buy it in, is not lost. You build the capability of local people in Northern Ireland, and that certainly has been built through the process. The SGSA acknowledged that in terms of what they witnessed in the STG. A lot of lessons have been learnt and implemented the second time round.

Mr Harvey: Thank you very much. That more than answers my question. Thank you, Chair.

The Chairperson (Mr Humphrey): When you are building that hugely important capacity and capability — the Committee discussed this some weeks ago about the Civil Service — it is important to remember that we have lost the capability that was there, with Mr Scott and Ms Strong, to buy in capacity across the UK. The expertise that was there, as Mr Hilditch readily identified earlier, has been lost in Northern Ireland at governmental level.

Mr Muir: Thank you very much, Chair. I echo your comments on the work of the Department during the pandemic; it has been greatly appreciated.

Members touched upon capability and skills. The Strategic Investment Board was set up to give advice. What role did it play in the Casement project and what advice did it give?

Ms Meharg: Jacqueline is an SIB employee who is embedded in the Department. She has been with us on the team for four and a half years and has been a great asset. The project manager for the GAA is also an SIB employee whom the Department pays to bring in some extra expertise, and we would use SIB as we require. Jacqueline can build into her own network in SIB. The Department has used SIB over a number of years, and SIB has been involved from the start of the project.

Mr Muir: To reflect on that, the judicial review was taken and the projects were significantly delayed. Is the SIB really providing the advice and support that is needed to ensure that delays do not occur? The judicial review was taken on the planning application. What concerns are there about departmental

silo working? The issues that led to that judicial review were as a result of information not being fed through. What lessons can we learn to ensure that that does not reoccur?

Ms Meharg: The lessons that we need to learn are that, at programme board level, the same approach was taken to three projects, despite one being much more complex. We did need to reset the governance and processes, and the 2015 PAR was very clear on that point. Lessons were learnt. The PAR also recommended that there should be a full-time senior responsible owner (SRO). You have had evidence of the importance of the SRO having the appropriate qualifications. At that stage, post the 2015 PAR, the SRO was qualified in major projects leadership and brought a different skill set. The current SRO also has a projects qualification. From the 2015 PAR, the lessons are clearly the need to look at the expertise and to reset some of the governance processes. All 20 of the recommendations in the PAR were implemented.

Mr Beggs: I too thank the Department for its work during COVID-19. In particular, you have helped to empower communities to look after those in need. That has been a positive outcome in many areas.

Looking at the three regional stadium projects, I am trying to understand what has happened. The final cost of the Kingspan Stadium is estimated to be £16.5 million and on budget, and Windsor Park was estimated at, and cost, £35 million with no cost overruns. We know that there was an issue during the build process, but the contractor's insurance would have paid for that. However, when you come to Casement Park, the numbers are up the left; they are really quite strange. The estimated £77.5 million has now moved to £110 million and, as has been said, is possibly still moving. There has been an additional £32.5 million from the public purse. That is almost a 42% overrun in costs. Can you explain to me what has gone wrong with that project when the other two went in exactly on cost?

Ms Meharg: In the Casement project, there was a range of issues. First, resistance to the project was underestimated. It was a more complex project. There were relationship issues in the middle of it as well. The project was much bigger in scale. In terms of the scale of the other projects, some stadium was being added to what was already at Kingspan, and Windsor Park was *[Inaudible.]* The ambition in Casement was much bigger. It was starting from scratch to build a brand new stadium on the site. That scale, in a very enclosed site, was a very different level of ambition and complexity. I think that that explains some of the reasons why the other projects, although there were issues with them, still came in on time. I know that there were a few issues at Windsor with the collapsing stand, but that was that side of the project.

The Chairperson (Mr Humphrey): I should declare an interest: Mr Hilditch and I were both in the stand that night, but I do not think that we were responsible for it. *[Laughter.]*

Mr Beggs: It has cost over £10 million to date, without a spade being put in the ground. Can you give us a breakdown of the costs? That is quite a large sum of public money that has been spent.

Ms Meharg: The large majority of it — £6.4 million — was on consultants, design and legal fees; planning fees were £71,000; the integrated supply team pre-construction design input was £2 million; salaries were just under £1.6 million; and survey and admin costs were about £300,000. Jacqueline has a much more detailed breakdown, if you require any further detail. Development costs were initially estimated to be £5 million. Those have doubled in the *[Inaudible.]*

Mr Beggs: You said that the Casement development — all three sites are in confined urban areas — was much more ambitious, because they were trying to squeeze much more into a tight space. Can you advise how the risk of doing that was shared? Does all the risk fall on the public purse?

Ms Meharg: The original split in the total cost of Casement was 80:20. Ulster GAA made a commitment to fund part of the costs, so it was a shared risk to that extent. There is an intended contribution.

Mr Beggs: What I am trying to get at is this: who pays all the extra money? They are the people who carry all the risk. What incentive is there to cut your cloth according to your site?

Ms Meharg: As I think I said already, how the final costs are agreed between the Executive and the GAA will have to be worked out once we get the final costs.

Mr Beggs: At this time, what is the additional cost to the public purse? Is the public carrying all the additional cost to date?

Ms Meharg: Jacqueline, can you answer the question on how much the GAA put into the £10 million?

Ms Meharg: The costs in the £110 million are estimated costs at the moment. To date, the GAA has spent about 10% of the estimated costs out of the £10 million. I am not really sure —.

Mr Beggs: I am trying to understand this. The original estimate was £77 million. The new estimate is £110 million. Is that new additional cost shared with all the parties?

Ms Fearon: The funding split has to be agreed.

Ms Meharg: It has to be negotiated. You asked about —.

Mr Beggs: What is the split?

Ms Meharg: The original split was 80:20, but that has not been negotiated yet.

Mr Beggs: So you have not done a deal?

Ms Meharg: No. A deal has not been done. The final costs of the project will not be known until we have planning. Until such time as we know the total costs, there will not be a negotiation on them with us.

Mr Beggs: My concern is that the additional £32 million would pay for five brand-new, sizeable primary schools. That is a big amount of money, and nobody knows where it is going. The cost is still a considerable risk to the public purse. Do you not accept that? Is that not a poor way to manage any project?

Ms Meharg: I accept that nobody is happy with the delay in the project. The time delay of six years —.

Mr Beggs: I am not talking about the delay; I am talking about the way that it is set up. Nobody knows who is paying at this stage. Is that correct?

Ms Meharg: We know what the commitment from the Executive has been to date, and we know what the commitment has been from the Ulster GAA to date, but what has not been done is a renegotiation of those costs. The decision has been that those costs will not be renegotiated until such time as we know what the final costs are.

Mr Beggs: I just think that there are more risks involved. Thank you.

Mr McHugh: Tá fáilte romhaibh. You are very welcome here today. Is deas bheith ábalta labhairt faoin deis seo. It is very nice to be able to chat about this opportunity, Casement, and about the work that has gone on to date. Whilst we are all disappointed about the obstacles that have been put in the way of the development of this project, I hope that it will come to fruition in the very near future. I am one of those people who have attended Ulster finals when 65,000 have been there at Croke Park. I have also attended them at Clones when there have been capacity crowds there too. I know the difficulties of getting out of Clones after an Ulster final, but, mind you, I have never had the same difficulties any of the times that I attended the old Casement, and there were some very large crowds there. I am glad to see that the traffic plan and all the rest of it has been discussed and put in place, as well as the costs. I am glad that the GAA has stepped up to the plate, and I am sure that it will not be found wanting in the event of planning permission coming forward and the project being able to be progressed.

On the issue of capacity, even this year, in the very first round of the Ulster championship, Tyrone play Donegal. My county is Tyrone, and I do hope that we get through the first round and go on to win Ulster. It is being mooted that the Tyrone versus Donegal match should be played in Croke Park this year because of COVID. None of us know just how long COVID is going to be with us in any respect, so it is important that we have a national stadium here in Belfast that can provide at that level in the event of dealing with the likes of COVID so that we can have a capacity crowd that can attend. I am

sure that that will be a factor that will have to be taken on board. I am sure that, in the event of Casement being developed, there will be no difficulty in filling it for Ulster finals.

One of the elements that have always come in the way of many of these projects has been judicial reviews. Do you have any opinion on the likelihood of judicial reviews on any other element of this particular planning process for Casement?

Ms Meharg: Obviously, we have looked at the potential time frames for the project moving forward, and we have factored in to that the time frames with or without a judicial review. I think that it would be naive of us not to expect that that is a possibility. We are hoping that it does not come to pass, but there is no doubt that it is a possibility.

Mr McHugh: I think that maybe the work that has been done on community consultation might, if anything, minimise the likelihood of judicial review.

Ms Meharg: I suppose the first point is that, hopefully, the consultation will do that. Also, if there is a judicial review, the work that has been done to address the issues will hopefully mean that errors will not be found, as there were the previous time, around traffic management. Those are the factors that we are having to look at as a programme board around some of the risks around the project.

Mr McHugh: Finally, as far as planning and that is concerned at present, are you prepared to put any date on the time frame?

Ms Meharg: Obviously, planning is outside my Department's control. Having said that, we are aware that the further environmental information requests have been completed. There was a very robust challenge throughout the process. It will not be a surprise to people that, given that the project was previously the subject of a judicial review, a lot of time and thought and legal reviews were given to the information. We understand that DFI is ready to make a recommendation. We also understand that it has indicated that COVID-19 has impacted that.

Ms Fearon: It has impacted it. The Department was ready to make a recommendation at Easter, but now we are being told that it will be made, hopefully, at the end of the summer. There has been communication and engagement between the GAA and DFI in recent months and they understand what the implications have been because of the COVID situation.

The Chairperson (Mr Humphrey): Ready to make a recommendation on what?

Ms Meharg: Well, a recommendation on whatever its recommendation is.

The Chairperson (Mr Humphrey): That was a Sir Humphrey answer. *[Laughter.]*

Ms Meharg: Well, you will appreciate that there are, obviously, Chinese walls between DFI and my Department because DFI has to take an independent decision. Whilst everybody appreciates that it has taken quite some time to get here, we also understand — and I know that the GAA is very disappointed at how long it has taken, and has put that on record — that, given the previous experience, people want to make sure that they have properly balanced all the information that they have received about environmental factors.

Mr O'Toole: Thanks for your Department's work over the last few months and for your evidence today. Further to what we have been discussing, as far as the next stages are concerned, the Minister and the Infrastructure Department have a quasi-judicial decision to make; is that right? I am sorry if the mic is not picking me up correctly. Is it fair to describe the decision that is to be made about the next stage of the planning process as quasi-judicial?

Ms Meharg: DFI will make a recommendation to the Minister about whether or not the planners support or do not support, and then there will be a decision on whether the planning permission is granted. Following that, then, what happened the last time round was that, in the period following the planning, people had the opportunity to make objections. The same thing will happen this time. Assuming that no objections are made, then we move ahead to the next stage of the project.

Mr O'Toole: The point that I am making is that the Infrastructure Minister's role is effectively quasi-judicial in that sense; is that right, or is that unfair?

Ms Meharg: The Minister will be the final decision-maker. The Minister is the final decision-maker on the planning.

Mr O'Toole: Once that comes back, and once that decision is made and the planning process is sorted out, it returns to your Department to manage the build.

Ms Meharg: That is correct. We do not manage the build; the GAA does that.

Mr O'Toole: The project, sorry, rather than the build itself.

Ms Meharg: Our Department is responsible for the stadia programme and for the delivery of all the projects. The actual delivery of the programme is through the three sporting codes, so it is up to the GAA, then, to actually deliver the project. It reports to our programme board, and we hold it accountable according to our responsibility at a programme level.

Mr O'Toole: Are you confident that, at a departmental level, you have staffing, expertise and everything ready to go, as it were, for when the thing progresses beyond planning?

Ms Meharg: Absolutely. As you will have seen, there was a further commitment to the project in NDNA. I know that the Executive remain committed to delivering the project. It is our job as officials to make sure that we are ready to deliver whatever is within our control.

The Chairperson (Mr Humphrey): Ms Fearon, can you furnish the Committee with a breakdown of the £11 million to date, if you do not mind?

Ms Fearon: Absolutely, yes.

The Chairperson (Mr Humphrey): Thanks. I want to return to the issue of lessons being learned from the previous judicial review. In my experience, having sat on the Committee before, I think it is fair to say that none of the residents' groups are opposed to a stadium; it is the size of the stadium that is the issue. Community engagement has been talked about quite a lot. Unless things have changed — I am not involved in that portfolio now — there were two residents' groups still remaining. Where are we with those two respective residents' groups? Are they content to go forward?

Ms Meharg: I think that MORA's most recent on-the-record view is that it is not opposed to a stadium but believes that the stadium capacity should be 25,000. I think that that is its most recent statement on record, while the other residents' group is very much in favour of this project proceeding as quickly as possible.

The Chairperson (Mr Humphrey): At the maximum capacity? 34,000?

Ms Meharg: At 34,000.

The Chairperson (Mr Humphrey): In the assessment of capacity and crowds that has been ongoing, some of the issues were around emergency exiting, because the site is sort of locked because the motorway is behind it, Kennedy Way is to the side of it and, certainly when I visited, there was one lane through down into Kennedy Way. There was not the infrastructure of roads, pathways and parking that could have facilitated the optimum stadium that the people want. Has progress been made on that?

Ms Meharg: Yes, there has been significant progress around increasing the number of exits, but also in the infrastructure around the edge and how the site is being used. Jacqueline, do you want to take us through the new exit to Stockman's Lane and how that has all been done?

Ms Fearon: Well, basically the challenge for the designers on the resetting of the project in 2015 was to incorporate all the concerns from the CAL Committee and the residents, and the issues that were addressed in the PAR, and somehow come up with a design that rectified all those issues. I was starting with the Department just during that time, so I was in the fringes of that work. The design that

has been come up with has incorporated all those changes. In the site that you were talking about, the original design was designed right up to what you would call the red line of the site. The exiting from the building was straight out of the site onto the road, effectively. You will remember that six out of the eight exits at that time were all out onto Andersonstown Road, and that was one of the concerns. There are now nine exits all around the proposed building, and they are proposed to be used all of the time, not just for maximum capacity, the idea being that the crowds — and very often it is repeat people that return to matches — will get used to how the stadium works and will get used to going and entrancing and exiting.

Another improvement that has been made to address that is that there is a circulation area called a zone 4. That is a circulation area that people will go to as they exit a stadium, and, if there was an evacuation of a stadium, that is one of the areas that they would go to. In the original design, again because it was up to the red line, that was outside the building, but now zone 4 is in the building. There is also now basement car parking as well, and the height has been reduced and the —.

The Chairperson (Mr Humphrey): The height of the stands?

Ms Fearon: The height of the stadium, yes, has been reduced by 12 metres all around.

Ms Meharg: Yes, it is quite interesting. What they have done is that the stadium is different heights on different sides, so, where it adjuncts the houses, it is lower, and it is higher at the other end where it is not. It is a very clever design.

It is also important to point out that there is also a desire to change how people travel to the stadium to incorporate sustainable transport. Of course, there is now the Glider that goes up and down there as well. The GAA recognises that it needs to do some work to change how its members approach coming to the stadium and incorporate some different park-and-rides and various other things, to come to it.

The Chairperson (Mr Humphrey): OK. Just finally, there are nine exits in this new proposed stadium?

Ms Fearon: Yes.

The Chairperson (Mr Humphrey): Designing exits is one thing, but how are they getting out? Is the proposal to buy properties and knock them down?

Ms Meharg: Stockman's Lane; the new entrance there.

Ms Fearon: There are no plans to buy property and knock them down for exiting. The exiting that they are proposing — you are right, Tracy — is that they are going to use some areas at the bottom of Stockman's Lane, using the pedestrian flow through the current pedestrian access there, but —.

The Chairperson (Mr Humphrey): There is not a huge amount of land that when you come down that path at Kennedy Way, at the roundabout, to facilitate people moving.

Ms Fearon: A huge amount of modelling has been done on this, incorporating very complicated software, whereby you look at a stadium, and you factor in the crowds at various capacity games, the exits, how people enter and exit, and how the crowd flows, depending on their age and ability. We have been assured that the position has improved significantly.

Mr Boylan: Thank you for letting me back in, Chair. The Audit Office report specifically mentions the PAR. How important is that in setting the direction for the Department, the project and the GAA?

Ms Meharg: Three things fundamentally reset this project: the JR; the Culture, Arts and Leisure Committee and its focus on safety; and the PAR, which was a very robust piece of work that looked not just at the project to date but at how it needed to change and to build expertise. That has been fundamental in resetting the project, and all of the PAR recommendations have been implemented. At the time, the PAR was amber/red because there was still a lot of work to do. A year afterwards, the PAR was amber, so the follow-up to the PAR demonstrated that a lot had been done. It is interesting that the SIB's evidence identified some of the lax project management that had been identified previously. The PAR has been so important in turning the project around.

Mr Hilditch: Going back to Mr Beggs's point about a potential overspend, I think that the GAA is on record as stating, around February of this year, that it will not be responsible for any further outlay on the stadium. Is that correct? Will you try to negotiate that position, or is it factual that the GAA is saying no?

Ms Meharg: I think that it is on the record and that I also read that the GAA had said that. That will be a matter for a conversation with the GAA once we get the final costs. Ultimately, it will be down to the Minister and the Executive and how far they are prepared to go. The really important point is that this is an Executive priority, so it is about balancing the requirements of this project against other projects. The Executive have said that they want this project to be delivered, so there is some negotiation to be done, I believe. It is our job as officials to ensure that every project is delivered at the best possible value.

Mr Hilditch: Sorry, I probably should have declared an interest: I am a student of the Sports Grounds Safety Authority, and it has certified me a few times. Some say that I should have been certified years ago *[Laughter.]*

The Chairperson (Mr Humphrey): You got that in just before I said it.

Mr Hilditch: From listening to Mr Scott, we know that, had things gone properly 10 years ago, we would have been in a much different place at this stage. It is fair to say that, potentially, the stadium would be built and operational. Do not forget that, when you bring in consultants, at the end of the day, they will tell the person who is paying them what they want to hear. That is how the project got into such a mess the last time, with what was a nonsense of a safety plan to get people out. It was really dangerous, to be honest.

Ms Meharg: At the time of the CAL Committee, the projects had already been through the JR, so the project was already at the stage that the traffic management needed to be reassessed. Safety concerns raised by Mr Scott were subsequently picked up, so I am not certain that we lost time. Of course, you had the CAL Committee, which really did shine a light on safety. I can assure you that all —

Mr Hilditch: It should never have got to the point that it came to the Committee, should it? It should have been dealt with long before that.

Ms Meharg: I keep going back to the PAR, which is really clear on the weaknesses: the escalation routes and the fact that there were no issues logs or formal sign-off process. So, all of those things needed to be built in to the project going forward.

Mr Hilditch: You spoke of the infrastructure and how it will be subject to scrutiny. That includes the area outside the stadium, where there will, potentially, be a new road layout, and various other issues. Is that within the £110 million that has been set aside, or is it additional, given that the Department for Infrastructure has not come back to say what exactly it requires or whether it is giving the thumbs up?

Ms Meharg: The amount of money that — *[Interruption.]*

Mr Hilditch: Will it be included in that?

Ms Fearon: Yes.

Mr Hilditch: The money for the infrastructure will come from the Department.

Ms Fearon: There are no changes to the infrastructure outside of the site; the change is to the management of it. Part of the management plan will use the Belfast rapid transport system, for example. No changes to the road infrastructure outside the building are proposed in the current planning application.

Ms Meharg: There is talk about the Stockman's Lane entrance and how we use it.

Mr Hilditch: At one stage, the proposed solution was to buy and remove houses to sort out the infrastructure of the stadium.

Ms Fearon: That was before my time, but I believe that that was under the old design, which took the design out to the very edge of the site. The new design has fundamentally altered the exiting strategy from the stadium by looking at a more compact, albeit complex, design.

Mr Hilditch: Has the Japanese knotweed been removed?

Ms Fearon: It has been addressed over the past six years. The GAA has had several remedial courses and checks it all the time. Some elements —.

Mr Hilditch: When it is removed, a site has to lie idle for a number of years before something can be built on it.

Ms Fearon: Yes, I was going to say that some elements of it can grow back, and there can be pockets of growth. I have not seen the latest report, but I know that the GAA has been addressing it over the past years.

Mr Hilditch: I have to make this point: if the GAA had wanted to go to a greenfield site and build a 44,000- or 45,000-seater stadium, we would have been well down the road by now, probably at half the cost. That is a fair comment to make at this stage.

Mr McHugh said that obstacles had been put in the way of the development. At that stage, there were legitimate concerns stemming from the poor performance of the Department and the SIB. All those concerns were legitimate, and no obstacles were put in place for the sake of it.

Mr O'Toole: I will be brief, Chair. Thanks for letting me in. My question is not on Casement, because this is not only about Casement Park. Last week, the June monitoring round showed the level of capital underspend in your Department. Do you think that there is a link between some of the findings of the NIAO report and your Department's capability to get capital spending out the door?

The Chairperson (Mr Humphrey): I am sure that that relates to what we are talking about, so I will let the question be asked.

Ms Meharg: I will be clear: since coming to the Department, I have introduced a capital oversight programme. My Department is not a Department that very often delivers large projects, but we have large capital budgets because we deliver housing, which accounts for about 75% of our capital projects every year. We also deliver urban regeneration, heritage, sport, arts and culture projects. There is, therefore, a very wide range of capital spend. This year, in particular, that underspend was down to housing, and COVID-19 impacted that. I would be happy to give you the detail on that if requested. At the end of the year, some housing associations did not have the confidence to sign off on some of the housing. I will be happy to give you a briefing on that if you want.

I take a strong personal interest in watching capital across the Department, in looking at how it is spent, ensuring that it is in line with the Minister's priorities and ensuring that it is maximised. If we cannot spend the money, it is important that we give it up early in the year so that it can be used in other parts of government.

The Chairperson (Mr Humphrey): Mr Beggs, I will let you ask a question if it is relevant —

Mr Beggs: Yes, it is on housing.

The Chairperson (Mr Humphrey): — especially bearing in mind your treatment of me yesterday. Go ahead. *[Laughter.]*

Mr Beggs: I will be brief. My question is on housing and delayed capital projects. We have been enquiring about the causes for delays to capital projects, generally. Planning is one of the issues that are coming forward. Many social housing schemes are being delayed because of the lack of sewerage infrastructure. How can we have joined-up government to ensure that capital is in the right places for sewerage infrastructure so that the houses that are needed can be built?

Ms Meharg: Katrina and I will continue to have that conversation, as will the Ministers. Both Ministers are keen to make sure that we address housing needs. Investment in sewerage is a big issue across the Executive. It involves large sums of money. We are very aware of the issue.

Mr Beggs: Do you accept that we have a somewhat dysfunctional government —?

The Chairperson (Mr Humphrey): Roy, I really do not think that that is relevant to what we are talking about. As you would say, you have made your point.

Thank you both very much for coming and for giving us your time today. I do not know whether you can do this, but it might be a good idea to furnish us with some of the drawings to which you referred.

Ms Fearon: Yes, we would love to.

The Chairperson (Mr Humphrey): I must say, I remain gravely concerned when I hear that the infrastructure around the stadium is not changing, because I am not sure that the space is there. I look forward to looking at the drawings when we receive them.

Thank you very much indeed, and, if we do not see you again, have a good summer.

Ms Fearon: Thank you.

Ms Meharg: Thank you very much.