



Northern Ireland  
Assembly

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**COMMITTEE FOR  
FINANCE AND PERSONNEL**

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**OFFICIAL REPORT  
(Hansard)**

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**Inquiry into Public Procurement Policy  
and Practice in Northern Ireland**

16 September 2009

**NORTHERN IRELAND ASSEMBLY**

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FINANCE AND PERSONNEL**

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Northern Ireland**

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**Members present for all or part of the proceedings:**

Mr Peter Weir (Deputy Chairperson)  
Mr Simon Hamilton  
Mr Fra McCann  
Mr Mitchel McLaughlin  
Mr David McNarry  
Mr Adrian McQuillan  
Mr Declan O'Loan  
Ms Dawn Purvis

**Witnesses:**

Mr Clyde Markwell     )  
Mr Frank McCloskey    )     Royal Society of Ulster Architects  
Mr Dawson Stelfox     )

**The Deputy Chairperson (Mr Weir):**

I welcome the representatives from the Royal Society of Ulster Architects (RSUA). They are:

Mr Dawson Stelfox, the president of the society and chairman of Consarc Design Group; Mr

Clyde Markwell, the chairman of the society's professional affairs committee and a partner in

Knox and Markwell Architects, and Mr Frank McCloskey, the society's director.

I remind witnesses, members and those in the Public Gallery that Hansard will be reporting this evidence session. Therefore, all mobile phones must be turned off completely, because they can cause sound interference on the recording system.

Gentlemen, you are very welcome. Members have been supplied with a copy of your written submission, and we are more than happy to hear a brief presentation or any additional remarks that you wish to make. I will then invite members to ask questions. Thank you for your help in this process.

**Mr Dawson Stelfox (Royal Society of Ulster Architects):**

I do not intend to take up too much of the Committee's time with my presentation. We are grateful to members for inviting us to give evidence today. Most of our information is included in the paper we submitted in February. However, two issues have strengthened in importance since then. Therefore, apart from the continuing and perhaps increasing crisis in the industry,

there are two main issues that we wish to discuss today.

There have been a number of cases in which firms, architects or other professionals from outside Northern Ireland, and indeed outside the UK, have been appointed to undertake large public projects without the involvement of local practices at the time of interview. That is a very worrying sign. I know that the Committee is concerned about the fate of small and medium-sized enterprises (SMEs). Therefore, it is particularly worrying when work here is effectively being commissioned to practices outside Northern Ireland. It is not that we do not welcome international expertise coming to Northern Ireland, but it should be done in conjunction with local practices and local expertise, so that there is a flow of information, knowledge and learning, and so that resources and money from Northern Ireland stay in the Northern Ireland economy.

The second worrying sign, about which I will speak a bit more, is the move towards the establishment of frameworks for housing associations. This is imminent: it was mentioned in our paper, but we now know a lot more about it. Frank McCloskey has been speaking to representatives from some of the housing associations. We would also to speak about that today.

**The Deputy Chairperson:**

Thank you. Are you aware of any recent measures taken by central procurement directorate (CPD) to make the framework agreements friendlier to SMEs? If you are, what is the potential impact of those?

**Mr Stelfox:**

As the Committee knows, the RSUA is part of the professional college of the Northern Ireland Construction Industry Group. Through that group, we have been speaking with CPD particularly about the most recent professional-services framework, for which tenders are currently being assessed.

There was quite a lot of discussion between the group and CPD to try to make that framework more SME-friendly, in particular though lowering turnover thresholds and allowing partnering, so that, perhaps, two small firms could come together to make a bid. However, CPD has not taken up other measures that we proposed, including the use of more minor-works frameworks; more

flexibility for smaller projects and, in particular, measures to allow the community groups scattered around Northern Ireland that are commissioning work to continue to use the local firms that, in many cases, have done all the development work for them.

There has been some movement on the professional-services framework, which is out to tender at the moment, but in our view there has not been enough movement to ensure that small practices, particularly those that are spread across the country, are able to continue to bid for public-sector work. Our biggest concern is that, with the concentration of work in frameworks in the future, a large number of practices — and smaller practices constitute the majority — will be ineligible from bidding for government work.

**Mr Hamilton:**

Will you elaborate on your general concerns and what you think are the worrying signs about the move towards framework arrangements for housing associations? There has been a general move towards frameworks in all areas of procurement including, potentially, procurement for water, and now for housing associations. I have an open mind on the benefits of frameworks. I am not

entirely convinced of their merits and whether they maximise any potential benefit. Even if one considers frameworks to be effective; is four the right number to have? It seems to be in some way artificial. From the practitioner's side; as architects, what do you see as the problems with housing-association procurement going down that route?

**Mr Stelfox:**

I will let Frank answer, because he has been speaking with housing associations about the issue very recently.

**Mr Frank McCloskey (Royal Society of Ulster Architects):**

Frameworks were initially designed to cope with substantial projects over a three-to-five-year period, but it seems that they will now be imposed on all kinds of procurement, which does not seem appropriate.

As well as being the director of the Royal Society of Ulster Architects, I have a background in housing. Traditionally, housing associations provided small packages of work for architects

around the Province. Our organisation is affiliated with 272 practices, and well over two thirds of those are very small; most have fewer than 10 members of staff, and some have fewer than five. Housing associations always used practices that had community knowledge, and there was a very good synergy between the architectural practice and the housing association.

Imposing frameworks means that all housing projects will probably be done by a relatively small number of practices. The worrying thing is that it is likely that projects will go to very large practices that may not have expertise in housing. Dawson said that we are trying to persuade CPD to use a minor-works framework, so that at least there will be some work for the very small practices around the Province. However, large practices and large syndicates can also bid for minor works; and, given the economic situation, they are likely to do just that.

There is one other point about SMEs. One could argue, and I hope that I am right in saying this, that probably all of the 272 practices in Northern Ireland are classed as SMEs. There are only 21 practices with more than 20 staff, and only a handful of those have more than 50 staff. But, even those practices could be described by the Committee as being SMEs. Outside Belfast,



across the Province in all counties, there are very small practices that are even smaller than SMEs. With the downturn in housing and private work, those practices will have nothing if they lose the work from housing associations.

**Mr Hamilton:**

In my experience, in most housing projects there is a rubbing point that causes friction and needs to be ironed out with the architect, and it is useful if the architect has local knowledge and is easily contactable.

You made a point about small-scale projects. As most housing association developments are small scale with respect to procurement, contracts do not need to be put out to tender on a European-wide basis. If the projects were to be packaged together, they would have to go out to tender on a European-wide basis. We have been quite fortunate in recent times, because probably 99.9% of that type of work has been done by local firms, from design stage through to building stage. If those contracts were packaged together and put out to tender at the European level, all and sundry will be able to bid for them. Whether people do or do not bid is debateable, and time

will tell. However, we are exposing ourselves to a risk, because the existing system has worked reasonably well for local firms. Regardless of whether there are economies of scale, going down the route of adopting four frameworks seems dubious.

**Mr Clyde Markwell (Royal Society of Ulster Architects):**

We are not interested in protectionism. Dawson made the point that we have always been open to and welcomed outside expertise, from which have learned and the Province has benefitted — we totally agree that it is better to have a well-built environment.

Northern Ireland is experiencing the effects of what happened in England and Wales, where changes in the procurement strategy were based on the recommendations of the Egan and Latham reports. The purpose of those changes was to try to drive a more economic solution by making larger packages available; taking the risk of defects out of buildings, and taking overruns out of buildings. That ethos has been applied throughout Northern Ireland in the frameworks that have been put out to date, and there is a continuing drive to eradicate the potential of expertise that has existed here for a long time and that has provided a very good service.

I am nervous that we will lose the point of contact in the locality by opening everything up to large-scale organisations. That is not to say that large-scale organisations cannot provide a very good service: they can. However, there is no research or evidence to indicate that Northern Ireland has the same problems as England and Wales. For example, in England and Wales it was claimed that there were overruns and defects in education projects and that projects were not produced to a high standard.

If you ask the Department of Education here, you will have difficulty producing negative statistics. Good examples and standards have been set here in the design and construction of buildings, which is reflected in other construction projects. My nervousness is that a whole ethos of procurement has filtered into Northern Ireland, which is to the detriment of SMEs.

**The Deputy Chairperson:**

Did you want to say something about that, Mr McCloskey?

**Mr McCloskey:**

No, I am fine. I just feel very strongly about what they are doing with housing associations.

**Ms Purvis:**

You are very welcome. As regards frameworks, CPD set up a procurement task group, which concluded that the use of framework agreements was a good thing. It listed a number of reasons why framework agreements were good for the contracting authority, how they reduced tendering costs for public-sector contractors and enhanced continuous improvement by transferring the learning from one project to another, developing the skills and competences of supply chain members and their workforces and improved working relationships. Our interest is in ensuring that public money is spent to best effect. Your paper suggests that frameworks are not always the way to go, certainly in the interests of SMEs. How do you counter the argument that frameworks are the best way to go?

**Mr Stelfox:**

There is quite a lot in that question, Dawn. I will try to break it down into smaller pieces. To

pick up on Mr Markwell's point, the use of frameworks is part of a general move by the Office of Government Commerce (OGC) towards construction excellence models. It is not just about how the Government procure buildings; it is also about how the buildings are constructed and is tied to the move from traditional procurement to design-and-build models and public-private partnerships (PPPs). It is difficult to separate those things.

We acknowledge in our paper that there may be benefits in frameworks if they are used correctly for the right types of projects. There is a lot of repetitive work that provides the learning experience that you referred to, and there is a benefit there. However, lumping diverse projects together into a framework does not necessarily mean that the right people will be available for that diversity of work. Also, there will not be the same learning experience between the projects.

One particular issue that we highlight is where community groups are developing community buildings in Northern Ireland. Once a group gets its 50% Government money, or perhaps as much as 90% from various sources, it has to go through the CPD process. For example, the

Crescent Arts Centre development began with a firm of architects who carried out the initial design and worked with the client and all of the groups that use the centre to produce a good scheme. The development got all its funding, including lottery money as well as Government money, but as soon as it achieved 50% funding, it had to go through the CPD process in order to progress from the planning permission stage. The original firm was not even eligible to bid for that work because it was not included in the framework.

There are all sorts of things that are wrong with that situation. The knowledge that was gained by the original architects over three years of working with the user groups was lost, and having designed the scheme and obtained the funding, they were not even eligible to build it. That represents a loss of knowledge and continuity in the system. Counter-arguments can be made.

**Ms Purvis:**

In a case such as that, would the traditional procurement method have been preferable?

**Mr Stelfox:**

Yes, absolutely. There is a particular issue with grass-roots community groups. I have done a lot of work with such groups, particularly on restorations. In the early stage, they are left on their own and do not get much advice or support from CPD until they have a viable project.

In many cases, to make a project viable, groups go to their local architect, who works for a nominal amount of money, or sometimes for free, to get them started. The same applies to local surveyors and engineers. The project gets to the stage of being granted planning permission, and funding is applied for. Two or three years later, when everything is place, CPD, in particular, bears down with a heavy weight of bureaucracy and makes the groups jump through an extra set of hoops. In our experience, costs rise inevitably, and projects are taken out of the hands of local professionals and become part of that large procurement group. That creates a problem through the loss of knowledge and lack of continuity. In addition, it is not particularly efficient.

I could go on at length on this subject because there are many examples. We are not saying that frameworks should not be used. They work fairly well in particular circumstances. The

model developed by the health estates is slightly different and uses performance-related partnering (PRP), as developed by John Cole, the director of health estates. That model produces many of the benefits that you mentioned, Dawn. If, for example, a team that is appointed to one project performs well, it is awarded a second one, and, if it performs well on that one too, it is awarded a third project. The transfer of knowledge is achieved by rewarding good performance. Conversely, if a team does not perform well on the first project, it is not awarded a second one. There is, therefore, a good incentive for teams to perform well.

That model has produced, in Northern Ireland, some of the best health estate buildings in the United Kingdom. The model is now well regarded because Northern Ireland has not gone down the road of design-and-build and PPP for its buildings in the health estate to as great an extent as England. Therefore, alternative models already exist.

**Mr McCloskey:**

The so-called benefits of frameworks generally have not been proven absolutely. If we consider the situation in England and Wales, particularly the use of frameworks in education, the results



have been appalling, as is well documented. Theory is one thing, but what happens on the ground is quite another. Frameworks have proved to be expensive and not particularly successful.

Significant buildings, particularly public buildings, should be the subject of design competitions. They should not be constructed through frameworks. I could cite specific examples, but I do not think that I should. Many of you will know about them and the resulting controversy.

**Mr McLaughlin:**

I am not speaking for the Committee, but I know that it has focused on the issue of frameworks. Even in good economic times, the Committee would have been concerned about preserving and developing capacity. That becomes particularly important during an economic downturn. We have focused on public procurement as a means of providing support for indigenous practice, and, in fact, are organising a conference on that subject a month hence. Frameworks represent orthodoxy, but some issues, such as wider British Government and European policies, require consideration. We must widen our focus beyond simple financial considerations and take into

account quality.

It is a matter of developing economic capacity. There is greater indigenous involvement in servicing the contracts and in retaining and expanding on the existing expertise in design-and-build capacity. I do not want that involvement to be corralled into a subcontracting mode, which is the direction in which we are being pushed. Generally speaking, you are making a pitch that reflects some of the Committee's concerns. Have you considered some of the frameworks projects that have been brought forward? I do not expect you to be specific. However, are you in a position to indicate how a different approach would have been more beneficial to the economy and to the existing capacity and expertise?

**Mr Stelfox:**

We are at the early stages of seeing the built results of the first round of procurement through the frameworks. There is a bit of a time lag, because the move came about as a result of the Egan and Latham reports in the UK. It was not implemented here as quickly as it was implemented in England and Wales.

The first proper assessments of projects are now happening in England and Wales. Those assessments examine the time taken for delivery, the cost of delivery of the building, and the design and building quality. In some cases, when it comes to PFI, assessments also look at the running and maintenance costs: the whole-life costs of the buildings.

I do not think that any of the Northern Ireland procured projects are at the stage where proper assessment can be made. As Frank said, in many cases the buildings are more expensive to produce and take longer. The best way I can phrase it is to say that the quality varies. There are some very good examples and some particularly poor examples. It is fair to say that in England and Wales, there are some very poor examples of traditional procurement.

The impetus for the change and the process was to take risk away from the Government as a client, because the Government had not proved to be a well-informed and active client in managing those risks, the risks of budget overruns and design quality. Frank may disagree, but I think it is too early to judge the use of the frameworks authoritatively. They have only been in

existence for four years, and the first building are only now starting to be completed.

Our paper calls for DFP to assess the buildings that have been procured through the first round of frameworks and compare them with traditional procurement. There are still plenty of buildings around that resulted from traditional procurement processes. We would like that assessment to examine whether all the benefits that CPD stated should be coming forward are being realised.

Procurement stakes are raised when elements are bundled together to produce frameworks. That triggers, and has triggered, legal challenges to those procurements. If a contractor is not awarded one of those frameworks, then they will have no work in that sector for the next four or five years. It really raises the stakes. Members will be aware that there have been plenty of challenges. In my experience, that did not occur under the traditional procurement process, because if a contractor was not awarded one job, there were plenty of other jobs to tender for. Legal challenges are introduced when the stakes are high. CPD's not unnatural response to that is to add another level of bureaucracy and checks, and it all builds up into a very cumbersome

process. That takes away a lot of the benefits that Ms Purvis outlined. CPD would say that it was necessary in order to improve the speed and efficiency of procurement, and the time taken. I think that the Committee should ask CPD for an analysis of the time that it has spent in putting together the professional-services framework or the contractor-integrated-design-team-led procurements, because I think you will find that the costs of those procurement processes are quite staggering.

**Mr F McCann:**

Much of what I wanted to ask has already been dealt with by other members. I want to ask a couple of questions about procurement and housing associations.

Some difficulties with those were raised in another Committee. It was pointed out that the process did not guarantee quality or local employment and that it certainly did not guarantee a mechanism through which local companies could tender. One of the first concerns that we raised was about local contractors being able to bid for the bigger contracts. The Department said that the process would eventually force most of the small builders to make bids together. Is there any evidence that that will happen?

You said that there is already evidence that the processes based on the Egan report will not work as well as people had initially been told. Many complaints have been made about the quality and cost of the work on some of the maintenance contracts that have already been carried out.

Was any work done over the holidays to try to work out a method through which local architects and builders can go ahead with design-and-build projects? Is there a danger of select lists of contractors being created that would totally exclude most architects and builders from applying for work?

**Mr McCloskey:**

If the housing association frameworks go ahead, there are likely to be four frameworks, with the possibility of having four practices and four architect-led teams on each of those. That accounts for 16 firms out of 272 firms. Given that that arrangement is going to last for four or five years, one must ask what the rest of the firms will do.

My main point about the frameworks is that, as the saying goes, there are horses for courses. In some instances, they may well be very successful, particularly for a certain type of work such as repetitive work, as Dawson said. However, imposing frameworks on what has traditionally been small packages of work that have kept the economy across the Province going is such a nonsense that I get het up about it.

**Mr Stelfox:**

Increasingly, architects are collaborating with contractors on design-and-build contracts. The design-and-build framework was one of those subject to a legal challenge and I am not sure whether the Government decided to appeal that. Effectively, however, that framework is in abeyance. As a result, a number of single-project design-and-build contracts have come out.

The Committee may know more about the extent of the backlog in the system; there is a huge backlog and delay in getting public projects into the marketplace. Some of the legal challenges may be part of that. Under some design-and-build frameworks, contractors put in their

submissions between six and nine months ago but still do not know what is happening. There is a huge hiatus in getting projects to the marketplace, and that seems to be complicated by the procurement process. I am sure that it is also complicated by the legal challenges to the frameworks. Therefore, the CPD is doing all that it can to ensure that the next procurement that it makes is robust in case it comes to a legal challenge.

Design-and-build contracts are a fact of life for architects. We all work with contractors, and we are tied in with a couple of contractors to work on design-and-build contracts. That type of contract works well on some types of projects, but not on others, particularly those with a high design element in a public building or those that involve working with community groups. Inevitably, design-and-build contracts dissociate the design team from the client and put a barrier in the way. That may work well with an industrial building, which would be a fairly basic project. However, a community group, for example, has specific needs and without direct contact between the group and the design team, the group may find that its needs get watered down in the process. A great danger with the design-and-build process is the dissociation of the design team from the client.



**Mr McQuillan:**

The CPD said that the frameworks will reduce the time that it takes to get a project on site by four months. Is that the case?

**Mr Stelfox:**

We have had a different experience. It depends on the point at which one starts to measure the length of time. I have no doubt that that is the case for projects that are ready to go now. Many projects are small-scale and do not have a lead-in period, whereas bigger projects do. For small-scale projects that are worth between £500,000 and £1 million and that do not need to be advertised through an Official Journal of the European Union (OJEU) notice, it is much quicker to use a traditional procurement route than a framework approach.

It must be remembered that frameworks also involve a secondary tender process, which takes up a lot of time. The way in which the frameworks have been working, and are due to work, is that six teams are selected for the framework and they then take part in a secondary competition to bid for the project. The secondary competition also takes up time; it is not an awful lot longer than a traditional procurement single action takes for smaller projects. The frameworks will not

save time for smaller projects; however, they will save time at procurement stage for larger, OJEU-sized projects.

**Mr O’Loan:**

Your paper is excellent and you have amplified that today by providing a substantial critique of what the Department is doing. There is a case for it to answer as regards its contention that the framework system provides economies of scale and value for money. I am going to act as devil’s advocate for a moment by presenting the Department’s thesis.

Any profession will instinctively defend its interest. Even though the process might be painful, is there an argument for saying that it is necessary to consolidate the industry, through forced partnerships either among colleagues in Northern Ireland or with firms from outside Northern Ireland, as that might enhance the strength of the profession and put it in a better position to win significant contracts outside Northern Ireland? Northern Ireland is a very small place in which to do business. Is that a valid point?

**Mr Stelfox:**

That is a valid point, up to a point. Local firms are and have been collaborating with UK, Irish and international practices for work both in Northern Ireland and overseas. That collaboration is happening and allows expertise to flow both ways. We should not forget that there is a very high level of expertise in all aspects of the construction industry in Northern Ireland. It is a very good, professional industry on both the contracting side and the design side. Many local firms are winning work in Scotland, which is one of the few places where there seems to be quite a lot of work at the moment. A lot of tradesmen, architects, designers and contractors are working in Scotland.

We have no desire to prevent the growth of that professionalism or the free flow of expertise, which tends to happen with the larger projects when the larger practices are involved. The danger, particularly in relation to housing associations contracts, is that if there is not sufficient public sector work for the small practices that are scattered around Northern Ireland, those practices will inevitably close. That will be to the detriment of the local economy and the local availability of professional advice and services. Those small practices perform a social function as much as anything else. Architects play a particular role in that by arbitrating between the

client and the builder. Therefore, as well as running a business, we also play an adjudication and arbitration role. If that service is not available, people will lose out.

We are very keen to develop the profession in Northern Ireland and enhance its capacity, but we do not want to see that becoming concentrated, which is what would inevitably happen if we go too far down the framework route. Expertise would get concentrated in 20 or 30 large practices that would inevitably be based in the greater Belfast area, leaving the rest of Northern Ireland without access to a professional service.

**Mr O’Loan:**

You raised two additional points at the start. One of those was to do with housing associations and has been dealt with. You also referred to a couple of recent cases in which large outside firms were awarded business. I thought that you said that there was not any opportunity for Northern Ireland firms to compete for that business. Will you clarify what you said?

**Mr Stelfox:**

One particular, fairly high-profile case was the new police training college at Desertcreat in Cookstown. I hope that I did not say that local firms did not have any opportunity to tender for it. Local firms did have that opportunity and in most cases they partnered up with large firms because it was a big and very specialist project. In most cases, Northern Ireland firms partnered up with an outside firm.

The American firm that won the contract declined invitations from local firms wishing to team up with it. The firm won the work without any local expertise whatsoever on its team. It was awarded the contract without any commitment to employ local firms or practices. As far as I understand it, that was the position. Since the firm was awarded the contract, it has talked to local practices about support services for the work, but the point is that there should be a requirement that competing firms have people on the ground to deliver the service. There should also be a contribution back to the Northern Ireland economy.

That is one example. I have heard of other potential examples, but our point is not that we

want to stop international expertise from coming in; it is that we want to make sure that there is a mechanism to disseminate that expertise to the profession so that we all learn from it. Furthermore, the cost of that service, or at least part of it, should be spent in Northern Ireland as opposed to disappearing off, out of Northern Ireland. That one example is a warning that local involvement should be a requirement of tendering for public sector work.

**Mr O'Loan:**

Should it be written into the specification?

**Mr Stelfox:**

Yes.

**Mr O'Loan:**

Do you not think that that is adequately protected, given the outcome that you described? Was the creation of those partnerships not inevitable?

**Mr Stelfox:**

I do not claim to have any kind of inside knowledge. My understanding is that, at the time of submission, the company did not have a liaison with a local practice. In fact, it declined such an arrangement. The company won the job without that liaison. For pure practicality reasons, it needed someone to help it to deliver, but that person or firm would have a minor, supporting role.

For large public sector works, there should be a mechanism to ensure that there is local delivery. An example of that is the new library at Queen's University, which was a partnership between an American firm of architects and a local firm. The local firm of architects did a substantial amount of the on-site work, so such an arrangement can work and can be done. However, there must be a mechanism to make sure that that is part of the assessment process.

**Mr McNarry:**

Apologies for being late. I read your submission, and I am sorry that I did not hear what you had to say earlier. I know that we are talking about procurement. I am a member of the Committee

for Culture, Arts and Leisure, and I must declare an interest in the sense that I look up to your profession for specific deliveries for communities and for Northern Ireland; therefore, I hold you in high esteem. Having said that, I hope that you will not knock all of it back on me.

Are you in a position, or is it your role, to promote opportunities that people are not grasping or the Government are not acting on? That will have an effect on procurement down the line. I am aware that people come to the RSUA stating that they have a budget and wondering what they can do with that. I am also interested in what visionary aspects you can bring; whether you can tell Government or politicians that one project was wrong but, for example, there is a bit of land that could be used or a project that could be put right. Is that in your remit? Would that help to develop the width of procurement by generating more work and expanding on what can be done?

**Mr Stelfox:**

That is a big question. To deal with the procurement aspect, the use of competitions is a very good way of demonstrating the talent, vision and imagination that exists and showing how the right solution can unlock a site's potential. Frank has run quite a number of competitions. We



sponsor competitions and regularly speak to Departments about them; Frank is working on one at the moment. The very purpose of competitions is to do what you are outlining; it is for people with talent, if given the right brief, to go beyond what is presented immediately — the mundane aspects that are easily seen — and come up with something exceptional.

The RSUA lobbied the CPD very heavily two or three years ago to have the new Metropolitan Arts Centre in Belfast procured through competition rather than a framework agreement, which is what they were intending. We were successful in that case. That contract was won by a small firm of local architects that have since go on to win the Young Architect of the Year Award in the UK. They would not have had the opportunity to bid for that work if it had gone through a framework; the opportunity came through competition.

Clients, particularly in Government, are scared of competitions at times, partly because there is a cost of running them, and partly because the judges might pick a design that is too expensive or that the Government does not like. Clients seem to be very nervous of competitions. Frank has run many.

**Mr McCloskey:**

I have run different types of competitions. Many clients, including public sector clients, equate competitions with a design that is inappropriate or too way-out, but we always have more client judges on the panel than we do architects, so that problem can be taken care of.

**Mr Mc Narry:**

Can it be argued that being competitive can be cost-effective?

**Mr McCloskey:**

Yes, very much so.

**Mr McNarry:**

I think that some people do not see that.

**Mr Stelfox:**

The quality of the brief is important. Through Frank, the role that the RSUA plays is to offer clients — including Departments and many district councils around Northern Ireland — the expertise of developing the brief and running the competition to make sure that all aspects of the building are judged. We ensure that is not a pretty-drawing competition; it is about how the building will function, what it will cost, and how it will be procured.

**Mr Markwell:**

In January or February 2009, we offered assistance to the Planning Service at the time of the change between PPS 14 and PPS 21. We liaised with them and suggested how they could run a competition for the design of a rural project. We offered our expertise and assistance to them. We also offered our assistance with the design guide that it is talking about publishing.

**Mr McNarry:**

What was the result of that?

**Mr Stelfox:**

The Planning Service has taken up our offer of assistance but has not yet availed itself of it.

**Mr McNarry:**

The design guide is extremely important. Will you let us know what happens, because nobody else will?

**Mr Stelfox:**

How do I put this delicately? The delay is due to a change of personnel in the Planning Service. It recently contacted us again about getting our help with commissioning the design guide and running a competition. The competition will probably have two aspects; it will look at the single-house design and the new social housing clusters.

**Mr McLaughlin:**

So it was just the goalkeeper who had moved.

**Mr Stelfox:**

Yes, it was.

**The Deputy Chairperson:**

On that positive note, I thank you all for your evidence, including your submission. The value of your evidence is underlined by the fact that we have run over time due to the interest that it generated. Your submission, along with those of all other witnesses, will form the basis of our report. Thank you for your valuable contribution.

I refer members to the response from the Department of Finance and Personnel to the issues that were raised during the Committee's evidence session with the Royal Institute of Chartered Surveyors. That is just for noting at present, unless members have any queries.

The members' pack also contains a request from the ministerial advisory group for

architecture and the built environment for Northern Ireland — whose slightly snappier title is MAG — to give oral evidence to the Committee as part of our public procurement inquiry. The role of procurement in improving design quality may be tangential to the main focus of the Committee’s inquiry, which is removing barriers of access to SMEs. I suggest that we write to MAG providing the terms of the inquiry and request a written response that addresses the specific issues of the opportunities of greater access to procurement. Are members content with that?

*Members indicated assent.*

**The Deputy Chairperson:**

The members’ pack also includes previous correspondence, including figures on SME involvement in public contracts. Assembly Research Services have considered that response and have identified a number of areas on which they think it would be helpful to seek further clarification from the CPD. Those include information from the CPD and other COPEs on the number of contracts that were awarded to SMEs over a number of years to assess performance and progress over time. Perhaps we could also query why there are so many acronyms in the

sector. We also need clarification on the evaluation of the effectiveness of Constructionline and the eSourcing NI portal. We also need further information on contracts awarded to SEEs by the CPD and the use of social contracts in procurement contracts. I suggest that we request that further information from DFP officials in advance of the stakeholder conference, because it could be useful.

**Ms Purvis:**

Can I ask for a further request to be made to the CPD? The Department's brief to the Committee refers to EU regulations and when they apply and states:

“If the works were not the main objective of the contract, but were incidental to another objective, the Regulations would not apply.”

That refers to the building of social housing in particular. Can we request that the CPD provides some information on instances in which regulations have not applied and where works have been incidental to the main objective?

**The Deputy Chairperson:**

We will incorporate that also. Are members content that we seek that further information?

*Members indicated assent.*