

Budgetary Outlook 2018-20  
Room S1  
Rathgael House  
Balloo Road  
Bangor  
BT19 7NA

Denise McMahon  
Kevin McShane Ltd.  
555 Lisburn Road  
Belfast  
BT9 7GQ

26<sup>th</sup> January 2018

Issued via email to: [budgetbriefing2018@finance-ni.gov.uk](mailto:budgetbriefing2018@finance-ni.gov.uk)

Dear Sir/ Madam,

**Re: Briefing on Northern Ireland Budgetary Outlook 2018-20**

Engineers Ireland Northern Region thank you for the opportunity to provide comment on the Northern Ireland Budget Briefing 2018. This response relates to the proposals set out by the Department for Infrastructure within the Briefing on Northern Ireland Budgetary Outlook 2018-20 report.

Engineers Ireland are a professional body representing more than 25,000 members from across every discipline of engineering. A main focus for Engineers Ireland as identified in our *State of Ireland 2017* report is on “*building a modern capital infrastructure that underpins economic growth, raised living standards and a sustainable environment*”. This focus, broadly aligns with the Strategic Objectives of the Department for infrastructure, as set out in the Budgetary Outlook report.

Before discussing the specific measures outlined within the report, it is important to note that the summary outcome of each of the 3 scenarios presented, is to suspend scheduled maintenance works other than those funded by PPP contracts, and to progress the development of the Regional Infrastructure Delivery Plan. While we without doubt support the advancement of new infrastructure schemes and acknowledge that upgrade of the transport network is vital to the Northern Ireland economy, it should not be at the expense of our existing infrastructure.

We acknowledge that the situation faced by the Department for Infrastructure is not ideal, presents many challenges, and requires difficult decisions to be made. However, it is clear from the outset that each of the 3 scenarios presented provide a short sighted approach that is detrimental to the economy of Northern Ireland as a whole.

NI Water:

The measures proposed to achieve a budget reduction are at best untenable. The additional costs that will be incurred as a direct result of the proposed budget cuts make the cost saving exercise futile. Increased fines and legal fees will be a consequence of non-compliance with environmental

legislation, this is an inconceivable scenario which is completely at odds with the desired outcomes of the Draft Programme for Government.

#### Roads:

If Northern Ireland were to be viewed as a business each of these 3 scenarios would simply amount to a devaluation of the businesses assets. The transport infrastructure in Northern Ireland is reported to be valued at approximately £35b, any proposal to neglect the most valuable asset in the province is unthinkable.

A well connected and maintained transport network that enables the transfer of goods, people and services is the cornerstone of the Northern Ireland economy. Without a properly maintained transport network Northern Ireland will be unable to attract new businesses, and may struggle to retain existing businesses.

Reduced maintenance proposals, which include no grass cutting, no gully emptying, no repair of almost all potholes, and no street lighting will without doubt lead to an increase in accidents resulting in injury or loss of life. It will also lead to an increased speed of disintegration of the existing network. Flooding from lack of gully emptying, leads not only to damage to the roads surfacing but the supporting layers causing overall disintegration. Claims arising from damage due to potholes will result in a false economy as often these outstrip the finance required to fix them in first instance. No street lighting has been linked increased crime, which puts public safety at risk. Each of these scenarios cause concern not just for public safety but also ultimately lead to increased costs. For example:

- Injury, loss of life and property damage resulting from increased accidents;
- Increased claims against the Department for Infrastructure due to property damage;
- Increased future maintenance costs due to deterioration caused by lack of early intervention;
- Increased cost to road users and business due to delays, disruption and vehicle damage.

The cost cutting measures proposed provide a false economy.

#### Public Transport:

Currently transport infrastructure is inadequately maintained due to years of underfunding and budget cuts, and as a result unable to support demand at peak times. Belfast has successively been named as one of the UKs most congested cities. The proposal to reduce the public transport service levels would further exacerbate congestion issues. Reduced public transport services would inevitably lead to increased demand on the road network, further increasing maintenance requirements.

Rural and Community Transport:

The measures proposed, which include reductions / cessation in services to the disabled and those in rural areas, impact some of the most vulnerable and isolated members of society. This is not in line with the outcomes identified in the Programme for Government, particularly Outcome 11 “We connect people and opportunities through infrastructure” or Outcome 2 “We have a more equal society”, or Outcome 3 “We care for others and help those in need”. The proposed measures are simply unacceptable. While these measures may not result in any great economic detriment, they greatly impact the quality of life for the most vulnerable in our society.

Road Safety:

A complete cessation to all road safety advertising and other programmes presents a scenario where deaths and injury due to road collisions are likely to increase. In 2012 the UK government valued the cost of a fatal road collision in excess of £3million, that cost is likely much higher in 2018. If one single fatality can cost in excess of £3million, it is without doubt that a reduction in the road safety budget by £1million each year does not represent value for money.

Conclusion:

It is evident that additional funding alone will not solve the issues faced in a sustainable manner. We propose that operational change is required to drive efficiencies within the Department for Infrastructure.

Proper planning and programming is imperative to providing any service or product in a timely and cost effective manner. Road maintenance needs to be properly planned, budgeted and programmed in advance to ensure an efficient use of budgets and resources. The current system where funding becomes appropriated at the last minute is unsustainable and results in inefficient use of public money.

We recognise the additional burden that has been placed on the Department due to the Voluntary Exit Scheme and the resulting additional pressures due to reduced resources. However, this further reinforces our view that suitable planning, budgeting and programming is imperative.

Collaboration between government departments is also vital to ensure efficient use of public money and resources. Lack of communication and collaboration is leading to unsatisfactory waste of resources, money and time. To provide an example, a public realm scheme in Belfast, which included provision of granite footpaths and kerbs, was recently completed. Less than 12 months later the new granite paving was dug up and removed to facilitate construction of the Belfast Rapid Transit scheme. It is obvious that proper planning and collaboration could have avoided this waste of public money and resources. We would urge the Department for Infrastructure to look towards implementing processes and technology to reduce waste and inefficiencies, such as LEAN, both internally and throughout the supply chain.

We recognise that the budget cuts outlined in the Briefing on Northern Ireland Budgetary Outlook 2018-20 for the Department of Infrastructure are as a result of higher levels of funding being

allocated to other departments. It is clear that other government departments could also benefit from reforms focused on driving efficiencies similar to those outline above.

A holistic view of the measures proposed for the Department for Infrastructure make it clear that the resulting outcomes affect all government departments not just the Department for Infrastructure. The proposed measures provide a mechanism to create an unsafe environment which is likely to result in additional stress on other government departments and public services such as the NHS, PSNI, etc. For example, if the winter service of road gritting and salting is suspended, it is highly likely to result in additional road traffic collisions. Aside from the potential risk to life, this will in turn place additional burden on the NHS, which is already under significant strain.

Sincerely,



Ms Denise McMahon  
Engineers Ireland Northern Region