



**Northern Ireland
Assembly**

COMMITTEE FOR JUSTICE

**OFFICIAL REPORT
(Hansard)**

December Monitoring Round

2 December 2010

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Lord Morrow (Chairperson)
Mr Raymond McCartney (Deputy Chairperson)
Lord Browne
Mr Thomas Buchanan
Sir Reg Empey
Mr Paul Givan
Mr Alban Maginness
Mr Conall McDevitt
Mr David McNarry
Mr John O'Dowd

Witnesses:

Mr Glyn Capper)
Mr Anthony Harbinson) Department of Justice
Mr David Hughes)

The Chairperson (Lord Morrow):

I welcome the officials from the Department of Justice (DOJ) who are here to brief us on the December monitoring round. Mr Anthony Harbinson is the director of the justice delivery division; Mr Glyn Capper is the deputy director of finance; and Mr David Hughes is the head of

the policing policy and strategy division.

Mr Anthony Harbinson (Department of Justice):

Good afternoon. Thank you for affording us the opportunity to provide further information on our in-year budgetary position. After considering our paper on December monitoring, the Committee asked for an oral briefing to address some of the questions that members raised. I hope that the following information addresses your questions, but if there are any further questions, I am happy to take them as we go.

The Committee raised issues about police staff equal pay. The Minister is keen that that matter is resolved as quickly as possible, but it is not proving as straightforward as we had hoped. Members will be aware that there is a widespread expectation among police civilian staff that the Department of Finance and Personnel (DFP) negotiated equal pay settlement for Northern Ireland Civil Service (NICS) staff ought to apply to them. Historically, police staff comprised a mixture of seconded civil servants and direct recruits, all on identical terms. In October 2008, the break was made from the Civil Service, and staff were either transferred to the direct employment of the Policing Board or chose to return to the core Civil Service. The expectation of staff is based on their understanding that civil servants working in the police were employed by DFP and seconded from DFP to the Policing Board. The terms of that secondment are understood by staff to mean that they should fall within the parameters of the NICS settlement.

The whole equal pay issue is, of course, a matter of legal liability. The question, as always in such cases, is ultimately whether an equal pay liability exists within an organisation. In this particular case, the issue of liability is not clear, and is the subject of continuing discussions between the PSNI, the Policing Board, DOJ and DFP. We are dealing with public money and, in the absence of agreed liability, DOJ and the PSNI have no authority to make the payments with public money. It will only be once an agreed liability has been sorted that the police will be in a position to make any payments for back pay compensation. That said, I should point out that the issue is limited to the back pay compensation element of the NICS settlement deal, as the new pay scales that were developed by the NICS to address its equal pay liabilities were applied to the PSNI civilian staff in April 2010, prior to devolution and with the approval of the NIO. That recognised the PSNI's long-standing practice of reflecting NICS pay and conditions and was

without prejudice to the question of liability for the compensatory back payment. Those pay scales were backdated to February 2009, as they were for the whole of the NICS. As a result, no equal pay issue has arisen since then.

The Committee asked whether there was still an opportunity to submit a claim. Normally, for an equal pay claim to be heard, it needs to be made within three months of an individual's suffering detriment. That point has passed. To date, only three equal pay claims have been made against the Chief Constable. However, that does not preclude an industrial tribunal choosing to hear further claims in a situation like this. Therefore, PSNI civilian staff are still free to raise claims with an industrial tribunal.

The Committee also asked for information on the current position on the Civil Service equal pay settlement and the number of claimants involved. Unfortunately, DOJ does not have access to that information, so I am unable to provide that data to the Committee. However, I understand that the issue has been resolved and that payments are being made to staff in the wider NICS.

I understand that the Committee would also like to understand what implications the NICS equal pay settlement has for DOJ staff. Prior to devolution, the NIO had a separate pay delegation, which allowed it to set its own pay and grading structures. As such, the NIO did not have an equal pay vulnerability to address. At the point of devolution, the NIO staff who were transferred into DOJ had the right to remain on their old NIO terms and conditions or to transfer to the NICS terms and conditions. We are still working out the details of how the latter will happen in practice, but any staff in DOJ who wish to assimilate onto the NICS pay scales will, of course, transfer onto the new pay scales that were introduced as part of the NICS equal pay settlement. That will be with effect from 12 April 2010, so they will be back paid to that point for any increases that they are entitled to. No matter when we get round to sorting the problem, the full money will be backdated to 12 April 2010.

I will move on to the handling of PSNI hearing loss claims. As I previously discussed with the Committee, the professional legal opinion given to the Chief Constable by the Crown Solicitor's Office is that the most economical way to address the hearing loss cases is to deal with them on a case-by-case basis and to negotiate out of court.

The Policing Board has also been briefed on the matter, and, as I said, the Department is satisfied that that assessment is correct. This approach allows the PSNI to ensure that the cases are addressed individually and that the claimants are examined in respect of medical evidence, health history and other potential causes of hearing loss. The process ensures that there are always grounds for making a settlement in each case and that each settlement is proportionate.

The Committee asked why legal costs are high. It is worth noting that these are not solely legal costs, but include medical costs. Costs are carefully considered, negotiated individually and kept as low as possible. They cannot be negotiated down on the basis that there are so many of them, because the claims are being dealt with on an individual basis and not in bulk. Since this is a legal process, there will necessarily be legal costs. In respect of medical costs, a medical assessment must be made. There can be no suggestion that payments should be made to all officers regardless of whether they actually suffer hearing loss. We have to put them through full medical assessments. However, the Department is satisfied that the PSNI has sought to ensure that the costs associated with the settlements are minimised.

The Committee also raised the question of Harland and Wolff cases. I understand that the Harland and Wolff scale was negotiated between the firm and the unions in the late 1970s. That covered the rates of compensation for different degrees of hearing loss and tinnitus. It was used, subject to adjustment in line with inflation, for Harland and Wolff cases over a long period to ensure consistency. However, the Department has no information on the exact nature and operation of the scheme, nor of the legal costs associated with the Harland and Wolff cases. As I said, however, the PSNI has sought legal advice and was told that the most economical way to address the hearing loss cases is to deal with them on a case-by-case basis negotiated out of court.

I will turn to the number and cost of cases to be settled this year. The total number of cases that will be paid out in any year can only ever be estimated, and there are two variables to that. The first is the number of cases settled and the value of each claim. During the September monitoring period, the PSNI estimated that it would settle an average of 120 claims a month at a total cost of £30 million for the year. As the year progressed, more information on the number of settlements has become available. That figure has reduced to 110 claims a month at a total cost

of £23 million in this financial year.

I turn now to the impact of in-year savings and why DOJ has to absorb these cuts. We had hoped that DOJ would escape the July 2010 cuts as our budget was transferred from the old NIO settlement, and as such, was not previously subject to Barnett consequentials. However, the latest advice from DFP and HM Treasury indicates that the policing and justice Barnett consequentials that form part of the £127 million in-year cuts to the block grant will apply this year.

As the DOJ budget is ring-fenced, the policing and justice Barnett implications fall directly to DOJ. That will reduce the Department's budget this year by £15.3 million in resource departmental expenditure limit and £6.9 million of capital departmental expenditure limit. The resource reduction will be offset by using unallocated funding and capital departmental expenditure limit reductions will be offset by capital easements in-year. On the assumption that the DOJ budget remains ring-fenced subject to the final decisions to be taken by the Executive, those cuts would reduce the Department's baseline going into the Budget 2010 period.

I hope this information deals with the queries that the Committee raised, and I am happy to try to answer any further questions you may have.

The Chairperson:

Thank you, Mr Harbinson. It has come as a considerable disappointment and shock to the Committee that the legal fees and other fees for the loss of hearing cases amount to practically as much as the compensation. Does that come as a shock to you?

Mr Harbinson:

I have to say that, when I first looked at those figures, yes, it did. The settlement versus the cost of settlement seemed very high, but it was only when we looked at the breakdown of those costs that we realised they were proportionate to the settlement. However, I accept that they do seem high bearing in mind the amount that goes to the individual.

The Chairperson:

With hindsight, was there any other way in which it could have been done?

Mr Harbinson:

The advice is still the same: settle costs individually and out of court because that will minimise the overall cost to the Department.

Sir Reg Empey:

I apologise for being late. Like you, Chairperson, I have been looking at this matter, and I raised it at our last meeting. I do not think that this is right or cost-saving. So far, the costs have been 47% of the total. In what circumstances do you get a deal such as that? It would be much better to cut a deal. If people have suffered hearing loss, fair enough, no one would argue with that. Forty-seven percent of the costs incurred so far out of the budget have gone on legal costs for the same issue. What is the difference in the cases? There are medical differences, presumably, between individuals, but it depends on the bands, and it might be far better to cut some kind of a deal.

Extrapolating the number of claims means that there will be £138 million and 47% of that will go in fees. I do not accept that. I think it is scandalous. People in the community have been talking about the cost of inquiries. What is the difference?

The Chairperson:

It sounds like inquiry by another name.

Sir Reg Empey:

It is wrong, and it should be revisited. I do not think that it is right to sit back and say, "Here is another £60 million for costs plus whatever it will work out to be when we know the total and that we will accept it." I do not accept it.

The Chairperson:

Do you want to comment on that, Mr Harbinson?

Mr Harbinson:

The argument is that the costs are reasonably fixed and that the lawyer is minimising the overall

costs of settlement. Legal advice remains that this is the most overall cost-effective means of dealing with this and that it is therefore saving money in the public purse as we go forward. We can act only on the best legal advice we are given, which is that we should continue on this course.

Sir Reg Empey:

Criminal injuries compensation has been around for years. Sadly, we are well versed in it. I can think of no circumstances in which the cost of such claims runs at 47% of the total. To have a virtual equivalent between what the person gets in compensation and what it costs to achieve that, you could give claimants 50% more than they are getting and one could still save money. I just do not accept the argument.

The Chairperson:

Mr Harbinson, I am inclined to agree with what the member said. There has to be a better way to do this rather than saying that 50% of any given sum will go to admin, for sake of a better word. You have got to get to the situation in which this is more efficient. We talk continually about putting resources into front line services, and, with no disrespect, this is a shining example of how not to do that. Do you agree?

Mr Harbinson:

I still think, on the basis of the advice that we have seen given to the Chief Constable, that this remains the most cost-effective overall manner of dealing with these cases. I do not see any alternatives that will prove to be cheaper. In many respects, they might prove to be more expensive. I can give an opinion only based on the advice that we have seen and been given.

The Chairperson:

Potentially, it might have been done differently, as the member said. Those who are getting the compensation could perhaps have received 50% more than they are actually going to get. I am not sure that they or the general public will fully understand it exactly as you outlined it.

Mr McNarry:

Other members might want to stick on this. I wanted to talk about equal pay.

The Chairperson:

We will hold that.

Mr A Maginness:

According to my calculations, 48% goes on legal fees, if you take into account plaintiffs' costs. Add the Crown Solicitor's Office costs to that. Is the Crown Solicitor's Office costs in-house or out of house?

Mr Harbinson:

It is the PSNI's legal adviser and a government source of legal advice. Technically, it is out of house.

Mr A Maginness:

Technically, but you are paying its salaries. It is not receiving fees per se.

Mr Harbinson:

It charges the PSNI directly for each case that it handles.

Mr A Maginness:

It is a notional charge, is it not?

Mr Harbinson:

No, it is a hard charge.

Mr A Maginness:

So, we are actually paying the PSNI's in-house lawyers.

Mr Harbinson:

No, it is the Crown Solicitor's Office. It is not —

Mr A Maginness:

I do not understand that. That is a notional charge, surely?

Mr Harbinson:

No, the Crown Solicitor's Office was set up on a hard charging basis. Its staff work on that basis. They are government lawyers, but the office charges each Department for the services that it provides. That is what runs the office.

Mr A Maginness:

Right. There was another point about the medical costs. I know that you probably do not have the figures here, but it would be useful to extrapolate the medical costs. The plaintiffs obviously get a medical adviser or a consultant to test their hearing loss. Does the Crown Solicitor's Office get another doctor to do that or do they share the same doctor?

Mr Harbinson:

The Crown Solicitor's Office, on behalf of the PSNI, arranges for medical evidence to be taken on behalf of the defendant.

Mr A Maginness:

Is that not a waste? As I understand hearing loss, there is an empirical test that is scientifically measured. Surely the one medical would cover both parties. I cannot understand why you would have another medical.

Mr Harbinson:

It is all just part of the process of having a medical assessment on behalf of the PSNI to ensure that it is at the proper level. It uses its own medical examiners, whom it has contracted to do this work for it.

Mr A Maginness:

It would be worth considering the sharing of medical evidence. That would in some way reduce the costs.

Mr Harbinson:

I will certainly bring that back.

Mr A Maginness:

The other point is that there are surely not many individual firms dealing with these cases — correct me if I am wrong. If there are one or two or three or four firms that deal with this, surely there can be some agreement on costs. There are swings and roundabouts, big claims and small claims. If there could be some sort of arrangement in the middle to meet the reasonable costs of the plaintiffs' solicitors, surely that could be negotiated. You are dealing with hundreds of cases. Surely there must be some discounting?

Mr Harbinson:

As far as I am aware, there are essentially three or four firms dealing with the bulk of the claims. My understanding is that, as they are being treated on a case-by-case basis, there is no room for that, but I will certainly take that back to the PSNI and suggest that it looks at that again to see whether there is any opportunity.

Mr A Maginness:

In the circumstances, I do not think that it is an unreasonable request to try to reach some agreement on costs. Most of these cases are of the same type, and they are not unduly complicated, I would have thought.

Mr Harbinson:

As I said, I will bring that back and see whether there is any scope for that.

The Chairperson:

Can a claimant dismiss his medical team and his legal team during the process and engage other medical or legal experts?

Mr Harbinson:

Yes. The claimant can, at any time, I assume, change the medical or legal team that supports him.

The Chairperson:

So, potentially, that would add to expenses?

Mr Harbinson:

The cost of someone swapping horses would have to be included in an assessment. I am not sure whether anyone has done that. You would take it into account in the assessment of what fees and costs you would have to pay. I do not think that you would want to pay double.

The Chairperson:

You may not want to do it, but would you do it?

Harbinson:

It is a hypothetical question and I do not know the answer.

The Chairperson:

We could end up with fees in excess of 50% of the whole compensation package?

Mr Harbinson:

I would not assume that that is likely.

The Chairperson:

You are quite close to it already at 47%.

Mr Harbinson:

Yes.

Mr O'Dowd:

Has advice been sought from the Attorney General about alternative structures or how to alternatively resolve this matter?

Mr Harbinson:

Not that I am aware of.

Mr O'Dowd:

I am not sure exactly whether the Attorney General's office covers this issue, but it is worthwhile asking whether it does, and whether the Attorney General has a view on an alternative structure to deal with this matter in a way that may save the taxpayer millions of pounds.

Mr David Hughes (Department of Justice):

Forgive me if I am wrong about this, but it is worth remembering that the Attorney General is legal adviser to the Executive, whereas these cases are brought against the Chief Constable, who would seek legal advice.

Mr O'Dowd:

Yes. However, I am pretty sure that the Justice Minister sits on the Executive and that the PSNI receives its funding from the Justice Department. I understand that the PSNI is the body taking these cases forward, but we are faced with a massive budget deficit. I am not even sure that the remit of the Attorney General covers this function. I am not convinced by your argument that, because the PSNI is involved, the Attorney General is one step detached from the matter. He is certainly not detached from the Department of Justice.

Mr Harbinson:

We can take away this issue and have a look at it. I am unsure of the constitutional position, but we will have a look at it.

The Chairperson:

Mr McDevitt, you wanted to ask a supplementary question on this topic.

Mr McDevitt:

Please, yes.

The Chairperson:

Is it supplementary to what Mr O'Dowd was talking about?

Mr McDevitt:

No. My apologies.

Mr McCartney:

Anthony, you said that the Chief Constable got advice that this was the best way to proceed on financial grounds. Was it purely on financial grounds or was there a liability issue? It is clear that the Chief Constable does not accept liability when these claims are settled.

Mr Harbinson:

That is right. It is on both.

Mr McCartney:

So, there would be an impact if he accepted liability and went for a cover-up?

Mr Harbinson:

Yes. If he was to go for a group action, there would be an acceptance of liability.

Mr McCartney:

Has the impact of that been measured?

Mr Harbinson:

As I said, that has been looked at in the light of advice given to the Chief Constable. The advice is to treat it on a case-by-case basis and deal with it in the way that it is being dealt with.

Mr McCartney:

That is my point. Is it because it is cheaper to do it that way, or is it because of the fear of admitting liability and what the implications of that may be?

Mr Harbinson:

Those two things are so linked that it is hard to separate them. Once you accept liability for anything, you find that costs tend to rise. However, economically, this seemed to be the best approach to take.

Mr McCartney:

It suits everyone that there is no liability. People who accept these claims in law do not accept that they have hearing loss?

Mr Harbinson:

All the cases that are being settled are settled without admission of liability.

Mr McCartney:

So legally, they do not have hearing loss? No one can come out of this process saying that they have hearing loss, and that has to be accepted as well?

Mr Harbinson:

Yes.

Mr McDevitt:

I want to go back to the question of claimants' legal fees and the Compensation Recovery Unit (CRU). Of the approximately £8 million that was paid up to April 2010, how much of it was to the CRU and how much was on legal fees?

Mr Harbinson:

I am not sure that we have that detail. I turn to my colleague.

Mr Glyn Capper (Department of Justice):

I do not have the exact detail. However, approximately 91% of the total package comprises fees. It varies from case to case, but legal costs range from around £5,000 to £15,000, depending on the fees.

Mr McDevitt:

There is a headline difference between £8.2 million, the amount paid to the claimants' solicitors, and £4.6 million, the amount paid to the Crown Solicitor's Office (CSO). Mr Harbinson, you said that the CSO charges on a hard cost basis. However, if that is the case, why were the amounts paid to the CSO and the solicitors not the same?

Mr Harbinson:

The CSO charges on the hard charge, but there is no profit element. However, any private firm will have a profit element.

Mr McDevitt:

If we take 10% of the £8 million to allow for the amount paid to the CRU, we still end up with £7.4 million, and the difference between £4.6 million and £7.4 is a fair margin. In fact, it is a big margin and a serious amount of profit. It comes back to this basic premise: if that is the cheapest and most effective way to do it, what would the expensive way be?

Mr Harbinson:

The expensive way would be to go to court and settle on the green book values that exist there. Our legal teams advised that this was the best value.

Mr McDevitt:

Do you think that sort of margin is value for money?

Mr Harbinson:

I do not think that paying for liability cases can be seen as value for money. However, the value for money element comes from ensuring that we minimise the overall cost to the public purse. In those terms, yes.

Mr McNarry:

I want to take a different tack on the equal pay issue. There are two main issues about the settlements. The first is that those people were hung out and had to go to court to establish their right to an equal pay settlement. That is what we have been told. The second issue is about the

PSNI staff who are still awaiting an outcome about some kind of settlement. Those are matters for the Committee, and Mr Harbinson and his colleagues may be able to help us to address them.

On the first issue, does the union intend to finance a test case? Does anyone know how many people, to date, have seemingly been excluded from the settlement? Is there any idea, therefore, of what the extra cost might be? It is worth bearing in mind that the original settlement of somewhere in the region of — correct me if I am wrong — £200 million was covered by money that we had to borrow. However, there now seems to be some way that other people may be able to get involved. Does the number of cases awaiting settlement include those of retired civil servants?

On the second issue, how long have the discussions about PSNI support staff been going on? How many people have been identified or are involved in that legitimate claim? Given that the Minister, in a letter that was copied to the Committee, deemed the issue to be critical, when can we expect that case to be concluded?

Mr Harbinson:

There are a lot of aspects to that question, so forgive me if I miss out any of them. I will come back to anything that I miss out, if you point me in the right direction.

Mr McNarry:

I will take you through the first bit. Do you know whether the union is willing to finance a test case?

Mr Harbinson:

I do not. The union has said that it may proceed to a legal case. However, at this point, I am not aware of any such case.

Mr McNarry:

At the top of the second page of the Minister's letter, it is stated that, as the Department's position is that there is no legal liability, the union is saying that it would take action.

Mr Harbinson:

It has suggested that it would.

Mr McNarry:

It is not a suggestion. The union is saying that it will take action.

Mr Harbinson:

It has suggested that it may, but it has not done so yet.

Mr McNarry:

OK. Chairman, I wonder whether we could find out if it is the union's intention to take action. That would be a test case for an awful lot of people. My second question concerns whether we know how many people are excluded from the settlement.

Mr Harbinson:

From the overall NICS settlement?

Mr McNarry:

Yes.

Mr Harbinson:

As far as I am aware, the overall NICS settlement applies to core Departments and agencies. I think that it excludes nearly all non-departmental public bodies (NDPBs). There is quite a range of people who are not part of that settlement throughout the wider public service, but I am afraid that I do not know the numbers.

Mr McNarry:

Could you find out those numbers?

Mr Harbinson:

I think that only DFP has those numbers.

Mr McNarry:

Could we ask DFP, Chairman, for those numbers? Do those numbers include retired civil servants?

Mr Harbinson:

My understanding is that the settlement that has been made includes people who have retired. It covers anyone during the period that has been backdated to, whether they were still in post or had retired.

Mr McNarry:

Would it be any surprise to you to know that representations to me and I am sure to a number of other MLAs by the retired civil servants' association suggest that over 700 people believe that they have been disenfranchised from the settlement? That is a substantial number.

Mr Harbinson:

Are those staff from the PSNI or from across the Civil Service generally?

Mr McNarry:

From across the Civil Service.

Mr Harbinson:

I was unaware of that.

Mr McNarry:

That would mean, taken with your previous answers, that you cannot really give me any idea of what the extra costs might be if there were a tribunal or a court case, or if people came forward from the retired civil servants' association, etc. You really do not know.

Mr Harbinson:

I do not know.

Mr McNarry:

So we have no idea how our budget might be affected by any of this. Do you not think that it would be of interest to find out?

Mr Harbinson:

Sorry, I assumed that you were talking about the whole of the Civil Service. I do not know the costs for the whole of the Civil Service.

Mr McNarry:

Do you know the costs for your Department?

Mr Harbinson:

The PSNI will have paid out £10 million.

Mr McNarry:

Let us just stick with the people who believe that they are excluded from the original equal pay settlement.

Mr Harbinson:

That is what I am trying to explain. There are two elements. There is the ongoing pay, which the PSNI has paid, backdated to February 2009, and which accounts for about £10 million that has been paid out this year. There is then the element that has been applied to the NICS, which is the backdated compensation, which is for six further years back. That has not been paid out, and I believe that, for the PSNI, that is in the region of £26 million.

Mr McNarry:

Pardon?

Mr Harbinson:

Around £26 million.

Mr McNarry:

We are left in a position where the Minister —

The Chairperson:

Excuse me. I think that someone's phone must be switched on. I am certain that it is no one around this table. Is it?

Sir Reg Empey:

It is mine, Chairman. I am sorry.

Mr McNarry:

Throw him out.

The Chairperson:

It has been dealt with.

Mr McNarry:

We are left in a position where work is continuing with DFP and your legal advisers in respect of the case that is being made, and the Minister's officials have explained that the situation is now critical. I concur with that. Are you able to say when there is likely to be a conclusion and when the matter will be sorted?

Mr Harbinson:

I cannot because of the legal issues involved, which need to be resolved. I hope that it will be as soon as possible. I know that every effort is being made.

Mr McNarry:

Do the legal issues relate to the Department, the PSNI or staff?

Mr Harbinson:

The PSNI's legal advisers are working with DFP at the moment. As a Department, we are watching to see what happens, because the funding element will obviously hit the Department. I

have no idea when they will be able to resolve the legal issue.

Mr McNarry:

This is a serious constituency issue for me. All I can do is express what my constituents are telling me about the stress and dissatisfaction that they are experiencing because of how they are being treated and how they have ended up in this situation. It seems to me that those involved have been a little bit slapdash in that they tried to get deals done in the early days and then thought that the door was closed when, in fact, it should not have been closed at all.

Can you give me any indication as to how I, as a member of this Committee and other Committees, and certainly as an MLA, can advise my constituents on guidance and information from your Department regarding how communication about these settlements is being transmitted to the people involved? It seems to me that people are waking up to the discovery that, “Hang on, this may apply to me”, although perhaps that is not happening every day. They are making contact with their elected representatives because they hear snippets of information, but it is clear from what they are saying that they did not know that they might be involved. It appears that there is a lack of communication with the people who work for us. If that is the case, I hope that something can be done to rectify the situation.

Mr Harbinson:

Through staff discussions, this issue is live to the PSNI. The staff know about the issue and are certainly raising it.

Mr McNarry:

How come the numbers cannot be identified?

Mr Harbinson:

I think that the overall numbers —

Mr Hughes:

My understanding is that, previously, the question about numbers was a more general one about who was excluded from the DFP settlement. If your question is specifically about how many

members of the police staff have been identified as potentially falling within that group, I can tell you that the numbers that we have show that there are just over 1,600.

Mr McNarry:

It is quite amazing that we have 1,600 people who are not really clear where they are. I ask that you accept what I am saying; they do not think that they know where they are. There cannot be 1,600 staff who are unable to disseminate the information that is coming to them on where they might be, yet we still have legal wrangling.

Mr Harbinson:

None of this can be sorted out until a legal liability is established and a business case is formally approved by DFP. That is the funding mechanism, and that is the approval mechanism.

Mr McNarry:

So, you have no idea how much this issue, which affects 1,600 people, might impact on your budget.

Mr Harbinson:

No, sorry, we have: £26 million is the compensatory back-pay element beyond February 2009. From 2009 onwards, the PSNI has paid people the NICS settlement rates, and that has cost £10 million this year.

Mr McNarry:

We are going around in circles again, but thank you.

The Chairperson:

No other members have indicated that they want to ask a question. I take it that that covers everything. Gentlemen, thank you for your attendance here today.