



Northern Ireland
Assembly

Committee for Justice

OFFICIAL REPORT (Hansard)

Department of Justice Savings Delivery
Plans: Six-monthly Update

10 January 2013

NORTHERN IRELAND ASSEMBLY

Committee for Justice

Department of Justice Savings Delivery Plans: Six-monthly Update

10 January 2013

Members present for all or part of the proceedings:

Mr Paul Givan (Chairperson)
Mr Raymond McCartney (Deputy Chairperson)
Mr Stewart Dickson
Mr Tom Elliott
Mr Alban Maginness
Ms Rosaleen McCorley
Mr Jim Wells

Witnesses:

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| Mr Glyn Capper | Department of Justice |
| Mr Anthony Harbinson | Department of Justice |

The Chairperson: I welcome Anthony Harbinson, director of justice delivery, and Glyn Capper, deputy director of finance. Lisa has not been able to join us due to family circumstances. We appreciate that. This session is being recorded by Hansard. I will hand over to you, Anthony.

Mr Anthony Harbinson (Department of Justice): Thank you, Mr Chairman. Thank you for the opportunity to give you an update today on the Department's savings delivery plans. This is the third six-monthly update on our plans, and it is as at 30 September 2012. Following today's presentation, we will publish the update on the Department's internet site.

As I have noted in previous presentations to the Committee, the information provided has been prepared by each of the arm's-length bodies. Therefore, it is their own — not the Department's — interpretation of their progress against the savings plans. It is also important to note that the savings targets for each area were factored into the Budget 2010 allocations. In other words, the budgets for each of the core directorates and our various arm's-length bodies and agencies were reduced by the savings amounts in each of the four Budget 2010 years. By 30 September 2012, the Department had delivered in-year savings of £27 million. That is against a total in-year target of £46 million. That represents some 59% of our annual target. In the longer term, we remain on course to deliver the total Budget 2010 savings target of £114 million by March 2015.

As you will see from the update, some of the areas have indicated that there will be an impact on front line services. Therefore, I thought that it would be helpful to say something about some of the key areas. Department of Justice officials continue to work closely with the Probation Board's senior management team to minimise the impact on front line services. The board has reprofiled its non-staff savings. As part of the process of setting the final budget, over £1 million of additional funding was provided by the Department to reduce the impact of savings levels. That was £1 million over the four-year period of Budget 2010. As a result, the Probation Board now contributes a lower savings level

than the average, and it is one of the areas of the Department that is most protected from budget reductions. I mentioned in June that we had committed to funding as many Probation Board pressures as possible via the in-year monitoring process for the remainder of the Budget 2010 period. I emphasise that, for this year alone, we have added an £1 million to the Probation Board budget.

The budget of the Office of the Police Ombudsman for Northern Ireland (OPONI) requires efficiencies to be made across the work of the office. However, the Department has also fully funded pressures totalling £5 million over the Budget 2010 period to deal with cases referred to the ombudsman by the Historical Enquiries Team, so in fact the OPONI budget has increased in real cash terms. That will provide the office with the opportunity to relocate staff and thus mitigate the impact of efficiencies on staffing numbers. We will continue to work with the ombudsman's office to fund as many of its pressures as possible through the in-year monitoring process. However, no pressures were declared this year.

Obviously, this is a very difficult time financially. As with all areas of the public sector, the Department must make savings. Officials will continue to liaise with all the spending areas to ensure that saving plans remain on track and that savings targets are delivered. We will also continue to work with the various bodies across the Department and look at ways to protect front line services as much as possible. That is our update for today.

The Chairperson: Thank you. Does anyone have any particular questions?

Mr A Maginness: I know that the target has not been achieved this year —

Mr Harbinson: The target will be achieved this year.

Mr A Maginness: You say that the target will be achieved?

Mr Harbinson: Yes. At the end of September, we had already achieved 59% of the target. We expect to meet the full target.

Mr A Maginness: So there will be no shortfall in savings?

Mr Harbinson: No.

Mr A Maginness: Do you also remain on target to deliver the total savings target of £114 million?

Mr Harbinson: Yes.

Mr A Maginness: What have you achieved so far in respect of that £114 million? What will the balance be at the end of this financial year? You have two more years to go.

Mr Harbinson: Yes. We achieved it last year. We should get £46 million this year. In the two remaining years, I think that we would have —

Mr A Maginness: Roughly; I am not asking for precise figures.

Mr Glyn Capper (Department of Justice): We are talking about £114 million of recurring savings by March 2015, which will be the fourth year of the four Budget 2010 years. We are coming to the end of the second Budget 2010 year. We forecast that, at the end of this year, we will have savings of £46 million. That will roll forward into next year and build up cumulatively until we hit the £114 million target. The £46 million savings that we deliver this year will be carried forward into next year. With further savings on top of that, we will hit our £114 million.

Mr A Maginness: Are you confident that you can achieve those additional savings?

Mr Capper: Yes. As part of the process of doing a six-monthly update, we asked all our areas not to give us details on just this year but to look across the four years. As you will see in the table, some areas revised the forecast either up or down. However, in total, as a Department, we are on target to hit the £114 million.

Mr A Maginness: Very good.

The Chairperson: Has the Police Ombudsman's Office given any indication of the likely level of additional funding that it will need?

Mr Harbinson: As I said, we have added £5 million over the course of the Budget 2010 period. However, it had no pressure bids this year. We will consider any pressure bids that do come in and take them forward.

The Chairperson: OK. The Police Rehabilitation and Retraining Trust (PRRT) indicated the likelihood of having to make clinical posts redundant to achieve the necessary savings and come within budget.

Mr Capper: Based on the six-monthly update that we received from PRRT, I think that I am right in saying that it is able to deliver its efficiencies through non-front line things such as the canteen. At the minute, no pressures have come from PRRT. It has been able to absorb front line pressures through back-office-type savings.

Mr Elliott: I want to ask about the Probation Board. You said that there was £1 million in-year for this year.

Mr Harbinson: Yes.

Mr Elliott: That is not to be carried on; it is just for one year.

Mr Capper: We have committed to the Probation Board's senior management team that we will work with it as part of each in-year monitoring round. This year, it asked for an extra £1 million. We will see what pressures there are when we come to next year's in-year monitoring rounds.

Mr Elliott: OK. The Probation Board is continuing on target to make its savings, but you are giving it an extra £1 million.

Mr Harbinson: Yes. However, I should point out that the extra £1 million relates to additional work that the Probation Board has taken on as part of the prison review work. There has been an increase in the work that it has been doing, and we have been funding that.

Mr Elliott: Chair, it might be useful to get some information on the additional work that the Probation Board is doing.

Mr McCartney: I notice that none of the agencies mentioned in your submission said that there would be an impact on front line services in making these savings.

Mr Harbinson: No. The Probation Board, PRRT and the ombudsman indicated that there would be impacts on front line services. Those are the only three that indicated that.

Mr McCartney: How do you interrogate the rest, saying that there is no impact on front line services?

Mr Capper: The process is that, each six months, we formally send out the templates that you have in front of you. Each agency and non-departmental public body completes the template. There is also ongoing communication at various levels between the Department and the bodies so that we understand the background and context of the information. However, the assessment as to whether there is a front line impact is very much for the bodies themselves.

Mr McCartney: Does it pose any questions for you? If there is no impact on front line services from making savings, how was it allowed to continue? If they were given money that does not seem to have any impact on front line services, that money was spent needlessly. I know that that is a very general point.

Mr Harbinson: I accept the generality of the question. Like every aspect of the public sector, we are trying to generate greater efficiency. One way that we are doing that is by encouraging more people to create shared services. For example, we are asking most of our arm's-length bodies to take up our internal audit service, rather than buy it from a private sector provider.

Mr McCartney: I notice that one of the measures — I will not name the agency, because it would be unfair because I have not really looked at it — is the quality of paper, the quality of binding, etc. That is how it is going to make savings. That agency should have considered that previously rather than waiting to be told that it had to make savings.

Mr Harbinson: I agree.

The Chairperson: OK. Thank you very much.