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Dear Christine

FORENSIC SCIENCE NORTHERN IRELAND – Department of Justice 2022-25 Draft Budget

During discussion on 20th January 2022 on the 2022-25 Draft Budget, the Committee raised some queries on the Forensic Science Northern Ireland (FSNI) funding model and how the 18% reduction in the consequences document had been calculated. In addressing these points, Julie Harrison committed to provide a more detailed briefing on the FSNI funding model, wider funding issues and full budget implications which are set out below.

Funding Model

FSNI is currently funded in what is known as a 'hybrid' funding model. 85% of annual Resource funding is in the form of income from customers, 99% of whom are within the Justice System, and remaining funding is allocated from the Department of Justice. 100% of Capital funding is allocated from the Department of Justice which amounts to £1,579k for 2021-22 (opening budget was £1,358k and in year allocation of £221k).

The sources and estimated value of FSNI's Resource funding in 2021-22 are detailed in Table 1.

Table 1: FSNI Resource funding 2021-22	£'000	%
DoJ Funding	1,997	15%
PSNI income	10,382	77%
State Pathologist Department income	656	5%
Public Prosecution Service income	225	2%
Other various sources of income*	199	1%
Sub-total DoJ funding	13,459	100%

*Other sources include HMRC, NCA, Police Ombudsman and private customers

FSNI generates income from customers by 'selling' Forensic Products. For example, in the area of Fires a forensic product would be '*examination of an item for accelerant material*'. These products are requested and approved by customers to enable the completion of specific casework in relation to individual cases.

The funding provided by DoJ addresses a mix of requirements including Pension increases, capacity maintained for national security, innovation and project activities and other posts not funded by customers. This can arise due the long lead-in time to train scientists in their complex fields as during this time the customer would not receive the expected full return on investment.

A similar funding model operates in England and Wales where individual Police Forces purchase forensic services from multiple private providers. There have been ongoing difficulties with this model as acknowledged by a House of Lords report¹ in May 2019. Initially private forensic science providers had not maintained the capacity required by the Justice system as there was no guarantee of future work, resulting in under investment in the sector. As a result, demand from policing exceeded available marketplace capacity in certain areas which resulted in the implementation of force level submission caps and

¹ The House of Lords Science and Technology Committee Report Forensic Science and the Criminal Justice System: A Blueprint for Change

extended turnaround times. More recently, and in response to the policing ask to ramp up capacity, private providers made considerable capital investment in technology to deliver automation and remodel internal processes to meet policing requirements. However, there has also been a continued shift of funding away from private providers to 'in-house' police forensic units. This has resulted in a continued and significant decline in demand with some private providers now reporting that this position, if sustained, poses a serious risk to their financial viability and the ongoing provision of services

The FSNI funding model differs from the England and Wales model in two ways, Firstly, FSNI is a Government Agency and is funded by the DoJ to invest in a small amount of innovation and deliver modern forensic services for national security purpose. Secondly FSNI has one police customer, namely PSNI.

The majority of FSNI customers reserve annually, in advance, capacity in the laboratory to ensure that examinations can be delivered to meet their forecast casework demands. FSNI and PSNI work closely each year to project future demand, understand capacity and analyse trends to maximise forensic examinations. These agreements are captured in Memoranda of Understanding (MoUs). They include submission levels of casework by forensic discipline, Key Performance Indicators and funding commitments.

To a large extent the level of submissions to FSNI is limited by the capacity of the Laboratory. Any increase in capacity could take 2 to 3 years due to the time taken to recruit and train new staff as well as to procure and validate scientific equipment. It is therefore imperative that FSNI's customers strategically consider future demand levels and fund FSNI to ensure sufficient forensic science capacity is available in future years.

FSNI recognise that the demands of customers continue to change partly due to the unpredictability of crime and also as a result of changes in our society, eg increasing drug usage. To provide flexibility in the capacity of Forensic Science services, FSNI has put in place 'cross-skilled' staff between various disciplines. This enables FSNI to manage peaks and troughs in demand by moving staff from one discipline to another and in doing so provides a more responsive and value for money service.

Historic budget reductions

In the same way as other public services, FSNI faced reducing budgets over a number of years and was particularly impacted by the Voluntary Exit scheme with the loss of key skills. This is set year against a backdrop of increasing demands from customers and developments in science and technology relevant to forensics.

As a continuous improvement organisation FSNI has responded through process and product reviews, including the use of Lean 6 Sigma methodology, increased use of technology, enhanced cross-skilling of staff, development of methods and capital investment to enhance its services and it doing so has been able to increase capacity and reduce turnaround times which has avoided service reductions when funding has decreased. The following metrics provide some examples to demonstrate FSNI improvements and efficiencies between 2014-15 and 2020-21:

- Staff numbers reduced by 18.5%.
- Average reports issued per FTE increased by 22%.
- Accredited² services increased by 27%.
- 30% improvement in the time taken to issue reports. Currently the median average time for all reports is 53 days with 91% of reports issued to customers within 97 days.

Other recent and specific examples include significant capacity increases over the past two years in Drugs (66.9%), Toxicology (25.4%) and DNA (50%) whilst improving Toxicology timeliness by 84%.

2022-25 Budget reductions

FSNI approach the 2022-23 financial year with a level of increased uncertainty regarding funding. At the start of 2021-22 additional funding was agreed with both the DoJ and PSNI for the recruitment of staff to undertake essential work including:

- Increasing casework capacity in Evidence Recovery, Drugs, Toxicology, Road Traffic Collisions and DNA.

² Services are accredited by the United Kingdom Accreditation Services (UKAS) to ISO 17025: 2017

- Continuous Improvement and Innovation projects to ensure Northern Ireland retains modern, quality assured Forensic Services.
- Progressing the Northern Ireland Forensic Services Strategy.

In the main these are permanent positions however due to the one year budget process this funding was not baselined and leaves FSNI with an opening pressure of £1.1m prior to any budget reductions. It is assumed that funding to assist in Legacy investigations which is allocated from in-year monitoring rounds will continue to be made available during the year.

Table 2 below provides details of the £1.1m shortfall if FSNI was to receive the same baseline funding from DoJ and PSNI as in 2021-22.

Table 2: 2022-23 Opening Pressure

Budget shortfall	2022-23	2023-24	2024-25
	£'000	£'000	£'000
PSNI bid (not included in baseline)	630	915	1,399
DoJ bid (not included in baseline)	514	661	672
Total FSNI bids	1,144	1,576	2,071

The PSNI bid increases in 2023-24 & 2024-25 to reflect the estimated cost to FSNI of the introduction of 'Driving under the influence of Drugs' legislation in Northern Ireland. Whilst the timing of this legislation remains uncertain, FSNI must be ready to respond once the legislation is enacted. Additional staff and equipment costs have been derived based on the experience of forensic providers in England and Scotland who faced demand levels well beyond their capacity when similar legislation was introduced with knock-on effects on prosecutions – a situation we would want to avoid in Northern Ireland.

In addition, FSNI must also consider the impact of the proposed 2% cut. Whilst this would be less significant than the pressure that will come if PSNI and DoJ fail to provide funding for the posts which were agreed and funded in the 2021-22 year and to which staff have

already been recruited, it further exacerbates the overall funding shortfall. Table 3 below sets out the full summary of the potential deficits within FSNI's budget.

Table 3: Summary of Budget Pressures

Projected Pressures	2022-23	2023-24	2024-25
	£'000	£'000	£'000
PSNI bid (not included in baseline)	630	915	1,399
DoJ bid (not included in baseline)	514	661	672
Total opening Pressures	1,144	1,576	2,071
Potential cuts (2%)	259	259	259
Total impact of pressures and cuts	1,403	1,835	2,330
Percentage cut to FSNI current funding	10.9%	14.2%	18.0%

The table shows the combined impact of a proposed 2% cut plus unmet pressures. This would amount to reductions of **11%** in year 1, **14%** in year 2 and **18%** in year 3.

The information provided above presents the total budget position for the Agency and assumes a 2% cut is applied by all customers, however there is a risk that the level of cut could vary depending on the customer.

Budget impacts

The budget reductions on FSNI over the next few years are of the size that they will be difficult to achieve and the impacts of this scale of reduction will be severe.

Staff costs account for 73% of FSNI's operating cost with the remaining 27% made up of non-staff costs. The majority of the non-staff costs are non-discretionary, eg rent & rates,

heat & light, laboratory consumables and laboratory equipment maintenance. To achieve this scale of budget reductions staffing levels would have to reduce. In the absence of an NICS wide redundancy scheme there is little prospect of staff numbers reducing other than through attrition. A 2% cut of £259k would be equivalent to 4 members of staff, however if the existing commitments are also not met the impact would be £2.3m equivalent to 35-40 members of staff and an 18% reduction overall by year 3.

The combined impacts of cuts and pressures on the criminal justice system are severe and would mean:

- Reduction in forensic investigations. FSNI currently complete forensic investigation in approx. 8,000 cases per year. A reduction of 18% in funding would mean in the region of 1,440 cases would no longer be subject to forensic investigation. This would have a detrimental impact on the wider criminal justice system with tough decisions having to be taken on when a crime is subject to a forensic examination.
- Reduction in capacity in FSNI would mean time taken to complete forensic investigations will increase, there will be knock on delays to PSNI investigations and cases progressing through the courts. Victims will be impacted as some cases may not be investigated or will take longer to get through the courts. Ultimately public confidence in the Criminal Justice System will be reduced.
- FSNI would not be able to drive forward innovation and would be unable to develop new scientific techniques or avail of new technologies. This could lead to an inferior forensic service in Northern Ireland compared to other forensic laboratories and FSNI may not be in a position to respond to anticipated legislative or policy changes such as new legislation in relation to 'Driving under the Influence of Drugs'.

FSNI has considered mitigating actions to lessen budget impacts such as

- Cross-skilling of staff between forensic disciplines to ensure the Agency has flexibility to deal with peaks in demand and urgent casework across various forensic disciplines. With the majority of staff already cross skilled this mitigation

will be severely limited as all forensic disciplines are already working at maximum capacity.

- Continued working with criminal justice partners to prioritise cases and restrict items for forensic examination with the harmful consequences outlined above.

If existing commitments from DoJ and PSNI are met and the cut is limited to 2% the impact will be much less, with 160 cases potentially affected. Delays will be less and some innovation and development would be able to continue.

Northern Ireland Forensic Services Strategy 2021-26

The Northern Ireland Forensic Services Strategy 2021-26, endorsed by Minister Long in April 2021, sets out the direction of travel for forensic services for the next 5 years. This ambitious plan set the future pathway with a focus on collaboration, innovation and delivery of forensic services. One of the four priorities of this strategy is '*Collaborative and Streamlined Service Provision*'. Work in this area will consider the future Service Delivery Model and Funding Model for all forensic services delivered by both FSNI and PSNI. Within the current financial climate, it will be important to take a holistic view of the service delivery and funding models to ensure that scarce resources are aligned with priorities across the complete forensic portfolio with the aim of providing clarity and implementing the most appropriate delivery and funding structures.

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