

COMMITTEE FOR JUSTICE
RESPONSE TO THE COMMITTEE FOR FINANCE
DEPARTMENT OF JUSTICE BUDGET 2021-22

Introduction

1. The Committee for Justice noted at its meeting on 21 January 2021 that the Minister of Finance had announced the Draft Budget 2021-22 on 18 January, with a short consultation period running until 25 February. The Committee subsequently noted on 28 January that it was the intention of the Committee for Finance to co-ordinate responses from Statutory Committees on the draft Budget 2021-11, with responses requested by 12 February.
2. To assist its consideration of the draft Budget allocation for the Department of Justice, the Committee wrote to the Northern Ireland Policing Board and the Police Service of Northern Ireland to request their views on the PSNI budget position, given that it accounts for a significant proportion of the Department's budget. The Committee also requested the written views of the Department's other non-departmental public bodies on the likely implications/pressures arising from their indicative Budget allocation for 2021-22.
3. Department of Justice officials had briefed the Committee on its submission to the Future Year Planning: Information Gathering Exercise in November 2020. An updated written briefing setting out a high level summary of the 2021-22 Draft Budget outcome for the Department of Justice was provided in advance of an oral briefing from departmental officials at the meeting on 4 February.
4. During the briefing, officials advised that work was ongoing to assess the impact of the Draft Budget allocation across the Department and information from all spending areas was due to be returned by 5 February. The information will be collated and used to inform the final Budget allocations. Officials also advised that the Department aimed to publish an overview of the draft Budget and the equality impacts online to help inform the draft Budget process.

Department of Justice Draft Budget 2021-22

Non-ringfenced Resource DEL

5. The 2021-22 Draft Budget announced by the Minister of Finance on 18 January included an allocation of £1,124m non-ringfenced resource DEL for the Department of Justice. While this appears to be a 5.1% uplift on the flat baseline budget of £1,070.8m, the Department points out that the increase is not due to new funding but because it takes account of funding provided in previous years that was not included in the baseline so does not compare like-for-like. These are:

- HM Treasury Security funding £31.2m
- EU Exit £10.7m
- Tackling Paramilitary Programme £8.0m

6. All departments are able to submit bids for funding for the Tackling Paramilitary Programme as it is a cross-Executive programme. The £8m funding is therefore normally held centrally along with match funding from the Treasury. The Department expects that the £8m for the programme will be removed from its baseline when the 2021-22 Budget is finalised.

7. The baseline also includes Legacy funding of £4.2m (including £1.7m for the Office of the Police Ombudsman). Taking this as the only new money, the draft Budget represents less than 0.5% of an uplift in the baseline which is close to a flat cash budget for the Department.

Capital DEL

8. The draft non-ringfenced Capital DEL allocation for the Department of Justice is £96.4m, including £0.9m HM Treasury security funding for the PSNI, which is an increase of £8.3m from the 2020-21 Capital allocation. Although it is less than the £152m capital bids included in the Information Gathering Exercise,

the Department has advised it is a reasonable Capital budget and will be sufficient to meet the inescapable capital requirements identified in that exercise. A review of capital requirements is currently being undertaken across the Department and spending areas will be provided with the details of their capital allocations when this has been completed.

Other Funding Streams

- EU Exit
9. £9.8m of EU Exit funding was allocated to the PSNI against a bid of £15.5m for 308 officers and staff. Officials advised that this is similar to the position for 2020-21 when the balance was secured through the in-year monitoring rounds. Officials also advised that it was their understanding that discussions are ongoing between the Department of Finance and HM Treasury to secure the balance of funding required for 2021-22.
- Covid-19
10. The Department had identified requirements of £36m for Covid-19 funding as part of the information gathering exercise. No Covid-19 funding has been allocated to the Department in the draft Budget. The Department's Covid-19 funding requirements are currently being reviewed.
- New Decade New Approach
11. A bid of £16.6m for funding towards the New Decade New Approach commitments that fall to the Department was made as part of the unique funding exercise in November. This included bids in respect of tackling paramilitarism, implementation of the Gillen review into serious sexual offences, speeding up justice and additional police officers. The Department has not received an outcome in respect of this process.
- Tackling Paramilitarism and T:BUC

12. The Department of Justice normally bids for funding for each of these programmes. Departmental officials have advised that discussions in respect of the programmes are ongoing.

- Troubles Permanent Disablement Payment Scheme

13. While the Department of Justice has been designated as the responsible Department for the administration of the Troubles Permanent Disablement Payment Scheme, funding for the scheme is the responsibility of the Executive Office and does not create a pressure on the Department of Justice's budget. The Executive Office has been allocated a draft allocation of £6.7m to allow the implementation arrangements for the scheme to continue.

Summary of Key Issues

14. As noted above, work is ongoing to assess the impact of the Budget, determine priorities and finalise allocations across the Department. Departmental officials have undertaken to provide the Committee with an update on its assessment of the draft Budget settlement as soon as possible, and before the consultation closes on 25 February.

15. In the absence of fuller information at this stage, the Committee has been unable to assess the Department's budgetary position in detail within the limited time available. Instead, the Committee agreed to provide the Committee for Finance with a summary of the key issues discussed with Departmental officials.

Inescapable pressures

16. In their briefing to the Committee in November, departmental officials had advised of inescapable pressures of £55.7m identified as part of the Information Gathering Exercise. This included pay and price pressures of £20.8m, PSNI operational pressures of £15.4m and a range of other pressures relating to matters including Legal Aid, Staffing and Victims and

Witnesses totalling £19.5m. During the briefing on 4 February, the Committee was advised that the £4.2m additional funding in the baseline that has been allocated for Legacy will be used for that purpose. There is therefore no additional funding available within the Budget allocation to manage these inescapable pressures.

17. The officials were not able at this stage to provide an indication of how the pressures may be managed, e.g. what projects or programmes could be postponed or ceased, but advised that it would aim to minimise front line impact. They pointed out, however, that it is possible that there will be an impact on staffing across a range of bodies as around 70% of the Department's budget goes towards staff costs.

PSNI

18. In order to increase the number of police officers to 7,500 as set out in New Decade New Approach, the bid for NDNA funding had included £3.5m for the PSNI for an additional 153 officers in 2021-22. While the outcome of this bid is not yet known, the Committee noted with concern the responses from the PSNI and the NI Policing Board advising that, based on the PSNI's indicative draft budget allocation, it may be necessary to reduce the number of police officers in the forthcoming financial year by 300 to 6,700 while the number of police staff may be reduced by 100.

19. The PSNI has advised that protecting Neighbourhood Policing and its existing level of resources will be its priority. However, this will inevitably create pressures in other areas of service delivery and capability. It expects that the areas likely to be impacted are specialist functions and the potential closure of front counter/enquiry office facilities in non-custody stations.

Legacy

20. As noted previously, £4.2m has been allocated for Legacy, of which up to £1.7m will be allocated to the Office of the Police Ombudsman. In its response to the Committee, the Police Ombudsman has advised that this will provide the resources it requested in order to increase its investigative

capacity to undertake historic investigations pending political agreement on a way forward.

21. The remaining funding for Legacy will go towards the funding pressure for Legacy inquests. Departmental officials advised that a Covid recovery plan is being considered to determine the funding requirements for Legacy inquests.

Covid-19

22. The Committee was advised that the £36m bid by the Department for Covid-19 funding included £11.1m for social distancing and PPE for the Prison Service and requirements for similar measures totalling £8.7m for the PSNI. Any overtime requirements for either the Prison Service or the PSNI arising from the pandemic are met from within existing budgets.
23. The officials pointed out that the £36m does not all equate to actual spend but can also reflect income that has been lost. Requirements are currently being reassessed as, for example, the impact on Legal Aid costs and loss of income for the Courts Service may not be as significant as initially anticipated. In addition, with only £126.9m Covid-19 funding currently being held centrally for distribution across all departments, the Department will need to assess the impact of not securing any additional funding to meet its Covid-19 requirements.

Probation Board for Northern Ireland (PBNI)

24. Concerns regarding the potential wider impact that a cut in the Probation Board's budget might have on the wider justice sector in terms of a rise in crime, increase in court appearances etc. were raised with officials. Concerns of a potential knock-on effect of a reduction in funding for community and voluntary organisations who do important work in this area were also highlighted. The Committee was advised that, in response to the information gathering exercise, PBNI had indicated a concern about its ability to fulfil its statutory functions and provide a safe probation service. Officials were however unable to provide further comment as, at the time of the oral briefing,

the Department had not received a response to the draft Budget from PBNI. Officials pointed out, however, that the draft Budget allocation to PBNI did not include Problem Solving Justice funding which has been included in the Department's baseline and will be allocated in-year. In addition, the Department will bid for Tackling Paramilitarism funding, under which PBNI's 'Aspire' and 'Engage' programmes are funded.

Troubles Permanent Disablement Payment Scheme

25. The Committee understands that funding for the actual payments to victims under the Troubles Permanent Disablement Payment Scheme does not fall within the Department of Justice's budget. Nonetheless, the Committee is keen to ensure that there is no undue delay in getting payments to victims and has been pressing for updates on any progress that has been made to secure funding for the payments for some considerable time.

26. As noted above, funding of £6.7m has been allocated to the Executive Office for the implementation arrangements for the scheme. Officials advised of their understanding that around £22m will be required for payment of the pension in the next financial year, which is not part of the draft Budget and no funding has yet been confirmed. The officials advised that the Minister of Justice's view is that that, while accountability for the scheme rests with the Executive Office, securing the funding for the payment of the pension should be a priority for the Executive.

Department of Justice Priorities

27. The officials advised that a prioritisation exercise will now be undertaken based on the flat cash budget, as the Department has not received all the funding that it required. The Committee has requested that it is updated on the outcome of that funding exercise.

28. The officials advised that the Department would ultimately seek to align resources with the Programme for Government. The Committee understands that a consultation on the Programme for Government draft Outcomes Framework is currently underway and the Committee will want to consider the budget allocations in this context.

Equality Impact Assessment

29. The impact of the budget on section 75 groups was considered by the Department as part of the information gathering exercise. When questioned by Committee Members, Departmental officials advised that, on the basis of the information provided by spending areas, a minor impact was considered across all section 75 categories and a full equality impact assessment was not deemed necessary. Equality screening will be considered again at the final budget stage.

Conclusion

30. The Committee will continue to focus on the key issues detailed above both as part of its scrutiny within the 2021-22 Budget cycle and in its wider scrutiny of the Department, its Agencies and NDPBs.

31. The Committee is currently undertaking Committee Stage scrutiny of two Bills and the Department has indicated its intention to bring forward further primary legislation within this Assembly mandate. The Domestic Abuse and Civil Proceedings Bill also passed final stage in the Assembly on 18 January and is awaiting Royal Assent. The Committee will wish to ensure that adequate funding is made available to ensure all the legislation is fully and properly implemented.

32. The Committee recognises the challenging budget position for the Department of Justice. Departmental officials have advised that some difficult decisions will have to be faced, considering the magnitude of the pressures

the Department faces. The Committee expects there to be ongoing engagement and that it is kept fully informed to help ensure that the Department's budget is maximised and key priority areas are funded to deliver effective outcomes across the Justice sector.