

**From the Office of the
Minister for Finance & Personnel**



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Thank you for your letter of 10 October on behalf of the Finance and Personnel Committee questioning the approach taken with secondees in the equal pay settlement and asking for an update on the cost of the settlement to date.

You have drawn my attention to paragraph 2 of a letter from Sir Bruce Robinson to the Public Accounts Committee which states that secondees continue to be civil servants and remain subject to NICS terms and conditions including pay. Throughout this letter Sir Bruce is referring to the secondment arrangements as outlined in the NICS Secondment Policy (Chapter 1.06 of the NICS HR Handbook). It is very clear in this chapter that these secondments are defined as temporary development opportunities where the parent department continues to be responsible for pay and allowances. This is entirely different from the more permanent arrangements put in place for other public bodies, for example the NIO group, where staff were notionally attached to DFP while concurrently seconded to bodies within the NIO group purely to maintain their status as Northern Ireland civil servants. In this particular situation, pay arrangements for these staff were delegated to the NIO group.

I explained in my letter to you dated 30 September that the NICS equal pay settlement was applied only to those staff for whom the NICS had responsibility for determining pay during the relevant time period. Those bodies that had a pay delegation (including NIO, PSNI, NDPBs etc.) were not entitled to the settlement lump sum. Pay determination is the key factor affecting eligibility for the NICS equal pay settlement, not civil service status.

You also asked for clarification on the total amount of money set aside for the equal pay settlement and confirmation of how much of this has been spent to date. The funding for the lump sum settlement payments of £129.1m was transferred to departments in the December Monitoring round in 2010-11, after the actual payments were known. Therefore there are currently no resources held by DFP in respect of the equal pay claim. To date £128.05 million has been paid out in lump sum settlement payments.

In February Monitoring in 2009-10 the Executive also agreed to allocate to departments funding of £29.6 million in respect of the arrears of the pay element of the claim (implemented in March 2010, with effect from February 2009). Future assimilation costs to the higher pay scales added costs of approximately £26m to the annual NICS pay bill, which has to be managed by departments without any additional resources.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sammy Wilson', written in a cursive style.

SAMMY WILSON MP MLA