

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



Department of

**Finance and
Personnel**

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Your reference:

Our reference: COR/324/2012

Conor Murphy MP MLA
Chairperson
Committee for Finance & Personnel
Room 419
Parliament Buildings
Stormont
BT4 3XX

25 June 2012

Dear Conor

Thank you for your letter of 31 May concerning the NICS equal pay settlement, in particular the exclusion from that settlement of former NIO and PSNI secondees and retired Northern Ireland civil servants. I note that the Committee has called on me to recommend that the equal pay settlement is extended to cover these cases, arguing that a settlement would reduce the risk of further litigation and avoid additional legal costs. You have also noted the Committee's belief that in future all NICS staff should be clear on the potential implications of secondment.

The equal pay settlement was negotiated on behalf of NICS departments only and 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 therefore not entitled to the settlement lump sum. The Departmental Solicitor's considered opinion is that there was a firm legal basis for excluding secondees to organisations which had delegated authority for pay. Likewise there is a firm rationale for using the cut off date in the agreement to determine eligibility for retired staff. This has been confirmed in the Industrial Tribunal by two claimants whose cases were determined to be out of time by the Tribunal.

While the Abdulla case to which you refer has established a right to bring an equal pay claim to the civil court, as opposed to an employment tribunal, even if this right is upheld by the Supreme Court it does not impact upon the need for a plaintiff to then establish their equal pay case or the validity of a breach of contract claim.

It remains our intention to defend all the pending county court cases on the basis that the settlement terms have a firm rationale. Settling the cases would not reduce any potential liability and therefore the estimated legal costs incurred in defending the claims would be relatively small compared to the large sums of public money you are asking me to pay to groups without legal justification. Since these issues are now the subject of legal proceedings it is not appropriate for me to comment further.

Finally, in relation to future NICS secondees, I can confirm that there is a secondment policy in place which clarifies the position with regard to the status of NICS terms and conditions during secondment. This policy makes provision for a secondment agreement to be jointly agreed between the secondee, the host organisation and the relevant NICS employing department setting out clearly the terms of the secondment. The arrangements previously in place, whereby DFP employed staff and concurrently seconded them to the NIO pay group under a technical arrangement to preserve their status as Northern Ireland civil servants, no longer exist.

Yours sincerely

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

SAMMY WILSON MP MLA