

9 November 2015

Shane McAteer Committee Clerk Committee for Finance and Personnel Northern Ireland Assembly Room 435 Parliament Buildings Stormont Estate Belfast BT4 3XX

Dear Shane

Legislative Consent Motion (LCM): Proposed Cap on Public Sector Exit Payments

I refer to your letter of 4 November 2015 in which you have asked the Equality Commission about any potential equality considerations in respect of the proposed cap on Public Sector Pensions.

I note that the proposal has been screened by the Department of Finance and Personnel. As you are aware screening is a tool to assist a public authority in providing tangible evidence as to how it has paid "due regard" to the promotion of equality of opportunity and "regard" to the desirability of promoting good relations. The purpose of screening is to filter and identify those policies that are likely to have an impact on equality of opportunity and/or good relations. Screening decisions must be informed by evidence, whether qualitative or quantitative. The analysis and presentation of impacts contribute to a public authority's compliance with the duties.

The Screening document has noted that there may be an adverse impact on long serving (older) members of staff. The Department has determined that the impact is minor and concluded that an Equality Impact Assessment is not necessary. The screening document indicates no impact on any of the other equality categories although it provides no evidence as to how these conclusions have been reached.

The Department of Finance and Personnel has access to a range of data across a number of the equality categories including that used in completing the NICS Article 55 Fair Employment Review and Gender Reviews; from this data, for example, it is known that the more senior the grade within NICS the more likely it is that staff will be male and

Protestant. There is no evidence in the screening document that this data or other analyses have been considered.

In a situation where, as at present, there is a voluntary exit scheme in place it is a matter for individual members of staff to decide whether or not to take a package based on their own individual financial circumstances. However in a situation where there is a compulsory redundancy there may well be a significant financial impact on individuals who would be subject to the £95,000 cap. NICS pay and equality data would enable further consideration of potential impacts for those with average salaries above £54,285 who are likely impacted by the proposal.

Additionally within the first three tranches of NICS staff leaving under the current voluntary exit scheme there may be equality data available to give some indication of the impact of the leavers across the various NICS grades. This will be important in informing future determinations on fair participation and any requirement for positive/affirmative action measures. A policy which may discourage more senior staff from leaving NICS may also have implications in relation to succession planning and the ability to see progress on increasing the proportions of under-represented groups in the more senior grades.

I hope that you find this helpful.

Yours sincerely

Eileen Lavery
Head of Advice & Compliance and Legal