



Northern Ireland
Assembly

Committee for Health, Social Services and
Public Safety

OFFICIAL REPORT (Hansard)

Northern Ireland Fire and Rescue Service:
Briefing from Former Officials

13 February 2013

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Ms Sue Ramsey (Chairperson)
Mr Jim Wells (Deputy Chairperson)
Mr Roy Beggs
Ms Paula Bradley
Mr Mickey Brady
Ms Pam Brown
Mr Gordon Dunne
Mr Samuel Gardiner
Mr Kieran McCarthy
Mr Conall McDevitt

Witnesses:

Mr Peter Craig
Mr William Gillespie
Mr Louis Jones
Mr Colin Lammey

Hansard was not provided with the first seven minutes of audio recording for this meeting.

Mr Colin Lammey: — that he may be running a business or helping his wife to run a business, and that was conflicting in any way with his duties in the Northern Ireland Fire and Rescue Service (NIFRS). He was a very, very competent and expert stores manager for the years that he worked under my direction.

The Chairperson: Thank you.

Mr Peter Craig: I think that it potentially could have been seen as a conflict of interest. Certainly, from my dealings with Mr McGrath, I would support that he was highly professional. Anywhere that Mr McGrath's name was mentioned in terms of the Fire Service, he was held in high esteem.

Mr William Gillespie: I saw very little of John McGrath, but on the two visits that I made to the stores, they appeared to be exceedingly well run. I was told by firefighters in a lot of stations about how well he looked after them in providing whatever personal protection equipment they needed to do their tasks. As I said, I was not aware, nor did I ever hear any suggestion, that he was conducting a private business. He appeared at a board meeting on 22 January 2008 and gave a technical presentation to members who were much impressed by his commitment and expertise. At the same time, his line manager, assistant Chief Fire Officer Wright, described his work as excellent.

The Chairperson: As three former Chief Fire Officers, should you not have been aware of the connection to the other business? He was a top stores man. If you did hear stuff, should you not have made it your business to find out whether any of that talk was true?

Mr P Craig: I will respond first of all. I had no knowledge of it, so I do not think that I am in a position to say what I would have done. The first time that I was ever aware of it — I looked after community development, which was a completely separate directorate — was when I saw the departmental report.

Mr Lammev: I worked with John McGrath in the Fire Service, and I knew him very well for maybe 15 years. In all the years that I worked with John McGrath, even as Chief Fire Officer, I never had a concern that he was not working at all times in the best interests of the Fire Service. I never had any concerns, suspicions or anything stronger that his activities outside the Fire Service were impacting in any way on what he was doing in his day-to-day work.

Mr Louis Jones: For seven years, my directorate was the operations directorate. There was not a direct connection with the stores manager. It worked through the technical directorate. So evidence of that never came to my attention. Mr McGrath was not there when I was the acting Chief Fire Officer, so I never saw any evidence of that.

The Chairperson: One of the things that the Minister said when he published these reports is that we need to learn lessons. We are all very clever with hindsight. However, should you have known that one of your top senior officials was involved in something that resulted in a report on the issue of stores management and stock control? Do you say, "Maybe I should have known that"?

Mr Lammev: As I said, I was aware that Mr McGrath's wife had that business. I knew that, in the Fire Service, he was actively involved in the procurement of uniforms and personal protection equipment, which his wife's company also dealt in. However, I could never see or point to a conflict in those two areas of Mr McGrath's life. I cannot sit here today and say that I did.

Mr McDevitt: The internal audit report states:

"We could not trace stock requisitioned from NIFRS through to the stores system. System records were very poor and there was no reconciliation between the stores system and the finance system ... There was also no way of checking whether requisitioned goods had been brought into the stores."

I propose to start with Mr Gillespie, as chairman of the board. How could you be impressed with any system that is as fundamentally flawed as that?

Mr Gillespie: We have a non-executive board. I was a non-executive on that board. We were not involved in the intimate detail of work in the store. I cannot recall the date, but we had an internal audit report on the store that was satisfactory. We could not personally go and check the records.

Mr McDevitt: Who do you think failed the Northern Ireland Fire and Rescue Service here? Apart from the allegations that the Chair has made about Mr McGrath's external financial interests, who do you think should have been checking something as simple as the systems records in your stores?

Mr Gillespie: Possibly his immediate line manager.

Mr McDevitt: Do you think that this is just a middle management problem and something at a low level?

Mr Gillespie: Yes, I think that that is so. You could not expect the board to be involved in the intimate details of running the store.

Mr McDevitt: Your board has an audit committee, does it not?

Mr Gillespie: It did, yes.

Mr McDevitt: Did that audit committee have statutory duties in corporate governance terms?

Mr Gillespie: Yes.

Mr McDevitt: Do you feel that it met those duties?

Mr Gillespie: I feel that largely it did, yes. I do not think that its duties extended to checking the records of the stores.

Mr McDevitt: It says that there were no system records.

Mr Gillespie: With respect, I do not think that that is an item that you would expect non-executive board members to get involved in. They depended on audit reports and reports from the then Chief Fire Officer that all was well.

Mr Brady: This question is probably for you, Mr Craig, because I think that the dates are relevant to your tenure as Chief Fire Officer. Paragraph 12 of the report states that an internal audit review of stores was carried out in August 2011 and made 11 recommendations to improve control. A follow-up exercise was done in May 2012 and found that only four of those recommendations had been implemented. Do you not think that, in your position, it was incumbent on you to ensure that the recommendations were carried out? There were 11 recommendations, and seven of them were not implemented.

Mr P Craig: I would have liked all the recommendations to be implemented, but these processes take time. We did not sit idly. They were moved forward. In a perfect world, I would like everything to be done instantly. However, running in parallel with this, the organisation was dealing with an awful lot of legacy issues. We had people in charge of stores. I had a director who looked after that store on a day and daily basis. It is perfectly reasonable that, in his day and daily business, it was incumbent on him to ensure that that was moved forward. That is the role of that individual. ACO Doyle, the assistant Chief Fire Officer at that time, did not report any issues to me, so I was confident that they were moving forward.

Mr Brady: Are you confident that the other recommendations were implemented after that follow-up? You are really saying that the logistics and timescale made it difficult to implement all the recommendations. However, are you confident that the other seven recommendations were eventually implemented?

Mr P Craig: I am confident that they would have been implemented eventually. There are procurement issues and procedures in place. There are tendering arrangements, etc, to buy in what could be significant bulks of IT systems, and so on. That does not make it right that there was a delay. I wanted to move forward as quickly as possible, but we have to go through due process.

The Chairperson: I am going to take some questions on the second report, which is on the firefighter recruitment campaign.

Mr Gardiner: My question is to Mr Craig. Peter, you were the Chief Fire Officer when the recruitment campaign took place. Were you aware that the then assistant Chief Fire Officer had changed the recruitment process to allow for an appeals process and the creation of a reserve panel of candidates?

Mr P Craig: I was aware that issues and difficulties became apparent as the process moved forward. People had indicated that they were not happy with one or two of the processes. We were under an awful lot of pressure from political representatives and a range of people to review the process whereby people had missed dates for a range of issues. In my tenure as Chief Fire Officer, I had set up a workforce planning group chaired by the current interim Chief Fire Officer, Mr Kerr. I had confidence in Mr Kerr and the people who sat on that committee — namely, HR, finance, the ACO and a range of other experts — to take the issue forward. I am as confident as I can be that those appeals were put in place because of genuine reasons and concerns and to ensure that we were treating everybody in Northern Ireland fairly and equitably as the process moved forward.

Mr Gardiner: So you did authorise a change.

Mr P Craig: No, I did not authorise it, but I was aware of it.

Mr Gardiner: Do you believe that the then assistant Chief Fire Officer would have taken it on himself to change the recruitment process?

Mr P Craig: You would have to address that to him.

Mr Gardiner: Are you not aware of it?

Mr P Craig: Aware that he changed the recruitment process?

Mr Gardiner: Yes.

Mr P Craig: I was aware that he had discussions with HR representatives when people indicated that there were problems. However, as for actually changing the process, I was not aware of that, no.

The Chairperson: In your answer to Mr Gardiner, you indicated that you were aware that things were changing. You are saying that you did not authorise those changes.

Mr P Craig: There were a lot of issues coming at us. There were complaints from the public and letters from public representatives and politicians representing their constituents, etc. Each one of those had to be looked at on its merits. If we made a mistake, we had to be honest and transparent and say that we did.

The Chairperson: Different parts of these reports seem to indicate a lack of leadership at a management level. Granted the then assistant Chief Fire Officer is not here, but I am picking up that you are saying that he made the changes. Did you authorise those changes?

Mr P Craig: No, not specifically.

The Chairperson: There was an issue about leadership then. Somebody at assistant Chief Fire Officer level believed that he or she could make changes without the Chief Fire Officer or the chair of the board knowing.

Mr P Craig: It would appear that that individual thought that. That said, I am confident that that individual would not have done that without the best intentions.

The Chairperson: So there seemed to be a laissez-faire attitude to procedures —

Mr P Craig: No, I would not say that there was a laissez-faire attitude.

The Chairperson: It happened.

Mr P Craig: I accept that it happened, and I take full responsibility, if I have to, that it happened. At the end of the day, the project management and the running of that had been delegated to the assistant Chief Fire Officer. If he was making procedures, I am absolutely astounded that he did not think that it was important to come forward and let me know, as the Chief Fire Officer and the accounting officer. I cannot answer as to why he did not do that.

The Chairperson: Let us look at the third report, which deals with whole-time recruitment, overtime and expense claims.

Mr Dunne: Thank you very much, gentlemen, for coming along today for what is a rather difficult session for all of you. Peter, with regard to the recruitment, overtime and expense claims assessment of 21 August 2012, a decision was made that the recruitment process would be led by uniformed staff rather than by the human resources staff. That was the first time that that had happened. Who made that decision and why?

Mr P Craig: The corporate management team (CMT) would have made that decision collectively. We had a period of massive instability in the organisation. We had gone through several chairmen and

board changes, I had run for some considerable time with an acting head of HR, and I had no substantive principal officers for a considerable time. Until recently, I had no substantive area command staff. So there was a lack of continuity in the organisation. Working with the corporate management team, I then looked to see who was there who could provide that stability, and, following discussions with our HR representatives and with their support — they were engaged fully in this — we decided to appoint assistant Chief Fire Officer Doyle as the project lead in that to take it forward.

Mr Dunne: Do you accept that that was a significant change from normal procedures?

Mr P Craig: I think that we were working in a period of flux and change. Ideally, I would have liked to have appointed the project to the director of HR. I had an acting head of HR who was on secondment on a month-by-month basis, and she could have been called back by her own employers or opted to go back herself and, in and around July, that is indeed what happened. I still had issues around a strategic review of HR that had not been taken forward, and those issues had to be addressed as well. It was difficult, but I made an honest decision and, I think, the best decision that I could, given the situation that I found myself in.

Mr Dunne: Had you discussed it with anyone at a more senior level, even up to Department level, that you were making that decision?

Mr P Craig: I cannot remember whether we discussed it specifically with them. However, departmental officials attend nearly every one of our board and subsequent subcommittee meetings. Those discussions were covered at those meetings. Therefore, I am absolutely confident that the Department was fully aware of what was going on and how we were trying to move it forward. The key issue for me was that we had an overtime bill that was spiralling out of control, we were below our establishment, I had an obligation to ensure that we ran an efficient and effective Fire and Rescue Service for the community in Northern Ireland, and we needed firefighters to do that.

Mr Dunne: Would it be fair to say that the departmental representatives were at the board meetings and continued to be part of the discussion team?

Mr P Craig: That is correct, yes.

Mr Dunne: Were they always active in the discussions?

Mr P Craig: No; they sat as observers. However, they attended committees, board meetings and any relevant subcommittees. There was a fairly tight overview of everything that went on.

The Chairperson: It was not that tight because we are able to look at four reports in which there are issues. It was not that tight.

Mr P Craig: That is a matter that you would need to take up with the Department.

The Chairperson: We have, and we will continue to do that, but you cannot say that there was a tight overview from the Department since we are now dealing with reports into allegations, some of which have been substantiated in these reports.

Mr Dunne: Were you aware of the payment principles established by the assistant Chief Fire Officer for staff involved in the process?

Mr P Craig: No. At CMT, we asked them to go away and cost it and keep us informed. When the actual specifics of the breakdown became available — when the overtime claims came in — it then became apparent that the assistant Chief Fire Officer had introduced a remuneration package that he had not discussed with me and was certainly not approved by me.

Mr Dunne: You were not aware of it?

Mr P Craig: No. It was not discussed with or approved by me.

Mr Dunne: Had it come to the board at any time?

Mr P Craig: No.

Mr Dunne: So the board was not aware of it?

Mr P Craig: Not that I am aware of, no.

Mr Dunne: Were any minutes kept of a board meeting that it may have been before?

Mr P Craig: I do not know. I do not recall going into that level of detail at any of the board meetings.

Mr Dunne: That level of detail? OK.

The report states that the Chief Fire Officer, as accounting officer, has overall responsibility for maintaining a sound system of internal audit. How do you feel that you performed in relation to that?

Mr P Craig: The report also states that I had delegated that to the ACO. If the ACO had reported on the remuneration packages, I would have acted on my responsibilities as the accounting officer. I think that I did the best that I could on the information I had. Clearly, when the payments came through, I queried them in my role.

Mr Dunne: When queries came through. You had a responsibility as chief accounting officer.

Mr P Craig: Correct.

Mr Dunne: So you were not aware of a lot of the issues?

Mr P Craig: You have already asked me whether I was aware of the remuneration package. The answer is no, I was not.

Mr Dunne: You were the chief accounting officer.

Mr P Craig: I accept that, but I was either aware of it or I was not. Mr Doyle, for whatever reason, did not report that methodology of payment to me or through CMT.

Mr Dunne: Is it fair to accept the general principle that you can delegate responsibility but you cannot delegate accountability? Do you accept that?

Mr P Craig: I accept that fully.

The Chairperson: We will move on to the fourth report.

Ms Brown: Thank you, gentlemen, for your attendance here today. I have a question for Mr Gillespie about the bonus payments. Were you, as chair of the board, aware of the delegated limit set by the Department for payments?

Mr Gillespie: Yes.

Ms Brown: Were you aware that the payment of £15,200 was above the delegated limit of £5,000 and would, therefore, have required approval from the Department?

Mr Gillespie: We did not make a payment of £15,000. We made four payments, each of which was under the delegated limit. I have a presentation about that today.

The Chairperson: Are you saying that the audit report is wrong?

Mr Gillespie: Yes.

The Chairperson: The report that the Minister has produced to the Assembly is wrong?

Mr Gillespie: I am challenging that.

The Chairperson: Did you say that you have evidence that shows that?

Mr Gillespie: I do not necessarily have evidence. I have views and facts that I want to put before you about it.

The Chairperson: So you are challenging the figures in the report that the Minister brought to the Assembly?

Mr Gillespie: Yes. Everybody was silent for four years, and then suddenly it was declared irregular. We made four payments, carefully calculated to be under £5,000 each. I well remember the remuneration committee thinking of giving the four uniformed officers 5% instead of 4%, which would have given the Chief Fire Officer more than £5,000, so we brought it down to 4% so that each payment would be within the delegated limit. So I am challenging that, and if you give me the opportunity, I would like to explain that in more detail.

The Chairperson: I have other questions, so I will give you an opportunity at the end to come back to that, but that is interesting.

Ms P Bradley: Thanks for joining us this afternoon. My questions are for you, Colin, and are related to the unapproved sponsorship and the issue of the Land Rover. When did you become aware that Mr Craig had acquired the Land Rover?

Mr Lamme: I do not know the exact date, but I saw it in the car park of Fire Service headquarters.

Ms P Bradley: How long after that did you instruct Mr Craig to return it?

Mr Lamme: On the same day.

Ms P Bradley: Were you aware, at any time, that he did not comply with what you had instructed him to do?

Mr Lamme: No, not until I heard the Minister in the Assembly with the reports.

Ms P Bradley: So you believed that it had been returned to the provider.

Mr Lamme: That is correct.

Mr Wells: Can we move further on the issue of the Land Rover? Mr Craig, why did you accept sponsorship in the form of a Land Rover?

Mr P Craig: At the time, I had been involved in some community safety work. A key issue was trying to deliver a process whereby we could get that message out to the "target audience", for want of better terminology. The Land Rover was a vessel that we could use to deliver community safety messages to young people in Northern Ireland to teach them about the consequences of road traffic collisions. Sponsorship of that sort is not unusual in the British Fire Service. Other services have done it. We were dealing, at the time, with limited vehicles and no safety vehicles. It was an opportunity for the Fire and Rescue Service to get a vehicle to allow community safety officers to go out and deliver a vital community safety message at a time when, quite frankly, hundreds of people were being killed or injured on our roads.

Mr Wells: The supplier of the vehicle, the identity of which is known to everybody on the Committee, was or could have been a supplier of other vehicles to the Fire Service. The sponsor of the vehicle was not a company that was unconnected to the Fire Service.

Mr P Craig: My understanding is that each of the Charles Hurst branches runs a separate franchise. Clearly, if there had been any conflict of interest — I remember having discussions with Mr Lamme on this — I would have declared that. I fervently believe that, if there had been any wrongdoing, I would have flagged that up.

Mr Wells: There can sometimes be a conflict of interest or the perception of a conflict of interest. Clearly, if you accept a vehicle from Charles Hurst — you have named it as indeed being the supplier — and the Fire Service subsequently buys a fleet of vehicles from the same company, whether or not there is a conflict of interest, the perception would be that the fact that you have accepted sponsorship from the same company could create a false impression among the public if they see other Charles Hurst vehicles in Fire Service livery.

Mr P Craig: I had absolute confidence in the Northern Ireland Fire and Rescue Service's procurement processes that everything would have been done in an open and transparent manner and best value for the organisation would have been delivered.

Mr Wells: Obviously, Mr Lammey had a problem with it. He perceived a conflict of interest and instructed you to return the vehicle to Charles Hurst. Do you recall that?

Mr P Craig: He told me to return it to the supplier, yes.

Mr Wells: Did you understand that instruction?

Mr P Craig: Yes.

Mr Wells: The vehicle was not returned to Charles Hurst. The vehicle remained in the control and ownership of the Fire and Rescue Service.

Mr P Craig: It did not.

Mr Wells: Where did the vehicle go?

Mr P Craig: My recollection and understanding is that the Chief Fire Officer, Mr Lammey, told me to return the vehicle. I returned the vehicle to the media supplier. The Chief Fire Officer issued that instruction days after he had indicated his intention to retire, which he was quite entitled to do. I fervently believed, and still believe, that a vehicle of that type was of benefit to the Northern Ireland Fire and Rescue Service. I said to our media supplier that I wished to maintain an interest in that and that when the new Chief Fire Officer was appointed, we could approach him to see whether he was interested.

I wish to make it quite clear that as I was procuring the Land Rover, I followed procedures and checked with the director responsible for procurement and the director of finance that I had acted accordingly and correctly.

Mr Wells: So the reason why you did not return the vehicle, in the sense of relinquishing all interest in the vehicle on behalf of the Fire Service, was the fact that your line manager, the Chief Fire Officer, had announced his intention to retire. If my Chief Whip issued an instruction to me in this Building and then announced that he was going to step down and take on some other role in the Assembly, that would not absolve me of the obligation to carry out his instructions.

Mr P Craig: I did carry out his instruction.

Mr Wells: Did you? Where did the vehicle go? Where was the Land Rover stored?

Mr P Craig: The Land Rover was returned to Ardmore, the media suppliers. It stored it, as I understand, in its secure store.

Mr Wells: To me, to relinquish control of that vehicle would be to give up all control, interest or availability of that vehicle. It was being kept in cold storage at Ardmore; it came back.

Mr P Craig: It came back when I was appointed substantive chief. I was asked: did we still have an interest in it? I fervently stand on the belief that we did. I then rechecked with my director of finance and my procurement officer. I was told that everything was in order. As a part of the chief's report, I informed the board that we were going to move forward with this and with another vehicle that was procured. Everything, as far as I was concerned, was open and transparent.

Mr Wells: Who taxed and insured the vehicle whilst it was in storage at Ardmore?

Mr P Craig: I have absolutely no idea. We certainly did not.

Mr Wells: My understanding is that Mr Lammey's instructions were to get rid of the vehicle. Full stop. Period. You decided to take it upon yourself to put it into cold storage for a period. You still had a right to it and control of it; no one else was using that vehicle. It is not accessible to anybody except the Northern Ireland Fire and Rescue Service.

Mr P Craig: I do not wish to argue with you. I fully respect your position. However, it was not accessible to the Northern Ireland Fire and Rescue Service either. It was returned, as the chief instructed, to the media supplier.

The Chairperson: When you were told to return it, why was it not returned to Charles Hurst? What has Ardmore got to do with it? Where is the involvement of Ardmore?

Mr P Craig: Ardmore is the media supplier that secured the sponsorship arrangements in —

The Chairperson: So, when the Land Rover was given, who brought the Land Rover? Who gave you the Land Rover?

Mr P Craig: How do you mean?

The Chairperson: Who provided the Land Rover?

Mr P Craig: Charles Hurst provided it to Ardmore to allow it to come to the Northern Ireland Fire and Rescue Service for us to deliver community safety education.

The Chairperson: You are saying that the Land Rover did not come directly to the Fire Service, but came through Ardmore.

Mr P Craig: That is correct.

The Chairperson: So when you were told by your line manager at the time that the Land Rover needed to be returned, you say that you returned it to Ardmore.

Mr P Craig: I returned it to Ardmore; that is correct.

The Chairperson: And it stayed in cold storage?

Mr P Craig: I returned it to Ardmore.

Mr Wells: When you then became Chief Fire Officer, did you seek permission from the Fire and Rescue Service board to bring the Land Rover back?

Mr P Craig: I spoke to the director of procurement and the director of finance, and they recommended that I advised the board that we were taking delivery of the Land Rover and another vehicle, which we used for Driving Change. I did that at a board meeting; I cannot tell you the date. It was part of the chief's report. I was able to tell the board that we were taking delivery of it.

Mr Wells: So, somewhere in the minutes should be a line that the board considered that and agreed to the return of that vehicle.

Mr P Craig: I was informing the board. I was not asking for its approval, but I certainly raised it at the board meeting.

Mr Wells: Board minutes are kept.

Mr P Craig: I am sure they should be, yes.

Mr Wells: Mr Gillespie, were you the chairman of the board at that stage?

Mr Gillespie: No.

Mr Wells: You were not. So we cannot ask you whether you were aware of that.

It strikes me that Mr Craig initiated a series of steps whereby, frankly, the Land Rover never left the control of the Fire Service. It may have gone back to Ardmore, who were your PR consultants, as it were, but it was kept in such a way that you knew that, as soon as Mr Lammey retired, either you as the new Chief Fire Officer or whoever else got the job could then bring it back into service with the Fire Service. To me, giving it back would have meant that it went back to Charles Hurst, was stripped of all its logos then sold on to someone else for other use. That did not happen. It still was effectively under the control of the Fire Service while it was in storage.

Mr P Craig: I do not agree that it was under the control of the Fire Service. It was returned to the media suppliers.

Mr Wells: Was Mr Lammey told before he left that you had not agreed with his instructions and that it had gone into cold storage at Ardmore? Was he aware of that?

Mr P Craig: I do not think he was. I believe that I complied with the chief's instructions, and I returned it to our media suppliers.

Mr Wells: I will ask Mr Lammey. When you issued that instruction, what was your understanding of what you told Mr Craig to do?

Mr Lammey: That the Land Rover would be returned to Charles Hurst, stripped of its logos and sold on to somebody else.

Mr Wells: Therefore, at no stage would it be available for the use of the Fire Service.

Mr Lammey: That is correct.

Mr Wells: What was the thought process that made you believe that you had to give those instructions? Why did you decide that you had to do that?

Mr Lammey: I saw the seeking of sponsorship for the Fire Service as something similar to a procurement exercise, in that we should have made it known that we were looking for sponsorship of a particular type of vehicle, not a Land Rover, because you would start to target a small number of suppliers. We were looking for the use and support of a certain type of vehicle for a couple of years. I cannot say that that should have gone out to open tender, but to open announcement, so that all suppliers of such vehicles in the UK would have an opportunity to come forward and say, "We have such a vehicle that meets your needs. We would be prepared to sponsor you with that vehicle." Or, "We have several vehicles that might meet your needs, and we will give you use of three or four of them for a two-year period, or whatever." So, I was very concerned that the seeking of sponsorship for the Fire Service was done in an open and transparent manner, so that all suppliers around the country of such vehicles, not even particularly Land Rovers, would have an equal opportunity to put their bid forward.

Mr Wells: Mr Craig, having heard all that, if you were still Chief Fire Officer, would you have accepted a vehicle under the same circumstances? In other words, would you do this again?

Mr P Craig: Yes.

Mr Wells: So, if Charles Hurst came along and said —

Mr P Craig: No. Colin is entitled to his opinion; I respect that. When Ardmore was appointed, we went through a tender process. Part of that process and evaluation criteria for appointing Ardmore was its ability to secure sponsorship and added value for the Northern Ireland Fire and Rescue Service. First, Ardmore was required, as part of its terms of contract, to do that. Secondly, I know that

Ardmore did write to a range of suppliers across Northern Ireland about a lot of issues. It was Ardmore that approached me to say, "We have somebody who is interested. Here is a vehicle."

Mr Wells: Paragraph 4.3 of the report states that you stated, in an interview, that you had made a genuine mistake in not having the Land Rover returned to the suppliers as instructed. That seems to be somewhat at odds with your statement that you would do it all again.

Mr P Craig: I thought I was trying my best to deliver something to improve the safety of young people in Northern Ireland. That is probably what I meant by "genuine mistake". I thought that I had complied with all the requirements and instructions. If I did something wrong, and I am not sure that I did, it would have been a genuine mistake. I still believe that I was open and transparent. I did not gain anything. Nobody gained anything by the supply of that Land Rover, other than the community of Northern Ireland. Young people could have gained, if we had gone out and been able to deliver community education.

Mr Wells: I have two final questions. Can you understand why someone looking from the outside into the Fire and Rescue Service at that time could have possibly had doubts about whether it was correct to take a sponsorship prestige vehicle from a company that also supplied other vehicles to the Fire Service? Can you understand how people might perceive that as being a conflict of interest?

Mr P Craig: I can see why people would perceive that. I am not sure that they supplied other vehicles to us, though.

Mr Wells: So there were no Land Rover-type vehicles —

The Chairperson: Tyres.

Mr Wells: — or tyres — supplied to the Fire Service during the entire period. There must be other similar vehicles in the Fire Service.

Mr P Craig: Yes, but I am not sure whether they were supplied by Charles Hurst.

Mr Wells: So we do not know who exactly supplied those tyres.

Mr P Craig: Well, I do not know.

Mr Wells: But you could see why —

Mr P Craig: Sorry; are we talking about tyres or —

Mr Wells: Tyres.

Mr P Craig: I was not aware. The tyre issue was completely run and managed by another director.

Mr Wells: I think that a reasonable person looking from the outside could see a potential conflict of interest here.

Mr P Craig: I respect your opinion.

Mr Wells: Yes, but I think that you thought that as well at some stage, because you said that you felt there was a mistake. I get the impression that you are having your cake and eating it on this one, to some extent. Do you feel that accepting a vehicle in this way could ever be justified again in the future, given the perception, as well, perhaps, as the reality of a conflict of interest?

Mr P Craig: The public sector is being forced down the road of looking for opportunities to use partnerships with commercial companies to deliver best value for the public of Northern Ireland. Lots of fire services do it. During the Olympics, London Fire Brigade was supplied with BMWs through sponsorship. Northumberland and Devon are involved in sponsorship. I know of other community safety vehicles that were supplied by sponsorship. I accept Colin's reservations now, but as long as

we are clear, transparent, fair and equitable, I think you will see this in all branches of the public sector in the future.

Mr Wells: Talking of transparency, did you know that the vehicle was being stored by Ardmore, still with its full livery, at its premises? Did you know that?

Mr P Craig: Yes.

Mr Wells: So, having been instructed by Mr Lammey to get rid of it, to get rid of all the gear and all the logos, and to get it back to Charles Hurst, you knew —

Mr P Craig: No. I am quite clear that the instruction from the chief was to return it to the suppliers, and I did that. I complied with the chief's instructions.

Mr Wells: To most reasonable people, that would have been Charles Hurst. That would be the last time that there would be any further interest in this vehicle. You knew that it was in cold storage, under lock and key and hidden somewhere, and that does create doubt in people's minds —

Mr P Craig: No. I knew that it had been returned to the suppliers.

Mr Wells: You knew that it was in Ardmore, under lock and key, with full livery, sitting ready to come out again to work for the Fire Service.

Mr P Craig: No. I knew it had been returned to the suppliers. They had asked me what was happening. I said that we could do nothing and that nothing would happen until the new chief was appointed and that we would, at that stage, take it forward.

Mr Wells: That indicates to me that you understood that there had to be a permanency about the removal of the vehicle, but you wanted it in cold storage.

Mr P Craig: I cannot argue. That is your opinion; I do not agree with it.

The Chairperson: Mr Craig, did Ardmore come to you and say that it had a Land Rover supplied by —

Mr P Craig: Yes.

The Chairperson: So, Ardmore, which worked for the Fire Service, came to you, said that it had a Land Rover and asked whether you thought you could use it?

Mr P Craig: It came along —

The Chairperson: OK. Why did they not go to you, Mr Lammey? You were the boss at the time.

Mr Lammey: Yes, but, as the chief, I did not have day-to-day dealings with Ardmore. I oversaw the organisation, as other witnesses will explain.

The Chairperson: That is fair enough. So, you find out that the Land Rover is supplied by, in your opinion, who? Charles Hurst or Ardmore?

Mr Lammey: Charles Hurst, in my opinion.

The Chairperson: So, your opinion, as the Chief Fire Officer, is that you see a Land Rover, not provided by Ardmore but by Charles Hurst, and your instinct is return that Land Rover to the supplier. Who did you believe the supplier was?

Mr Lammey: Charles Hurst.

The Chairperson: The Land Rover was never returned to the supplier; it was returned to Ardmore. We can get into the semantics and play on words about who you believe was the supplier.

Whatever was going on, did you not value his opinion, as the Chief Fire Officer and your line manager, and say that maybe he was right and that the situation could be seen as being underhand or not right or not transparent?

Mr P Craig: I always value his opinion, but I made it clear. I told him that we had followed due process and procedure. He looked at that, made a decision and told me to return it to the supplier, which I did.

The Chairperson: Then the minute he retired, it was back in again.

Mr P Craig: It was not the minute he retired. It was 14 months afterwards, I think.

The Chairperson: You do not know whether the Land Rover was taxed and insured while it was in lock-up?

Mr P Craig: I returned it to the suppliers.

The Chairperson: So, when it returned to you through Ardmore, I am assuming, was it taxed and insured?

Mr P Craig: Yes.

Mr McCarthy: On that, paragraph 4.3 of the report states that during the interview, you stated that you made a genuine mistake in not having the Land Rover returned to the supplier as instructed. What was the mistake? Does that mean that you regret your actions, Mr Craig? Or, did you not understand the instruction that had been given to you?

Mr P Craig: I regret my actions.

Mr McCarthy: That is fine. That is what I wanted to know. Thank you.

Mr McDevitt: Mr Craig, who was the head of internal audit when you were chief?

Mr P Craig: Deborah Reynolds.

Mr McDevitt: Who was the director of finance during that time?

Mr P Craig: Terry McGonigal.

Mr McDevitt: Who did the head of internal audit report to?

Mr P Craig: Me.

Mr McDevitt: What was the relationship between the head of internal audit and the director of finance?

Mr P Craig: How do you mean?

Mr McDevitt: Was there any management or professional relationship between the two?

Mr P Craig: They worked together on a daily basis.

Mr McDevitt: Was the head of internal audit part of the director of finance's team?

Mr P Craig: No.

Mr McDevitt: OK. So she had no line responsibility or duty to the director of finance?

Mr P Craig: No.

Mr McDevitt: OK. One of the allegations substantiated in the report is allegation 9 — completion of Department of Finance and Personnel (DFP) fraud returns. Paragraph 6.1 of the report found that, despite you being made aware that whistle-blowers had made allegations regarding financial practices, you did not include reference to that in the 2010-11 DFP annual fraud return. Did you not know that there were guidelines on the reporting of fraud under "managing public money"?

Mr P Craig: Yes.

Mr McDevitt: Do you accept that it is your responsibility as accounting officer to ensure that those guidelines are followed?

Mr P Craig: Yes.

Mr McDevitt: Why were they not followed?

Mr P Craig: I believe that I did everything that I could on the information I had available to me at that time. I received two third-party reports of issues that were not detailed in that they did not specify whether fraud had actually occurred. I then met my head of internal audit and asked her what I needed to do. She advised me to report it to the Department, and I did. I phoned Mr McCann at the Department, and also wrote to him to say that there was an ongoing complex issue and that I had some issues reported to me that may well need to be reported as part of the DFP fraud returns. I told him that, when those investigations were complete, if that proved to be the case, we would do that.

Mr McDevitt: What date did you write to the Department on?

Mr P Craig: I cannot remember. I think it is in the report.

Mr McDevitt: It is. I am asking you; you are here as a witness. What date did you write to it on?

Mr P Craig: I would have to refer to the report.

Mr McDevitt: Please, go ahead.

Mr P Craig: Can you tell me what page it is on, please?

Mr McDevitt: It is on page 11 of the report.

Mr P Craig: On 1 June.

Mr McDevitt: OK, so you wrote to the Department on 1 June 2011. Maybe you could just read the next paragraph of the report — paragraph 6.2.

Mr P Craig:

"The CFO told us that he had tried to find a transaction which was referred to him in February 2011 during the investigation of a complaint of harassment but he was unsuccessful. However, a member of NIFRS procurement staff had no difficulty locating the transaction when we enquired. The CFO also told us that —"

Is that enough?

Mr McDevitt: No, keep going.

Mr P Craig:

"The CFO also told us that it was his intention to have all of these issues independently investigated together when all of the individual complaints processes had been finalised. He

stated that he was in the process of arranging this when he was asked by DHSSPS in a letter dated 28th November 2011 not to proceed."

Mr McDevitt: So, basically, you wrote to a letter to the Department on 1 June. The Department then wrote to you on 28 November. Is it a fair assumption that you had not done very much about it between 1 June and 28 November?

Mr P Craig: It is not a fair assumption.

Mr McDevitt: What exactly did you do that is not captured in the report?

Mr P Craig: What I did was continue with my governance role in what were complex complaints that were being dealt with by people within my organisation and were being moved forward.

Mr McDevitt: Can you point to one piece of documentary evidence to suggest that you were fulfilling your governance duties between 1 June and 28 November that year?

Mr P Craig: How do you mean?

Mr McDevitt: Is there a paper trail? If you were following those matters up, are there a series of memoranda or e-mails? Are there records of phone calls or of meetings? Are there minutes? Is there any paper trail, Mr Craig, that you can point to in order to satisfy me that the finding outlined at paragraph 6.2 in that report is erroneous?

Mr P Craig: I certainly made contact in the letter to the Department.

Mr McDevitt: That was on 1 June. I know that, because it is my birthday, so I remember that date. So, 28 November —

Mr P Craig: And some other correspondence of conversations that I had with departmental officials.

Mr McDevitt: On what dates did you have those conversations?

Mr P Craig: I do not know. I do not have that with me.

Mr McDevitt: Is there any record of them?

Mr P Craig: When I retired from the Northern Ireland Fire and Rescue Service, I left all my records in the service, because I wanted to make sure that there was an audit trail.

Mr McDevitt: It is fairly reasonable to assume that the records of those conversations, if they did take place, would have been available to the audit team?

Mr P Craig: I assume so; yes.

Mr McDevitt: They are not captured in the report, Mr Craig, which means that we have a bit of a problem. You say that you were working away, but the people who carried out the audit report cannot find any evidence that you were.

Mr P Craig: I was working away. The organisation was trying to resolve those issues.

Mr McDevitt: The report states that the head of internal audit had advised you to launch an internal investigation into the allegations made by the whistle-blowers in relation to financial practices. Why did you not have these allegations investigated promptly?

Mr P Craig: I made it quite clear when I spoke to the auditors, and it is in the report, that, on completion of all the information being gathered about a lot of complex issues, we were going to take it forward. We had the agreement of the permanent secretary to move it forward through a third party — an independent individual — openly and transparently, so that everybody involved could see that no internal deals had been done.

Mr McDevitt: Mr Craig, can you understand that, after the answers that you gave to Mr Wells about the fact that the Land Rover was acquired in circumstances that caused Mr Lammey to be so concerned that he ordered its immediate removal, those circumstances would clearly question the judgement of the senior executive involved in making the decision on whether to accept it — that is you and the director of finance, as you have told us. Then, —

Mr P Craig: No, and the director of procurement.

Mr McDevitt: OK. So, there were three senior officials in the service: the director of procurement; the director of finance; and you. All of them bypassed what would be accepted public procurement procedures in order to acquire the Land Rover.

Mr P Craig: I do not think we bypassed —

Mr McDevitt: You do not think that you bypassed them? OK, well, given that the report finds otherwise, and that it further finds that, at a similar period in time, you failed to meet your accounting officer duties in the completion of fraud returns, do you not think that we and the public might reasonably assume that you, in fact, were just not in control of the Fire Service at that time?

Mr P Craig: No.

Mr McDevitt: So, can you point me to just one piece of evidence that would make me feel that allegation 9, which is substantiated in the report, should have been unsubstantiated?

Mr P Craig: The bottom line is that those complaints were hearsay, passed on by third parties, and were unsubstantiated. The second one had absolutely no detail in it at all. It was passed to me by an individual just saying, "Look, there has been a complaint made. They have not told me what it is or what it is about. I just think that you need to be aware of this." I then spoke to the head of internal audit and told her about these. Northern Ireland Fire and Rescue Service headquarters is a very small area with lots of people who have very close relationships with other individuals. I then thought, "How can I possibly put into a DFP return —

Mr McDevitt: Hold on. Stop there. When you spoke to the head of internal audit, she gave you some professional advice.

Mr P Craig: To report it to the Department.

Mr McDevitt: To investigate it.

Mr P Craig: To report it to the Department.

Mr McDevitt: To investigate it.

Mr P Craig: To report it to the Department.

Mr McDevitt: So, you challenge her assertion that she advised you to launch an investigation into the allegations made by whistle-blowers in relation to financial practices?

Mr P Craig: No. In the first instance, she told me to report it, which I did —

Mr McDevitt: Did she or did she not —

Mr P Craig: I am confident —

Mr McDevitt: Mr Craig, please. Did she or did she not advise you to launch an investigation?

Mr P Craig: There was an investigation ongoing, and I made it quite clear —

Mr McDevitt: I want you to answer that question very specifically. Did she or did she not advise you to launch an investigation?

Mr P Craig: Yes, she did.

Mr McDevitt: Did you?

Mr P Craig: Yes, I did.

Mr McDevitt: Where is the evidence of that?

Mr P Craig: The evidence is in the response that I gave to the auditors that this was all part of all these complex issues that had been going on prior to me coming forward, and, once all that information had been gathered, we could hand it to an independent individual, who would thoroughly investigate it, and I advised the Department —

Mr McDevitt: Clearly, we have different definitions of "investigation" here.

The Chairperson: I want to follow up on that. Mr Craig, you mentioned that you reported it to the Department. Who, in the Department, did you report it to?

Mr P Craig: Mr McCann.

The Chairperson: What did he say to you?

Mr P Craig: He said to let them know in writing, which I did.

The Chairperson: Did they come back and say —

Mr P Craig: They did not come back with anything to the contrary.

The Chairperson: OK. Just a couple of other points. Mr Jones, in your correspondence to the then chair, Mr Coleman, you made a recommendation that, should Mrs Ford's absence be related to Mr McGonigal, he should be suspended pending an investigation, as Mrs Ford was the second senior member of the finance office to make a complaint against him. Why do you think that Mr Coleman did not act on your advice?

Mr Jones: I do not know the answer to that. My e-mail was written in such a way that some facts needed to be established, but it was reasonable to assume that there was the potential for that to be the case. I retired from the service four days after that e-mail, and I was on leave at the time that it was written, so I was not in a position to look into that at that time.

The Chairperson: You said that a second senior member of the finance team made a complaint against him. Who was that?

Mr Jones: That was Mr Boyle, the financial controller.

The Chairperson: Mr Boyle?

Mr Jones: Yes.

The Chairperson: What was the outcome of that case?

Mr Jones: At the time, that was ongoing because an external investigation into that case using the Labour Relations Agency had not been completed.

The Chairperson: I asked that because I have asked the Department for a list that goes back a number of years. Did that investigation or report have a name?

Mr Jones: A name?

The Chairperson: Was there a name for the investigation or was it just in relation to a named individual?

Mr Jones: What happened was that Mr Boyle had approached me to say that he thought that there was a harassment issue, which I endeavoured to resolve informally. Mr McGonigal decided that he wished the investigation to be formal. Consequently, given the nature of it at director level, I sought legal advice and chose to employ the Labour Relations Agency to carry out an independent investigation, and I informed the then chairman, Mr Gillespie, accordingly. From that point on, the external investigator, Dr Carol Ackah, was employed by the service to carry out the independent investigation, which was ongoing at the time of my retirement.

The Chairperson: As you are well aware, we have been doing a bit of work on this. I wrote to the Minister to seek additional information around internal and external investigations or inquiries into the Fire Service since 2010. I asked you what the report's title was because we are told that there was a review of finance and personnel, an organisational assessment report by the Comptroller and Auditor General. What date was that investigation into the allegations made by Mr Boyle?

Mr Jones: Mr Boyle made the complaint on 30 April 2010. I informed Mr McGonigal accordingly, and given that they wanted to employ the external, independent investigator, because it was at director level, the external investigator was employed 12 days later, on 12 May 2010.

The Chairperson: Was there a report done on that?

Mr Jones: I left the service, but the process was in place using the terms of reference that I gave to the Labour Relations Agency for a report to be commissioned, completed and given to the chairman of the board.

The Chairperson: Thank you.

Mr McCarthy: Mr Craig, you took over from Mr Jones in 2010. The report states that the issue was referred to you for a decision. You decided not to suspend Mr McGonigal. Will you explain your rationale in coming to that decision?

Mr P Craig: The interim chairman, Mr Coleman, had indicated to me that he had received some correspondence that he was seeking advice on. I cannot remember exactly because of the passage of time, but some weeks or months later, Mr Coleman then gave a copy of Mr Jones's e-mail to our acting head of HR, Mrs Heather Ellis. Mrs Ellis gave that to me and basically said, "Right, what are you going to do with this?". I asked what had been done in the past. What had been done in the past was that she and, I understand, Mr Coleman had looked at it and no suspension had been issued. I then said that, with the passage of time, "Well, where are we with this? Can you advise me of any issue that would suggest that anything had changed since you decided, by default, not to suspend Mr McGonigal those weeks ago?". She assured me that nothing had changed. Based on that, and because Mr McGonigal was doing a job, and because there were no additional risks and nobody had decided to suspend him originally, I felt that the circumstances were the same and opted not to suspend him.

Mr McCarthy: Would you agree with the report's finding that you used "unsound logic"? You have just explained to the Committee —

Mr P Craig: I think that the chronology of the report is wrong. I note Ms Ramsey's earlier point. At the time that all this was going on, I understand that Mrs Ford had said that she was off because of work-related stress; there were no details. However, I know that Heather Ellis and Mr McGonigal were working to get Mrs Ford back to work. The day before Mrs Ford was due to come back to work, which was, I think, in November of that year, she made an informal allegation, which I do not think has ever been substantiated, that she had difficulties with Mr McGonigal. That was, to the best of my recollection, after I had spoken to Heather Ellis about the risk assessment. Those processes were further on and did not impact on my decision to suspend.

Mr McCarthy: So you would dispute that you used "unsound logic" in coming to that decision, as the report suggests.

Mr P Craig: Yes. For the record, the chronology is wrong.

The Chairperson: As we are on the theme of the whistle-blower, were you aware, Mr Craig, of the Public Interest Disclosure Order 1998 and your responsibilities under it?

Mr P Craig: Yes.

The Chairperson: So why did you make the decision to suspend Linda Ford?

Mr P Craig: I suspended Miss Ford because of her access to our financial systems in relation to third-party information under data protection. In my opinion, she breached data protection. She breached our IT procedures and policies. Quite frankly, given all the issues that were going on, I deemed it potentially gross misconduct. Having had that reported to me and having had it corroborated, I then felt that, to protect the organisation, the only alternative available to me until the investigations could be completed was to suspend her.

The Chairperson: Who gave you the report, and who corroborated it?

Mr P Craig: I saw a copy of a letter that had been sent containing the third-party information. I also saw —

The Chairperson: Who gave you a copy of that letter?

Mr P Craig: Mr McGonigal, I think.

The Chairperson: Was it Mr McGonigal, or do you "think" it was Mr McGonigal?

Mr P Craig: Apologies. It was Mr McGonigal.

I also saw a copy of an e-mail from Dr Doros Michail stating that he had instructed Linda Ford to remove information that was personal to him. Quite frankly, when the IT investigation was completed, I would have been taking disciplinary proceedings against Mrs Ford and others for breaches of our policies.

The Chairperson: Did you talk to anybody, consult anybody or get advice before you made the decision to suspend her?

Mr P Craig: Our acting head of HR was returning to her substantive position, so I had no HR director. I spoke to legal representatives from Belfast City Council and told them about the issues. With them, I drafted the letter that I sent to Linda Ford. I accept —

The Chairperson: Why legal representatives from Belfast City Council?

Mr P Craig: I had nobody else to go to.

The Chairperson: You had the Health Department, which you are answerable to.

Mr P Craig: I accept that. However, in the day-to-day running —

The Chairperson: Who did you talk to at Belfast City Council?

Mr P Craig: The solicitor was Dympna Murtagh.

The Chairperson: Did somebody advise you to go there, or did you just lift up the phone and ask to speak to the council's solicitor? Are they free to give others advice outside —

Mr P Craig: It is contracted to provide us with information.

The Chairperson: Belfast City Council?

Mr P Craig: Yes. That is normal procedure. It was a legal issue, and I needed clarification. I had no —

The Chairperson: You did not go to your parent Department, the Department of Health, Social Services and Public Safety, first?

Mr P Craig: Not that I recall.

The Chairperson: You mentioned "others". Who was Mrs Ford's line manager?

Mr P Craig: At that time, Doros Michail, I think.

The Chairperson: Why was no action taken against the line manager?

Mr P Craig: I had not had the information substantiated. I was waiting on an IT report and the opportunity to bring in an independent investigator. There were a lot of issues.

The Chairperson: Did you get that prior to suspending Mrs Ford, or did you suspend her while you were waiting for that?

Mr P Craig: Get what?

The Chairperson: The IT report and everything else.

Mr P Craig: The IT report was being prepared, but I had already had a verbal report from my IT manager that information had been removed from our systems.

The Chairperson: So on the back of Mrs Ford being given an apology by the Department and awarded damages, do you still believe that your decision was right?

Mr P Craig: I think that, on the information that I had at that moment in time, yes.

The Chairperson: Based on the information that you had at that moment in time and what you know now, do you think —

Mr P Craig: With hindsight, I think that I could have worded the letter better.

The Chairperson: Do you think that the Department was right to apologise to her and to award her damages?

Mr P Craig: I do not think that that is a matter for me to comment on.

The Chairperson: The report states that your decision to suspend Mrs Ford was motivated by your:

"need for a solution to a difficult and protracted problem rather than the alleged act of sharing personal information with a line manager".

Do you concur with that finding?

Mr P Craig: No.

The Chairperson: Do you, or did you, view her as a difficult and protracted problem?

Mr P Craig: No.

Mr Wells: I have a couple of obvious points. Did you engage directly with Mrs Ford about her allegations?

Mr P Craig: No, and I would not have the ability to do that. Mrs Ford, for whatever reason, decided to go externally with her allegations.

Mr Wells: So you never spoke to her at any stage about the allegation against her and her concerns.

Mr P Craig: Which allegations against her?

Mr Wells: The allegation that she had access to data and that she had breached policy. So you never engaged with her on that, and you never engaged with her on her other concerns about —

Mr P Craig: No. At the end of the day, our policy was to pass that to the director of HR, and my job was to maintain a corporate governance role, not to get involved in day-to-day issues.

Mr Wells: This was a senior member of staff who was making the allegations. This was not someone at the lower end of the Fire Service. This lady was quite senior in the management team in Lisburn.

Mr P Craig: I accept that. She made those allegations to the Department, and the Department was moving forward with that.

Mr Wells: At no stage did you have a single word with that lady about her concerns.

Mr P Craig: No.

Mr McCarthy: The statement that you have given to us, Mr Craig, quite clearly states that you were disappointed that the whistle-blower had not raised those matters with you directly.

Mr P Craig: Yes, and I am disappointed. I can still see no reason why Linda felt that she could not have come and talked to me. I am disappointed because I have always prided myself that I have been honest and transparent with people, and I have always given people the benefit of the doubt. For whatever reason, she never came to see me.

Mr Wells: You accepted, to a large extent, that what she was saying was true. Subsequently, from where you are sitting today, do you accept that what Mrs Ford was saying was correct?

Mr P Craig: She was quite right to whistle-blow, yes.

Mr Wells: Yes. Do you not see how the public, looking back at this, would say, "Here we have a whistle-blower who is making some very uncomfortable allegations against the management of the Fire Service"?

Mr P Craig: Yes.

Mr Wells: Another unrelated issue arrives, and it would seem to many that the opportunity was taken immediately to get rid of what you perceived to be a difficult member of staff by suspending —

Mr P Craig: Let me correct you. I did not perceive her as a difficult member of staff.

Mr Wells: The allegations that she was making would not have been comfortable to a Chief Fire Officer or anybody in the management team. Being reasonable about it, they would not have been welcomed by anyone. These allegations have been made, and you said that you were disappointed because she did not come to you but went to the Department. However, can you see why the public might think that it was quite convenient that the other issue about access to data arose and that that was used as an opportunity to —

Mr P Craig: Maybe it is not just a matter of that. At the end of the day, Linda Ford, I believe, entered our IT systems and lifted information on third parties. I did not do that; I did not plant it; I did not make her do it. She breached policy.

Mr Wells: In normal circumstances, would that have led to the action that was taken against her had she not also been raising other matters?

Mr P Craig: In normal circumstances, we might have been looking at gross misconduct or dismissal.

The Chairperson: Mr Craig, did Linda's line manager not ask her to get that information?

Mr P Craig: Not that I am aware of, no.

The Chairperson: For the record, the other issue that Mrs Ford raised was the Land Rover.

Mr Wells: From an outsider's perception, what happened looks a bit odd, to put it mildly.

Mr P Craig: At the end of the day, with the passage of time, and when one can stop and look back, things will appear differently. I can assure the Committee that as I moved forward on a day-to-day basis, I acted on the information that I had, without prejudice. I do not want to attack anybody. We all want people in their work doing their job. That is my aim. That is what I am supposed to do.

Mr Wells: Finally, what protection, if any, was given to the whistle-blower in this situation?

Mr P Craig: What protection was given to this woman: she was suspended, and she was offered welfare and support through our welfare officer and Carecall —

Mr Wells: Having been suspended, that was not much protection because the woman was no longer in her job. She was out, with a cloud hanging over her.

Mr P Craig: No, suspension is not necessarily seen as that. The bottom line is that that was to protect her just as much as everybody else.

Mr Wells: Again, to most reasonable people, that would be seen as a punishment. You are punishing someone you knew to be a whistle-blower. I think, again, perceptions would be that —

Mr P Craig: I can make it quite clear that she was not suspended for anything to do with the whistle-blowing. She was clearly suspended — I think that my letter says this quite clearly — in relation to going onto our IT systems and lifting information in breach of the Data Protection Act and our IT policies.

The Chairperson: Nothing happened to her line manager who asked her to do that.

Mr P Craig: Not at the moment, but that clearly would have happened later on.

The Chairperson: So she was not suspended because she was a whistle-blower, and her suspension was not seen as a punishment?

Mr McDevitt: You said, Mr Craig, that you were aware of the details of the Public Interest Disclosure (Northern Ireland) Order 1998. So you will be familiar, then, with article 67E, which makes it a duty for a public servant to make a protected disclosure to a Minister or a Northern Ireland Department.

The letter of 25 July written by Linda Ford was a protected disclosure. When did you first discuss that letter with the chairperson of the audit committee?

Mr P Craig: I do not recall that.

Mr McDevitt: Mr McKee gave us evidence a couple of months ago in which he told us that you discussed that with him first when you were on a trip to the World Police and Fire Games.

Mr P Craig: That could be correct, yes. I have no reason to dispute it.

Mr McDevitt: At what point did you consider it to be a protected disclosure? This pretty serious letter arrived on 25 July. When did you go, "Right, this is a whistle-blower letter. It falls under the terms of the 1998 order"?

Mr P Craig: The letter was addressed to the Department.

Mr McDevitt: So you were immediately treating this as a whistle-blower letter under the provision of the 1998 order?

Mr P Craig: That is correct.

Mr McDevitt: When did Miss Ford first make a complaint against Terry McGonigal?

Mr P Craig: I do not know specifically.

Mr McDevitt: The report does: it states that it was before 25 July.

Mr P Craig: I have no reason to argue with the report.

Mr McDevitt: So Miss Ford made a complaint about the director of finance before 25 July. She writes a whistle-blowing letter, which clearly falls under the remit of the 1998 order, on 25 July. You then suspend her and say that because of:

"a serious breach of the Whistleblower's obligation to NIFRS and to him"

in that:

"the Whistleblower had allegedly not raised these matters"

— in her whistle-blower letter —

"directly with him ... nor via NIFRS' Whistleblowing Policy".

However, the report states:

"the Whistleblower had, in fact, raised an issue regarding financial practices during an interview by an external investigator, which had been arranged to record the basis of a complaint of alleged harassment, and the CFO was informed of this".

The CFO, who is you:

"accepted that the Whistleblower had acted within the NIFRS Whistleblowing Policy".

Mr P Craig: I have always accepted that.

Mr McDevitt: Therefore, you accept that it was a proper whistle-blowing exercise, that she was right to go to the Department and that she had raised these matters with the Northern Ireland Fire and Rescue Service previously?

Mr P Craig: Not with me.

Mr McDevitt: She had raised them with the Fire and Rescue Service.

Mr P Craig: Not with me.

Mr McDevitt: You are the accounting officer.

Mr P Craig: Yes; that is OK.

Mr McDevitt: So the buck stops with you, yes?

Mr P Craig: Correct.

Mr McDevitt: So she had raised them with the Northern Ireland Fire and Rescue Service, and the complaints she raised were issues of alleged harassment. You will remember who the alleged harasser was in this case, do you not? Maybe you could tell us.

Mr P Craig: To date, her alleged issue of harassment was with Mr McGonigal, but I do not think that she has ever lodged a formal harassment complaint against that individual.

Mr McDevitt: A procedure was clearly under way, otherwise I would not be reading what I am reading in this report.

When you did form an opinion that she needed to be suspended because of unauthorised access to data, whose advice were you acting on? Who told you that she was accessing data in an unauthorised way?

Mr P Craig: Who gave me the material?

Mr McDevitt: Yes.

Mr P Craig: Mr McGonigal.

Mr McDevitt: So the person whom she had alleged was harassing her, against whom a formal process of harassment was under way and whom she had been interviewed about was the person who supplied you with the information that you then relied on to suspend her?

Mr P Craig: That is correct.

Mr McDevitt: Does that not seem strange?

Mr P Craig: What do I do? Ignore information?

Mr McDevitt: I am asking you: does that not seem strange?

Mr P Craig: No. The evidence was presented to me, and I looked at it in a fair and rational manner and made my decision.

Mr McDevitt: Someone makes a protected disclosure on 25 July. She has previously made a complaint of harassment, which is subject to investigation. She has been interviewed by other members of your organisation about that complaint. The individual at the heart of all those issues is the director of finance. He subsequently comes to you with a piece of information that says that you can now suspend that individual and you act, without question, on it?

Mr P Craig: The director of finance did not come with a piece of paper and say to me, "You can suspend this individual."

Mr McDevitt: What exactly did he do then?

Mr P Craig: He showed me what had gone on. I looked at it and made the decision to suspend her.

Mr McDevitt: Did you not find that funny?

Mr P Craig: No.

Mr McDevitt: In the same way as the Land Rover was not a conflict of interest?

Mr P Craig: No.

Mr McDevitt: In the same way as the lack of stores records was not something that we should be particularly worried about?

Mr P Craig: I cannot comment on that.

Mr McDevitt: Because you did not know. There is a very big and consistent pattern here, Mr Craig, with the greatest respect. You seem not to know an awful lot of things.

Mr P Craig: I beg to differ.

Mr McDevitt: The facts are simple.

Mr Dunne: Mr Craig, I have a couple of points on Linda Ford. Can you clarify the position that she held in the Fire Service? What was her role?

Mr P Craig: Financial manager, I think.

Mr Dunne: Was she the most senior person in the Fire Service on financial issues?

Mr P Craig: No. There was a director and then Mr Boyle.

Mr Dunne: There was an accountant. Is that right?

Mr P Craig: Yes.

Mr Dunne: Financial accountant: I understand that that is what she said. I understand that she attended the remuneration committee.

Mr P Craig: The remuneration committee issue occurred before I was the Chief Fire Officer. However, I read that in the report, and I am absolutely astounded that someone so senior would attend a remuneration committee, as has been reported, as a minute clerk. I cannot accept that. Given her position in the organisation, she had the knowledge and an obligation, if anything that was going on at that remuneration committee was not correct, to flag it up either to the then Chief Fire Officer — I know that he would have acted on it — or to the board.

Mr Dunne: You were not in post at the time. Mr Lammey, were you aware of the issue of the remuneration committee and the role that Miss Ford had at that meeting?

Mr Lammey: Yes indeed. Linda was at the remuneration committee in the days when I was the Chief Fire Officer for her financial expertise and also to be totally independent, because her pay and remuneration were decided in other areas. So Linda was there with her expertise in finance as our financial controller. She kept notes and kept the chair of the board and the chair of the remuneration committee right on questions of propriety or accuracy in financial matters. I was often not present at remuneration committees because, at times, they were discussing my remuneration. It was important that the committee had someone there who was able to give good advice.

Mr Dunne: She was there in her professional role as a financial accountant.

Mr Lammey: Yes.

Mr Dunne: Did she take the minutes as well that day?

Mr Lammey: Yes.

Mr Dunne: So it was a dual role?

Mr Lammey: Yes.

Mr Dunne: I worked in a large Department before I came in here, so I am surprised at the ethos of the management structure in the Northern Ireland Fire Service. I would have thought that there would be a good spirit of openness and fairness and a lack of fear about recording and reporting systems. Were issues ever brought to your attention that you felt something should have been done about to encourage a fairer and more open ethos in the Northern Ireland Fire Service? I must be honest that I feel that there has been such a lack in what has gone on here. A good, open and honest ethos did not

exist in the organisation, and there seems to be evidence of that. Did you at any time raise any concerns about that or take any actions to address it, perhaps through awaydays and meetings, to try to build up better relationships and interactions in the organisation, which did not seem to exist?

Mr P Craig: It is a matter of record in a number of reports that there were some difficulties with the management team due to the changeover of staff and its inability, on occasions, to work together. I have always prided myself, when I have got any job, on having the ability and the skill sets to take the organisation concerned forward. I genuinely believed that when I took the job as Chief Fire Officer. I worked hard. When you talked about operational staff, you had uniformed or operational staff and then there was a range of names associated with our support staff, from non-uniform to admin. That vexed me. There was always that sort of difficulty.

Mr Dunne: Would you call it a conflict?

Mr P Craig: There was always an element of resentment, because some people looked at the guys in the white cars and the sunglasses as the fighter pilots and saw the rest of the people as the backroom staff. There was a belief that, when push came to shove, if there were to be attacks on front line services, the easy option would be to get rid of support staff. I worked extremely hard in my tenure to go out and meet people, visiting lots of areas and lots of stations. I said to staff, "Look, we are one service." I am on record as saying, publicly and at lots of meetings, that the front line service in the Northern Ireland Fire and Rescue Service is everything that we do and that every one of us is important, particularly as we move forward in tough financial times. I worked hard to move that forward.

There is a difficulty, because we are a hierarchical organisation. The uniform side calls everybody "sir" or use someone's rank. We have done our best to dissipate that and try to make it a much more friendly environment. Regrettably, some people cannot work and talk openly and transparently with management. I did my best, and I am sure that my colleagues at this table would say that they have also done their best, to break down those barriers, but it is a difficult process.

Every time I see a great big red fire engine going down the road, I take great pride. I take great pride in all the people in the Northern Ireland Fire and Rescue Service, and I mean all of them. I take great pride in all those still employed and everything they have done and will do to make sure that the community in Northern Ireland get a fire service that I fervently believe is second to none, 24/7 and 365 days a year. I did my best, and I will continue to do my best. On occasions, if it has not come up to the mark, I was the accounting officer, and I was accountable. I will have to live with that, but everything that I did, and everything that I know that everybody in the organisation did, has been for the best for the Northern Ireland Fire and Rescue Service in trying to move our organisation forward through a torrid time in which we have been faced with report after report after report. We had the Audit Commission coming in —

The Chairperson: The reason why we are faced with these reports is that there was a lack of accountability and control and allegations were being made. We also want this to be concluded, but the reports were not done for the sake of being done, with all due respect, Mr Craig.

Mr P Craig: I am not for a moment suggesting that they were.

Mr Beggs: Apologies for my absence: I had another meeting to attend. I want to go back to something you said about why the whistle-blower was suspended. Suspending a whistle-blower is a very serious issue. Someone who brings forth information in the public interest ought to be nurtured and looked after. When someone is suspended and his or her normal working practice is seriously disrupted, that is a major issue that may put others off. You said that you suspended her because she accessed information that she should not have had access to, and that you were not aware that she acted under instructions from her line manager. Did you ask the question? My clear understanding is that she acted under the instruction of her boss. You singled her out for suspension and not her boss. My perception is that she was suspended not for accessing the information but because of whistle-blowing. How can you explain that?

Mr P Craig: I can only stand by what I did. As far as I am concerned, when I looked at all the issues, an individual had removed information in clear breach of the Data Protection Act, in my opinion.

Mr Beggs: Why did you suspend the whistle-blower and not her boss, who asked her to do it?

Mr P Craig: My organisation had a range of people in temporary positions, and I was struggling daily to keep the organisation functioning. If I had suspended Dr Michail and, obviously, Mr McGonigal, every member of my senior management team would have been on suspension. How could I have managed on a daily basis?

Mr Beggs: Do you accept that, because she acted on instruction from her boss, not dealing with her boss in the same way that you dealt with her led most reasonable people to believe that she was suspended because she was a whistle-blower?

Mr P Craig: I would have to accept that.

The Chairperson: To expand on that, if you had had a full complement of senior management at the helm, would you have suspended him?

Mr P Craig: Probably. Both of them knew the procedures and policies.

The Chairperson: So it was easier to suspend Mrs Ford because she was not a director?

Mr P Craig: No.

The Chairperson: That is what happened.

I have not forgotten that Mr Gillespie wanted to say a few words. I am interested, Mr Jones, in what you said about the other complaint against Mr McGonigal. I do not want to be flippant about this, Mr Lammey, but you gave an instruction and then retired. Mr Jones sent an e-mail about something and then retired. It seems that, when there is a crisis, the people in charge —

Mr Lammey: Jump ship.

The Chairperson: I would not say "jump ship". You raised the possibility of it being a second allegation against Mr McGonigal. Mr Craig, you then took over, albeit as interim or acting Chief Fire Officer.

Mr P Craig: Acting.

The Chairperson: Were you made aware of that at that stage?

Mr P Craig: No. As I said, the interim chair, Mr Coleman, received Mr Jones's e-mail. It was some time after that. I understand that Mr Coleman sought advice on how to proceed. He then gave that to the acting head of HR, Heather Ellis, who brought it to my attention.

The Chairperson: You still thought that it was OK to suspend Mrs Ford —

Mr P Craig: No. That was a completely different issue.

The Chairperson: I appreciate that. However, Mr Jones raised this as a second allegation against Mr McGonigal, and Mr Jones retired. I want to come back to that, because you look very young to be retired.

Mr Wells: Both of you look very young to be retired.

The Chairperson: I will get back to that. That was my nice question for you. Why did that not go through the system? Who was that first investigation about again?

Mr Jones: Mr John Boyle, the financial controller. That was raised on 30 April 2010. For the record, Chair, the impression is that people jumped ship — sorry, left — but I had to give three months' notice of retirement. Clearly, I had been dealing with the Mr Boyle issue when I was in post. It was unfortunate that that came up four days before I retired, but I could not foresee it three months previously.

The Chairperson: Do you believe that, in the handover when you left, it should have still gone through the system that you had a concern that there was another allegation made against Mr McGonigal?

Mr Jones: I was still the accounting officer until my retirement on 27 April. I saw the potential for public money to be used in the event that there was a claim somewhere down the line. I thought that it was my duty to highlight that to my line manager, who was the chairman at the time. Unfortunately, as events happened, I retired the following week.

The Chairperson: Do you mind me asking — it is up to you whether you answer — why you retired? You look too young.

Mr Wells: You look too young to have retired from anything.

Mr Jones: I started when I was six. *[Laughter.]* Actually, I had done 32 years. The firefighters' pension scheme allows you to retire on full pension after 30 years' service. I retired after 32 years. If I had chosen to stay for the Chief Fire Officer's position, I believe that I would have had to commit to about another seven years. I thought that I had given good service, had a good career and that it was time for me to retire: nothing more, nothing less.

The Chairperson: Mr Craig, you mention in your letter to the Committee that you did not retire early or because of ill health.

Mr P Craig: No. I did 36 and a half years. To qualify for firefighters' pension, you have to either do 30 years or have reached the minimum age of 50, or 55 if you want to go on to an index-linked pension. I know that it is hard to believe, but I fulfil all those criteria. In fact, staying the additional six years impacted negatively on my pension. For six years, I was paying to stay on a pension to which I had already accrued full rights. For each month and birthday that passed, those accrual rights diminished. So it was actually a retrograde step, if that is the correct terminology, for me to stay on. That said, I enjoyed every minute of the Fire and Rescue Service. I am very proud of it, and I am very proud of all the people who work for it.

The Chairperson: Let me just repeat for the record something that we have said every time that we have looked at this issue: this is in no way a reflection on the work that firefighters do on the ground, sometimes risking their life. We have said that continually. The issue is the management of the Fire Service and accountability, and that is what we are trying to deal with.

Mr Wells: I must nail this: there was a succession of crises, and suddenly you all discover that you have a right to retire. As I said, some of you look suspiciously young to be retiring from anything. I will park that, as I understand that you can retire from the Fire Service quite young. However, it strikes me as a bit odd that a whole succession of difficulties arise, and, suddenly and out of nowhere, the Chief Fire Officer leaves, either on early retirement or having retired at quite a young age.

Mr P Craig: I want to be clear, Mr Wells, that none of us took early retirement.

Mr Wells: You took retirement at a comparatively young age.

Mr P Craig: As we were entitled to under our pension scheme. All of us are entitled to retire as and when we see fit.

The Chairperson: The reason for my asking this next question is that the Minister and the permanent secretary were here a number of weeks ago, and this was one of the lines of questioning: did the permanent secretary have a conversation with you prior to your retirement?

Mr P Craig: No.

The Chairperson: Did the chair of the board have a conversation with you prior to your retirement?

Mr P Craig: In relation to?

The Chairperson: Retirement.

Mr P Craig: No.

The Chairperson: Were you advised, guided or nudged to take retirement? Was it suggested?

Mr P Craig: No. For the record, I had done 36 and a half years. I took the job to try to build a team. Lots of other reports show that, no matter what I was doing there, I was not succeeding. I was carrying an injured shoulder from my early firefighting days. The day before the Department moved in, I went into hospital and received fairly extensive surgery on that shoulder. I am not looking for sympathy — that is just a statement of fact. I also looked at my family circumstances and the key issue of the pension. As each year goes by, our pensions become more and more liable to tax. I could not take a pay rise — you might be quite happy with that — because, if I did, it would have impacted even more negatively on my pension and made a significant amount of it taxable.

The Chairperson: We are trying to get to the bottom of this. Are you telling me that the chair of the board or the permanent secretary did not advise you to retire?

Mr P Craig: That is exactly what I am telling you. I made the decision myself.

The Chairperson: I have one last question before I give Mr Gillespie an opportunity to speak. I want to go back to the Land Rover issue. Who from Ardmore approached you initially to suggest that the Land Rover was available?

Mr P Craig: The account director, an individual called Mr Stephen Roycroft.

The Chairperson: Who approached you after you believed that it had gone back to the supplier to say that it was still available?

Mr P Craig: Mr Stephen Roycroft.

The Chairperson: Where is the Land Rover now?

Mr P Craig: I think that it was returned to the suppliers, Ardmore. It was then returned to Charles Hurst, and I think that it has been sold.

The Chairperson: Was that after you retired?

Mr P Craig: No. I cannot remember the exact date. I think that it was in May.

The Chairperson: Why did it go back?

Mr P Craig: The chairman was concerned, and there were issues around it. I thought, "You know what? If it is going to cause any difficulty at all or impact—

The Chairperson: Your line manager told you that before he retired.

Mr P Craig: I felt that there was not the support in the organisation to maintain it, so I sent it back.

The Chairperson: So your boss told you that there were issues with it and you did not send it back. Have you an idea of the date? Was it sent back after these reports were due to come out?

Mr P Craig: It was long before then.

The Chairperson: Can you try to find out the date?

Mr P Craig: I am sure that somebody can, yes.

The Chairperson: Mr Gillespie, I am going to give you an opportunity to speak. If the need arises, I will allow members to come in on some points.

Mr Gillespie: Thank you for the opportunity. I am deeply saddened by the contents of the four reports and other allegations about our Fire and Rescue Service. It seems fashionable to demonise the service at a time when it needs support and encouragement to enable it to sort out its problems. I do not condone, nor will I attempt to defend, any wrongdoing, but I believe that the present difficulties should be read against the background of the service's proud history. I have with me a list of the service's achievements in the 10 years that somebody on TV described as 10 years of shambles. That was a very unfair description of an organisation with a long list of superb achievements in those 10 years. If there is not time for me to read out those achievements today, I will leave the document with you.

I particularly want to talk about the bonus payments to the principal officers. Those payments should be seen against the background. Principal officers' pay in Northern Ireland was, and still is, seriously lower than that of their colleagues doing similar or lesser jobs in GB, sometimes by a factor of 50%, although the service in Northern Ireland does not have the luxury of being surrounded by other fire and rescue services with similar training and culture from which principal officers and assistants can be secured in times of pressure.

The board sought permission from the Department to increase the salaries as we accurately forecast that, unless we increased them, we would be unable to attract suitably qualified candidates from outside Northern Ireland and, indeed, would lose some of our best upcoming officers to better-paid posts in England, Scotland and Wales. I was aware at one time that the deputy chief was being headhunted by Greater Manchester. Another senior officer was shortlisted for an assistant chief post in Strathclyde. Later, we lost another rising star and potential Chief Fire Officer to Manchester as an assistant chief on an assistant chief salary that was well in excess of what we were paying to our Chief Fire Officer. I was also aware that a former Northern Ireland officer was chief of one of the Scottish brigades and another was assistant chief in Wales. So at least three potential Chief Fire Officers were lost to Northern Ireland to my knowledge, and there may be others.

To be assured of a proper level of operational service, we need four principal officers in place to allow for peak loads, holidays, sickness and fatigue from prolonged incidents. I have witnessed incidents where three of the four officers were actively engaged at the one time. These principal officers have risen through the ranks and are still active firefighters. In the event of major incidents, they have to don their fire kit and take command on the ground alongside other firefighters.

The post of Chief Fire Officer requires a person with special professional qualifications as well as experience. Unless things have changed since I left in 2010, there are only two such qualified officers currently serving in Northern Ireland, and one of those is unlikely to return from long-term sick leave. Therefore, I have fears, as should you, about the dependence on internal candidates for future senior posts.

A firm of consultants was engaged, not by us but by the Department, in 2003, which recommended that principal officers' pay be reviewed. In 2008, the Department approved our spending £20,000 on another firm of consultants to review the principal officers' salaries. That review was very thorough and highlighted the threat to succession in the Fire Service. It recommended substantial increases, with rises up to parity with Great Britain over a period. However, before the board had an opportunity to make any decision or recommendation, it was announced publicly that, if we made any such recommendation, departmental approval would not be granted. So the consultants' work was aborted and £20,000 of public money was wasted.

It should be noted that I warned the Department several times, verbally and in writing, that unless action was taken to address the salaries issue, the Northern Ireland Fire and Rescue Service would soon be short of high-calibre internal candidates and might be forced to bring in some temporary talent from GB at a cost of up to £200,000 a year to cover salaries, travel and other expenses.

I pointed out that command of the Fire Service in Northern Ireland, as an isolated service, is a very demanding task. I would like to quote from a letter that I wrote on my very last day in office. At that time, we were still working with acting chiefs. I stated:

"I believe this to be an urgent matter for stability within the organisation."

In other words, that we should get on with a new appointment.

The Chairperson: Can you leave that letter with us?

Mr Gillespie: I will give you a copy of it. I continued:

"It would appear that only one internal candidate is fully qualified and there is another whose eligibility has to be tested. Both these officers are at retirement age and, if appointed, are unlikely to stay in office for more than a year or two. There are at least two other well qualified officers but they would not have the necessary years of service at senior level to be eligible at this time. However, they will both be potential CFOs in three years' time.

As I have frequently pointed out, the current salaries offered to our principal officers will not attract applicants from outside NIFRS and consideration should be given to whether elements of the Deloitte report"

— that is the one to which I referred —

"might be implemented, perhaps graduated over a period. Otherwise, I fear that we will be short of high-calibre internal candidates and in any case it would be good for the service to have an occasional senior officer join us from GB. Command of NIFRS, as an isolated, stand-alone regional service, is a demanding task and requires the highest quality of professional leadership. If, for some reason, we cannot find that from within and it became necessary, in an emergency situation, it could cost up to £200,000 a year to encourage a temporary from GB. The review body on senior salaries initial report (No 74, March 2010) gives guidance on how enhanced salaries could be justified in these circumstances."

The Department continually refused our request.

The Chairperson: Mr Gillespie, I understand what you are showing us and reading out to us. If that is in writing, I suggest that you leave it with us because we will need to look at it in more detail.

Mr Gillespie: The letter?

The Chairperson: Yes.

Mr Gillespie: I will leave that, yes.

It should be noted that, in 2003, we had three internal candidates for a vacant Chief Fire Officer post and none from outside the Province. In 2010, there was only one from within and none from without. Sadly, my gloomy forecast has been proved accurate. The Department continually refused our requests to allow increases in the principal officers' salaries despite the evidence, but in a letter dated 19 September 2006, a then deputy secretary drew to the board's attention the powers contained in the 2006 order, which gave us statutory authority to make additional payments to uniformed officers.

The Chairperson: I suggest that you look at your speaking notes. I understand what you are saying about bonuses and the wages issue, but that is not what we are looking at, as such. We are looking at unauthorised bonuses —

Mr Gillespie: I am coming to that.

The Chairperson: — considering what was in play at the time.

Mr Gillespie: I am coming very close to that. I am sorry, but I felt that I needed to recite that background.

The Chairperson: OK. I will give you another few minutes.

Mr Gillespie: A power was drawn to our attention. Frankly, I had not been totally aware of it. With that knowledge, the remuneration committee considered that all four principal officers should receive a bonus, as they had worked equally hard as a team to produce excellent results. Their pay scales were linked, so giving a bonus to any fewer than all four would have created serious problems. It should be noted that, following the strike, uniformed officers got a 16% increase in pay, but that did not

apply to the four principal officers, who were the only ones excluded from that increase. Having regard to the delegated limit of £5,000, the committee decided on a once only bonus of 4%, which meant that each of the four payments was well under the limit. No separate approval was sought or given by the Department for a payment to the Chief Fire Officer alone, as is incorrectly alleged in the investigation report. Indeed, had such approval been given as is claimed, how could that have been regarded as irregular? The payments were based on a statute passed by the Assembly in 2006. Having been directed to those powers, we exercised them and did not deem it necessary to get further departmental approval, as the legislation made no mention of departmental approval. Of course, we had to work within the delegated limit and so we made four separate payments. I do not know whether you want me to read from the order. Maybe you are familiar with the wording of the order that gave us that power?

The Chairperson: No, we do not need to go into that.

Mr Gillespie: OK. It certainly does not mention any particular departmental approval. It simply gives the board the power. Why do you have a board with statutory power? As long as it keeps within the delegated limit —

The Chairperson: In fairness, Mr Gillespie, you said that at the outset, and we have agreed to go back to the Department because you refute what is said in the report.

Mr Gillespie: Yes

The Chairperson: We are aware of that, and we need to go back to the Department on that. I know that some members have questions on that specific issue. Leave us what information you have. We are going through this in depth, so we will look at it and ask the Department the relevant questions. From the outset, did anyone come to you, when the reports were being written, to ask for your input?

Mr Gillespie: No, and I know that you are trying to get me to shut up, but really there are some important things —

The Chairperson: I am not trying to get you to shut up. I have no problem with sitting here all day. I am trying to guide the discussion on the basis of what we are looking at today.

Mr Gillespie: The report, for instance, says that we did not consider the delegated limit. That is wholly and completely inaccurate, and, in my view, demonstrates a very shoddy piece of investigation and a failure to contact those who could have pointed out the error.

I recall telephoning the deputy secretary to thank him for drawing our attention to the powers to make payments and, at the same time, informing him of our intentions. I am not suggesting that he gave departmental approval, but he made no adverse comment on what was proposed, and I was entitled to assume that he could see nothing wrong.

The Chairperson: So were any of you interviewed in the course of the investigations?

Mr Lammey: No, and I welcomed the opportunity to come along today because you are the first person to have asked me about any of this.

The Chairperson: Mr Jones, were you?

Mr Jones: No.

The Chairperson: Mr Lammey, Mr Craig?

Mr P Craig: I was, but I never had sight of the report as it was being prepared.

The Chairperson: And Mr Gillespie?

Mr Gillespie: No. I was not approached at all. As one of your colleagues mentioned, Linda Ford from the finance directorate was present at the remuneration committee when it agreed the payments. I had, and still have, a very high regard for Linda, as she had acted up for a considerable period while

we were recruiting a new director of finance, and her work was commendable. If she had expressed any concerns about the payments that we were making, I would most certainly have given serious consideration to her view. I note that she now says that she was at the meeting simply as a note taker. That was the first time I ever heard that title used, and I would have expected her to articulate any concerns to me.

When I formed the remuneration committee, because, before that, there was not one, I particularly asked that Linda act as secretary so that we would always have finance input and advice in our deliberations. The finance director was aware of the board's decision. He raised no objections and he implemented it. Our internal auditor had no comment, nor did the external auditor or the Auditor General at the year end. The Department was promptly provided with the minutes of both the remuneration committee and the board at which the decision was taken. There was no comment then or in the next four years. There was no discussion with any of my uniformed colleagues about the payments prior to the board's decision, but, after the decision, I asked the Chief Fire Officer whether he, as accounting officer, was happy with the process. He said that he was, and I instructed the director of finance to make the payments.

As I said earlier, we did not make one payment of £15,200, which would have exceeded the limit. We made four separate payments, each well below the limit. In good faith, we exercised the powers that the Department had pointed out to us, and, at the material time, the remuneration committee; its secretary, Linda Ford; the board; the director of finance; the deputy secretary, Paul Simpson; Colin Lammey, the accounting officer; the internal auditor; the Department; the external auditors; and the Auditor General all had no comment to make. Yet, after five years, we are now being told that the payments were irregular.

It should be noted that those carrying out the investigation did not approach me or the accounting officer for any explanation of the board's decision. I think that that demonstrates the flawed investigation. Against all the principles of fairness and natural justice, we were condemned in our absence with no opportunity to explain our actions. It is said that the payments were not shown on the remit. The director of finance must answer for that. It would not be normal for a board or the Chief Fire Officer to check pay remits, which are the responsibility of the finance director. In particular, I wish to emphasise that, if there was an unintentional, technical irregularity, the four principal officers are totally innocent of any wrongdoing in this matter.

This report and the way in which it has been publicised is an unjustified attack on the integrity of four officers who have given a lifetime of service, rising through every rank from firefighter to principal officer. It is particularly unfair and hurtful that the present Minister agreed with a BBC presenter that the four senior officers simply helped themselves to irregular bonuses, although I understand that he has now retracted that allegation, as has the 'Belfast Telegraph'.

In conclusion, I suggest that these well-merited payments are not irregular.

Mr Gardiner: Madam Chair, I just want to take this opportunity to congratulate Mr Gillespie for the sterling work that he has brought to our attention. It certainly puts a different light on the whole subject. I know Mr Gillespie personally, and I know the work that he has done for many organisations through the years. We will welcome hearing from the Department again. Thank you again.

The Chairperson: From the outset, I want to put on record that some of these issues are not allegations but the outworking of allegations. We are questioning the way that some of this has been done. We are here to scrutinise that a Department does what it is supposed to do. That includes non-departmental public bodies. Again, I want to put on record that no one in this Committee is demonising the Fire Service and the men and women who put their lives at risk every day. Nobody has demonised them. In fact, we have gone beyond that, and, at every opportunity, we have said that this is not a reflection on those men and women because they deliver a great service to our community. This is about the management. If there is a lack of management, a question about management, procedures, structures, accountability or lack of accountability, we have a duty to look at that. We are open to looking at the information that is brought to us, as well as questioning the Department. We will be as hard on the Department as we are on other issues. We are not shy about that, but, for the record, nobody in this Committee has demonised the Fire Service and the work that it does. We are scrutinising its internal management.

Mr McDevitt: Just before I come to the specifics of the bonus, I am curious about an expression that Mr Gillespie used again and again. He described the Northern Ireland Fire and Rescue Service as an

"isolated service". Does the Northern Ireland Fire and Rescue Service have any relationship with any fire and rescue services south of the border?

Mr Gillespie: It certainly does, and I have been involved in some of that. For instance, in my last year, we organised an arrangement between Belleek and —

Mr P Craig: Ballyshannon.

Mr Gillespie: I will just explain. Ballyshannon is in the Republic and has one fire appliance. Belleek is in Northern Ireland and has one fire appliance. If either station needed a second appliance at a particular time, Ballyshannon had to call on Donegal or somewhere, and Belleek had to call on Enniskillen, which is half an hour away. So we came to an arrangement that we would back up each other. If Belleek needs a second fire engine, it does not go to Enniskillen any more; it goes across the border, and the same happens with Ballyshannon.

Mr McDevitt: It is a bit strange to describe it as an isolated fire service when, in fact, there are 20-odd fire services on the island of Ireland.

Mr Gillespie: It is isolated in the sense that the procedures, processes and command and control systems are different from those in the Republic, but there is a lot of cross-border co-operation. For instance, it is not widely known that the Northern Ireland Fire and Rescue Service covers in its own right a swathe of County Donegal, and we get paid for that by Donegal County Council. The Fire Service is the first responder for that strip of County Donegal. There is a lot of co-operation and a lot of mutual respect, but the procedures and processes are different. My uniformed colleague may be able to elaborate on that.

Mr McDevitt: I sit on the Policing Board, and I am aware of the differences, but "isolated service" is an unfortunate phrase when, as you rightly point out, along the border necklace, fire and rescue services are pretty integrated.

Mr Gillespie: I will tell you why it is isolated. I am not quite sure how the service manages today with two principal officers, but, if we ran out of principal officers and there were four major incidents, we would have to get one from England because there is not the same level of recognition of a principal officer in the Republic.

Mr McDevitt: That is fascinating to know. Maybe you should do something about that.

Mr Gillespie: Maybe somebody else should do something about that. It is not for me to do something about it.

Mr McDevitt: Maybe something should be done about it.

May I ask you about the bonuses? I was very interested to hear your take on that. As the Chair said, we are faced with certain facts. The facts, as outlined in the report, are that, first, there is a delegated limit, which the Department is entitled to place on you within the confines of your general powers as a board, and that delegated limit is £5,000. You are saying, if I hear you correctly, that, because the £15,200 was split between four people, that limit was never breached in any individual case. That is the point you are making.

Mr Gillespie: That is right. There were four separate payments to four separate people. They paid their tax and national insurance —

Mr McDevitt: OK, so how much was each of those payments?

Mr Gillespie: You understand that I have been retired almost three years, so I do not have that in front of me.

Mr McDevitt: Do you remember roughly? You know for a fact that they were under £5,000, so you must know. How much were they?

Mr Gillespie: Sorry, that is not a fair question to ask somebody who has been out of touch for —

Mr McDevitt: With the greatest respect, how can you tell me that they were under £5,000 and not tell me, roughly, how much they were?

Mr Gillespie: Because I deliberately pitched them under £5,000. Are you questioning my word on that?

Mr McDevitt: I am asking you how you know that they were definitely under £5,000 but you cannot tell us roughly how much they were. Were they £4,999 or were they £3,000 or £2,000?

Mr Gillespie: They were different figures, because they were a percentage of the salaries of the fire officers. The Chief Fire Officer got a salary; call that 100%. The deputy got 80%, and the assistant chiefs got 75%. They all got 4% of their salaries. I said earlier that, at one time, we considered a 5% uplift, but, in the case of the chief, that would have exceeded the £5,000, so that is why we lowered it to 4%. I am totally satisfied that each of the payments —

The Chairperson: OK. Does anybody else on the panel know what the figures were? No. We will get those figures for you, Conall.

Mr McDevitt: Thank you, Chair. We will come back to that.

You said that you had a series of conversations with the Department about your intention to make those payments. Are any of those engagements recorded? Do you remember?

Mr Gillespie: No. I had one conversation. I think I had another one as well, but I am not sufficiently sure of that to mention it. However, I am quite clear that I spoke to the deputy secretary, thanked him for his letter pointing out our authority to do that, and telling him that we proposed to pay each of them 4%, which was under £5,000.

Mr McDevitt: That was his letter of 19 September 2006?

Mr Gillespie: Yes.

Mr McDevitt: Do you remember, roughly, when you made the decision to make the payments?

Mr Gillespie: In February 2008.

Mr McDevitt: That is quite a bit after that — a year and a half later. Roughly, when did you have that conversation with the senior official in the Department?

Mr Gillespie: I cannot put a date on that; I am sorry.

Mr McDevitt: Do you think it would have been closer to the date that you received the letter, in September 2006, or closer to the day when you made the decision?

Mr Gillespie: It was closer to the meeting of the remuneration committee, when we formed a view of what we might be doing.

Mr McDevitt: Did you have a conversation with the chair of the audit committee or any other board members about your intentions?

Mr Gillespie: It came up at a full board meeting.

Mr McDevitt: I understand that, but before that, did you discuss that conundrum that you were facing around the delegated authority?

Mr Gillespie: None of us saw that as a problem. We were all working, as we thought, within our delegated limit, keeping each payment under £5,000. Not a single member of the remuneration committee or the board mentioned any possibility or probability of exceeding that.

Mr McDevitt: Why do you think, Mr Gillespie, that the report states that the delegated limit for the bonus payments was not considered by the board or the remuneration committee? Why do you think the people who wrote the report formed that view?

Mr Gillespie: I think that it indicates how poorly they carried out their investigation. How can they say that without asking me or asking any member of the remuneration committee? Where did they get their information?

Mr McDevitt: You would think they got it from minutes.

Mr Gillespie: The minutes are very brief. They do not actually say it word for word, as you would know.

Mr McDevitt: But they would certainly need to record any particular circumstances, would they not?

Mr Gillespie: That is your opinion. I did not write the minutes.

Mr McDevitt: You would have approved and signed them, as chairman of the board.

Mr Gillespie: Yes, the board would have approved them.

Mr McDevitt: And you would have signed them?

Mr Gillespie: Yes.

Mr McDevitt: How do you think an independent audit team was able to come to the view that the:

"delegated limit for the bonus payments was not considered by the Board or Remuneration Committee."?

Mr Gillespie: You would have to ask them that question, because I do not know how they arrived at that. It is untrue. It is inaccurate — wholly and completely inaccurate.

Mr McDevitt: Just to be clear, your firm recollection of the relevant board meeting and the relevant remuneration committee meeting is that the delegated limit was considered and discussed and was factored into your decision-making?

Mr Gillespie: Absolutely.

Mr McDevitt: OK. Thank you very much.

Mr McCarthy: Briefly, Chair, I reiterate your comments on the Fire Service and how it has kept Northern Ireland going for 50 years or longer by dealing not only with fires but car accidents and all sorts of incidents. So our congratulations to the service must be put on record.

In reply to a question from Gordon Dunne, Mr Craig said that his Fire Service career lasted over 36 years, which is commendable by any standards. Your answers to Gordon clearly showed your pride in the service that you had worked for over all those years. When you saw what was happening to the service that you loved, why did you walk away at that time? Secondly, following Linda Ford's successful challenge to her suspension by you and the apology that she received from the permanent secretary, did you feel shafted and hung out to dry? The first question is: why did you walk away at a time of crisis at the top? Could you not have hung in there and got us over the hump? That is where we all want to be.

Mr P Craig: Mr McCarthy, I agree with you. I wanted to be there, too. When I took up the job, I thought that I could get a team in there that would work together to deliver that. It became apparent to me that that was not going to happen. That really reflects on the individuals who worked with and for me. I got to the stage of wondering where the next — I need to choose my word carefully; I am a passionate man — issue was going to appear from and what was going to appear in the papers. You get to a stage in life at which you have got to make a decision. I love the Fire Service; I would go back there in a heartbeat. In some ways, I feel guilty that I walked away, but I was born to live and not to

live to work. You get to the stage in life where you have got to look at the big picture. I regret deeply that all of us are here talking about these issues around the Northern Ireland Fire and Rescue Service, which I believe, as you can tell, is a service second to none. I regret that. That is the answer to your first question. I cannot really recall what your second question was.

Mr McCarthy: It was about the success of the challenge by Linda Ford to her suspension by you, and the fact that the permanent secretary — the man at the top almost — apologised for your actions.

Mr P Craig: I think that he apologised for his actions.

Mr McCarthy: Well, his actions on behalf of what you —

Mr P Craig: I have always respected the fact that everybody has their opinion. If he thinks that that was the right thing for him to do, I have got to respect that. I did what I thought was right. People in this room clearly do not agree with it all, but believe me, I did that to the best of my ability and as honestly and transparently as I could.

Mr McCarthy: OK; thanks.

The Chairperson: It is useful to say that had your team had a full complement, you would not have suspended Linda Ford. You said that earlier, when I asked whether you would not have suspended her if all your directors had been in place.

Mr P Craig: I am not sure that is exactly what I said.

The Chairperson: Suspended both of them; sorry, you would have suspended both of them.

Mr P Craig: I think that is more accurate.

The Chairperson: OK.

Mr Dunne: Can I just make a statement —

The Chairperson: No; sorry. Let me bring in Roy first.

Mr Beggs: What you have said, Mr Gillespie, has been useful in highlighting the difficulty in recruiting officers experienced over the period, the lack of qualifying officers, the issue of being unable to attract officers from elsewhere and, indeed, the loss of officers to GB. You seem to justify the bonus on the basis of the pay that senior officers get. That is the impression that I got. Just because you give someone a bonus does not mean that you are able to keep them. It does not stop them applying for a job elsewhere. Is that not a short-sighted means by which to try to retain staff? A bonus should be based on authorised limits and on performance rather than on some excuse that the pay over here is lower.

Mr Gillespie: It was partly to reward what we considered to be the underpaid officers already in post and to show, to some degree, internally and externally, that we were willing to put our hands in our pockets and pay our senior officers properly. It should be borne in mind that, at the same meeting when the remuneration committee and the board approved the bonuses, they also approved the terms of reference for a firm of consultants to come in and look at the salary as agreed with the Department. That was the £20,000 effort. The minutes describe it as a holding operation — we would pay those bonuses. At the same time, we were doing a consultancy exercise, which we hoped and were certain would result in all the directors getting an increase in their salary.

Mr Beggs: I have made my point.

Mr Dunne: There is a need for clarification on a number of issues that Mr Gillespie raised today. As a Committee, we should seek that clarification on those issues. That is important. We all recognise the good, sterling work that the Northern Ireland Fire and Rescue Service has done over the years — the very difficult years that the Province has gone through. It has done a sterling job in dealing with emergencies out there. It has served this country and served it well.

However, issues need to be addressed that relate to the management structure. That is what we are endeavouring to do: to try to establish the facts and truth; to get a sense of purpose and justice on the whole thing; and to move it forward. We want to move it forward and try to re-establish the Northern Ireland Fire and Rescue Service's management structure so that the public, once again, have the confidence that is required. I think that we need to do that as a Committee.

The Chairperson: You are right, and that is what we are trying to do. Issues have come up, and we will ask the Department for more information. We will look at that.

I am not going to open the floor for other questions, but if any of the rest of you feels that you need to say a few words or add anything, I will give you the opportunity. If not, I will bring the session to a close.

Mr Lamme: Thank you, Chair. As I said earlier, this is the first opportunity that I have had to respond to some of the allegations that have been made against me. So, thank you very much for the opportunity.

Mr P Craig: Thank you, Chair and members.

Mr Gillespie: Chair, could I comment very briefly on some earlier evidence that was given to you, not today, but on other days? I think that it would be helpful to you.

The Chairperson: Briefly.

Mr Gillespie: OK. Concern was expressed about the large number of grievances that were registered over 10 years. It should be noted that about 80 of them related to the UK-wide change from what is called "rank" to "role", which involved slotting every firefighter from a rank structure into a role structure. It was a question of finding a point on the new scale for each of the 1,000-odd firefighters. If they did not get onto the right point, they had a right to register a grievance. So, 80 of those grievances related to rank to role. If you take that 80 away from the total, it is not an unusually high figure for 2,200 colleagues over 10 years.

Concern was also expressed that the board did not have a human resources committee. It did have a service support committee, which met regularly and always had human resources on its agenda. It was attended by the director of human resources. We found it necessary to combine committees to ensure good attendance and have a meaningful agenda. In my final year, instead of 10 members, we had only six, from which we had to find five committees as well as board meetings and various panels. The order provides that there should be four district councillors on the board, but their term of office expired on 30 June 2009. The Department, without any explanation or notice to the board, did not reappoint them, nor did it appoint other elected representatives. That meant a loss of some of our strongest members, including two committee chairs. Indeed, I am not sure whether the board was constituted properly without councillors during that period, as is specified in the order.

In my time, board members did not receive a salary. They received only an attendance allowance for each meeting and travel expenses. In some cases, unless they were retired or unemployed, it cost them money to attend. I understand that the current board does receive a salary. Despite those problems, in my view, the members who I had worked hard and were committed. Thank you.

The Chairperson: Mr Gillespie, if you can, will you leave that information for us? This is not over today. We have other questions.

I know that I speak for the whole Committee, so I will not even open up the floor to hear what every individual member says. On behalf of the Committee, I want to say that this is no reflection of the work that the Fire Service does day and daily. This is not about the Committee demonising anybody. I know that I said it before, but I cannot stress it enough about the work that Fire Service personnel do.

On the Committee's behalf, I thank each and every one of you for coming up. We are trying to get to the bottom of this. We want to ensure that proper mechanisms are in place. I know that it is easy to throw this around, but we want to learn the lessons. We want to ensure that we are unable to go back there again, whether that is through putting management procedures or corporate governance and all of that stuff in place. That is why we are keen to look at the issue in-depth and to come to a conclusion sooner rather than later. Genuinely, thank you for coming up and facilitating that.