



Northern Ireland
Assembly

Committee for Justice

OFFICIAL REPORT (Hansard)

In-year Financial Position and Outcome of
June Monitoring Round:
Mr David Ford MLA (Minister of Justice) and
DOJ Officials

1 October 2014

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Paul Givan (Chairperson)
Mr Raymond McCartney (Deputy Chairperson)
Mr Sydney Anderson
Mr Stewart Dickson
Mr Tom Elliott
Mr Seán Lynch
Mr Alban Maginness
Mr Patsy McGlone

Witnesses:

Mr Ford	Minister of Justice
Mr Glyn Capper	Department of Justice
Mr Nick Perry	Department of Justice

The Chairperson: I am pleased to welcome formally the Minister of Justice, Mr David Ford; Nick Perry, the permanent secretary; and Glyn Capper, the deputy director of finance. Mr Capper usually comes to the Committee, executes his duties very professionally and answers members' questions very diligently. However, given the prevailing circumstances, it was my view and that of the Committee that it was important to hear from the Minister about the issues that the Department faces. I hope that you appreciate that and understand that it is in no way a slight on Mr Capper.

I will hand over to you, Mr Ford. The session will be recorded by Hansard and published in due course. I am sure that members will have questions after you have made your opening remarks.

Mr Ford (The Minister of Justice): Thank you, Chair. If there was any slight on Glyn, it was on my part for intruding on his normal performance. Thank you for the opportunity to brief the Committee on the current financial position.

As we all know, the October monitoring round is normally a relatively straightforward process, in which Glyn or other officials brief you on the outcome of the Department's monitoring process and identify bids to DFP. As we are all aware, this year's position is very far from straightforward, and, looking at the financial position this year and next year, I believe that the justice system faces a very difficult situation.

The Department and the Committee have worked closely together over the past four years to deliver significant reforms. That has produced very successful outcomes in, for example, the Prison Service and in delivering legal aid reform. Given our shared concern about the impact of cuts on the justice

system, I thought that it would be responsible and helpful to brief you frankly and in person on the financial position and to outline the impact of cuts that the Department has already had to make this year. If you are content, I will refer to this year's position and then add a few words about 2015-16.

By way of background, I should note that the DOJ took a 7.2% resource departmental expenditure limit (DEL) baseline reduction across the Budget 2011-15 period, a higher cut than the Northern Ireland Civil Service average. The Executive agreed that the DOJ budget should be ring-fenced, recognising the risk of pressures in the justice system. Ring-fencing does not mean protection; simply that the DOJ received the direct Barnett consequential of the Home Office and Ministry of Justice spending review settlement. I have managed that risk to date and, prior to the June monitoring round, had plans in place to do so again this year. Obviously, that situation changed completely following the June monitoring round, the outcome of which for the DOJ was as follows: a bid of £19.7 million for legal aid and other pressures was not funded; the DOJ ring-fence was lifted, and 2.1% of cuts imposed immediately, with a further 2.3% of cuts to be imposed as part of the October monitoring round. That is a total cut of £47.3 million, or 4.4%.

In anticipation of the June monitoring round, Nick Perry and I briefed the chief executives and accounting officers of all our agencies and NDPBs and asked them to outline the impact of cuts. My senior team and I then undertook a rigorous process to examine the implications and deliverability of those cuts and the impact on front-line operations and public safety. In deciding on the level of cuts, I have sought to protect front-line services and reduce any public safety impact as far as possible. However, given the scale of the in-year cuts, that has not always been achievable. Following that process, revised budgets were issued to all spending areas, and the briefing paper that you received details the level of savings required.

It is important to note that, to date, any DOJ bid for additional funding for legal aid has not been met, so the requirement to absorb those pressures internally remains. Therefore, revised budgets take account of the need to make further cuts over and above the £47 million imposed as part of the June monitoring round. It would be irresponsible not to plan on that basis. Overall, based on the position following the June monitoring round, the Department is required to generate savings in excess of 7% in its budget. The savings required from individual bodies vary, as shown in the briefing paper that you received for the meeting. In seeking to protect front-line services as far as possible, certain spending areas, such as the core Department and the Policing Board, are required to generate savings in excess of 10%. Large front-line organisations, such as the PSNI and the Courts and Tribunals Service, are being asked to deliver savings of 7% or more. Criminal Justice Inspection and the Police Ombudsman are required to deliver savings of 6.4% and 6.2% respectively. A range of other bodies, such as the Probation Board, the Youth Justice Agency and the Prison Service, is required to deliver savings in excess of 5.5%. That is particularly challenging for the Prison Service as it has already endured, against the backdrop of a rising prisoner population, a baseline reduction of 15% over the last four years. There, as in other areas, public safety and, in particular, the continuing safety of prisoners and staff, is a key concern. That is why the required savings are being kept at that level at the expense of other parts of the Department. The briefing paper provides details of the severe impact of those cuts.

I am conscious that the Chief Constable is operationally independent and that, ultimately, it is for him to decide where PSNI cuts will hit. He is due to brief the Policing Board tomorrow on the implications, and I understand that he will hold a media briefing after that. He is also due to meet you next week and will no doubt be in a position to provide more details. However, he has told me that the impact on the PSNI will be significant. Savings of 7%, or £51 million, need to be delivered this year. That is bigger than the budget of A district — the police's largest district — and will have an immediate impact on police numbers, both police officers and staff. It will mean less overtime, which, in turn, will impact directly on community policing, the PSNI's response capability and its ability to combat serious crime. As you will know from yesterday's announcement, it will also lead to the cessation of the Historical Enquiries Team (HET) in its current form, as well as the return to desk jobs of many officers who have been moved out of those jobs and into front-line policing duties. I imagine that it will also impact on the police estate and on the PSNI's ability to fund partner organisations doing valuable work in the community.

Those direct impacts do not relate only to policing. The wider justice system will also be significantly affected. Cuts of nearly £6 million, or 5.6%, will have an immediate impact on the operation of the prison regime, with prisoners spending longer in cells. The cuts will also mean a reduction in grants for the voluntary and community sector and prisoner services. Some of those bring risks.

You will also be aware of the significant reforms made across the Prison Service since the devolution of justice, which, indeed is a Programme for Government (PFG) commitment. As I advised previously, the prisons baseline has already been reduced by 15% over the past four years. Cuts at the level proposed may jeopardise the stability of those reforms.

There will be a direct impact on the ability of the Courts and Tribunals Service to discharge its statutory functions in administering courts and tribunals, as it faces cuts of 7.6%. The very visible front-line impact is that courthouses will need to close. Indeed, the Old Town Hall courthouse in Belfast will temporarily close from the beginning of November. I plan to begin a process of public consultation on the closure of other courthouses in the event that further budget cuts are required next year. It may even be necessary to move faster than that and temporarily close other courthouses. Any further reduction in the number of essential front-line Courts and Tribunals Service staff will, inevitably, also have an adverse impact on access to justice for citizens.

The Probation Board faces cuts of 5.6%, which represents £1 million of funding, so there will be a reduction in the number of probation officers and an immediate impact on the ability to monitor offenders when caseload is increasing. That highlights further the point that I referred to earlier: it is no longer possible to protect fully all front-line areas, which brings with it an increase in the risk to public safety.

In the absence of an agreed position on the past, the pressures facing the justice system from legacy issues continue to increase. As I said, cuts will impact significantly the work of legacy activity in the PSNI and the Police Ombudsman's historical investigations. The Chief Constable will no doubt brief you further on those matters in due course. There will also be an immediate impact on the progress of a number of high-profile inquests into deaths that date back to the Troubles.

You will know that legal aid expenditure is demand-led, and, with the Committee's support, I have already delivered significant reforms in that area. However, the baseline funding does not cover the expenditure required. If no further funding is made available in-year, there will be no option but to restrict legal aid payments during the year, which will increase the pressure next year. I am grateful for the very positive approach that the Committee took to progressing the Legal Aid and Coroners' Courts Bill, which passed Further Consideration Stage yesterday. The Department will continue to need your support as you consider proposals on financial eligibility, the further reform of Crown Court fees and the options for the reform of the scope of civil legal aid.

I have looked particularly carefully at the core Department, my priority being to protect the front line, as I said. The Department faces cuts as high as 16% in some areas, which is much higher than those faced by any of our arm's-length bodies. In addition to the suppression of posts and other measures, in effect, all discretionary spend has now been suspended. Those are just some examples of the impact of in-year cuts. Each area is still working through the details, but I think that this analysis begins to illustrate how widely and critically the justice system will be affected.

The next steps in-year are unclear. You will be aware that, at the Executive last week, the Finance Minister sought to table a paper dealing with the need for further cuts. However, as part of the October monitoring round, my Department will resubmit the £20 million legal aid bid that was unfunded in the June monitoring round and seek additional funding to offset, as much as possible, the impact of in-year cuts.

I should add that the cuts that I have outlined this afternoon are based on the June monitoring figure of 4.4% savings. At last week's unsatisfactory Executive discussion on the Budget, figures of 6% and higher were mentioned. I have to make it absolutely clear that further cuts to the Department of Justice budget without extra funding being provided would immediately worsen the front-line impact and, in many cases, simply not be deliverable at this point, which is halfway through the financial year. When there is more certainty about the outcome of October monitoring or the in-year position more generally, my Department will, of course, keep you updated.

If I may, Chair, I would like to say a brief word about 2015-16. If there are uncertainties about this year's financial position, next year's picture is even more unclear. That, in turn, impacts the decisions that we take this year, where those decisions would require a financial commitment in future years. Having received information on the level of potential cuts, Nick has written to all our bodies asking them to assess the impact of cuts of 10% and 15% against the opening baselines for 2014-15. Cuts could be higher, but that is the level at which we have been asked to model at this stage. Therefore, there is little doubt that, unfortunately, very difficult funding and prioritisation decisions will soon be required, and they will have a major impact on the wider justice system and on the services that we

provide. Although there is not yet an agreed timetable for the 2015-16 Budget-setting process, the Department will continue to engage with DFP, and we will advise you as soon as possible of the next steps. We are happy, of course, to take any questions that members have.

The Chairperson: Minister, you have outlined a very bleak picture of what you have to deal with. On a scale of one to 10, how much carnage will this wreak in your Department?

Mr Ford: I would be tempted to say eight or nine were it not for the reality that, on that basis, next year's carnage will score off the scale of one to 10. It is an extremely difficult position, exacerbated by the fact that these changes were introduced when we had plans to deal with our budget, which we believed had been set for the four-year period but which was then changed in the June monitoring round. Having taken significantly bigger hits than the Northern Ireland block for three and a half years, we as a Department then took the biggest hit of all in the June monitoring round.

The Chairperson: From your point of view, as Minister, are you prepared to preside over the level of cuts that need to be implemented by your Department?

Mr Ford: I have made the point that the Executive as a whole need to be realistic about prioritisation across Departments. What went on in June has led to an unsustainable position: two Departments were protected without taking any account of the pressing needs and priorities in any other Department. It was assumed that only those two Departments had priorities. I trust that we now have an understanding that there will be a detailed Executive discussion in the near future that will give people the opportunity to look at those kinds of issues. Certainly, I believe that I have a responsibility to highlight the current impact. The challenge is whether the Executive can collectively recognise those realities and deal with them.

The Chairperson: You are not resigning over this.

Mr Ford: If you are inviting me to suggest that the Department of Justice and its agencies would be in a better position with somebody else sitting at my desk, I do not see that as being the current position. However, if I believe that my position is no longer assisting the welfare of the people of Northern Ireland, I will not put up with this.

The Chairperson: I want to get into some of the detailed figures that you provided to us. The £47 million is based on the June monitoring round and not on the most recent paper that DFP circulated. Is that correct?

Mr Ford: You should probably look to Glyn for the detail, not me. We were in an unsatisfactory position in the June monitoring round, which gave us specific arrangements for 2.1% cuts but also referred to 2.3% cuts coming in October. We sought to plan on that basis. That is the 4.4%, which produced the figure of £47 million.

The Chairperson: Your understanding, Minister, is that it may well go up to 6%.

Mr Ford: That is the sort of figure being hinted at as a possibility on the basis of other figures that have emerged since June monitoring.

The Chairperson: What is that in real cash terms? If you already have to make £47 million of cuts, what could 6% mean?

Mr Ford: I am glad that you are looking at Glyn.

Mr Glyn Capper (Department of Justice): Another 1.6% would equate to an additional £17 million.

The Chairperson: That has not been factored into the presentation that you have given today on the possible impact of the cuts. You would have another £17 million of cuts on top of —

Mr Ford: That is the potential, but, as I said, we will also seek to bid in the October monitoring round for money for some of the pressures in legal aid and policing. Part of the difficulty is that we are trying to forecast how that might impact against any further percentage cut across the block generally.

The Chairperson: You mentioned public safety a number of times and said that the cuts will lead to an increased risk. What exactly do you mean when you say that public safety could be compromised?

Mr Ford: The Police Service has had to terminate the contracts of a number of civilian employees, which means that there will be backfilling of some of those posts by police officers and, therefore, fewer police officers on the streets.

A number of probation officers were on short-term contracts, and those have been terminated, so there are already fewer probation officers.

The expectation is that further cuts to prisons will result in a reduction in the work done by some of our voluntary sector partners and an increase in lock-up time for prisoners. Both are likely to impact on safety, not only inside prisons but outside, with an increased likelihood of released prisoners reoffending.

Those are three key specific areas in which there is a likelihood of an increase in the danger to public safety because of the lack of staff carrying out the work or a reduction in the number of hours that they can work.

The Chairperson: You touched on the fact that the ability to monitor offenders could be compromised. What type of offenders might the Probation Board not be able to monitor effectively?

Mr Ford: That comes down to the operational issues of the Probation Board and by how much it thinks that it can increase officers' caseloads. A range of offenders is subject to probation supervision. Some are at the relatively modest end of the scale; others are quite serious offenders who have served part of their sentence in custody and are out in the community. Obviously, sex offenders may be under more intense supervision than others.

I presume that the Probation Board will seek to maintain its supervision of the more serious offenders, which means that they may end up having to reduce the level of supervision: for example, one point highlighted to me was that there could be a cut in the number of home visits and that people might be seen only in the office. If probation officers see people only in their office, they do not get the full picture. Their assessment of the level of danger posed or liability to reoffend would become more difficult because they would not have the full rounded picture that they get when they have the time to make home visits.

The Chairperson: The staffing complement in Maghaberry and Hydebank is already below what it should be. My understanding was that recruitment would be needed to deal with the pressures that already exist in the Prison Service. Will that happen?

Mr Ford: I cannot give you an absolute figure on that. I have not seen anything specific from Sue McAllister on recruitment — maybe Nick has something on it — but it would be very difficult to look at any significant recruitment programme given the scale of the further cuts that the Prison Service is being asked to make.

Mr Nick Perry (Department of Justice): I do not believe that the Prison Service has any recruitment plans at the moment. If I am wrong, we will inform the Committee.

The Chairperson: The attrition rate of new recruits is concerning, and, given what is required in the establishments and the fact that they are understaffed, it seems to me that recruitment is needed to deal with the pressures that staff face. That is the message that I have been getting when visiting those institutions. My understanding was that recruitment would be needed. Obviously, with the budget problems that you face, that may well not take place.

Mr Ford: Recruitment right across the justice system is in a very similar position. We had an agreed number of police officers as part of a very intensive exercise last year. It may well be that, over the next year or two, we will be unable to maintain that number.

The Chairperson: Can you outline exactly how you will be able to stop the legal aid payments? Will the professions do the work but not get paid for it?

Mr Ford: No. Given that we have a legal obligation to make payments, you can be assured, and lawyers can be assured, that they will be paid. We may simply be in a position in which we run out of money towards the end of this financial year. That will mean that a bill that might otherwise have been paid in January or early February is not paid until April. Bills will be paid, but, if there is no money in the account, they cannot be paid within the financial year until further money is added by the Treasury.

The Chairperson: Minister Hamilton highlighted to the Finance and Personnel Committee the need for the police to open up their books to a greater extent. What relationship do the police have with your Department by way of opening up the books so that you have a very clear understanding of the financial issues that they face?

Mr Ford: I will ask Glyn to go through the detail of that because there are complexities between the role of the Department, the role of the Policing Board and the role of the police themselves. Many of these issues are operational, but we have been getting some fairly good information on how things are working in the police.

Mr Capper: I met DFP officials last week to discuss this and other issues. DFP's direct engagement is with the finance team in the Department, which coordinates discussions and so on with police finance colleagues. We have received requests from DFP for information on the police, and we have provided that. I arranged last week for a further set of information to go to DFP officials in the next few weeks. The information flow is there, and we are meeting DFP's requirements for the level of information that it expects and wants on the police budget.

The Chairperson: The police are getting approximately £27 million from Treasury for security-related issues. Is that entirely ring-fenced for those issues, or is there some latitude for it to be used elsewhere?

Mr Ford: It is entirely ring-fenced and specifically for those issues. The Finance Minister's June monitoring paper made it clear that any cuts could not impact on that area of work.

The Chairperson: Your Department, unlike any other, has the end-year flexibility (EYF) process to carry over money. How much has been accumulated by the Department? Do you have access to that stock?

Mr Capper: The only amount that the Department has access to is £15 million, and only the police can access that. The police have factored that money into their plans for this year. In addition to the police budget detailed in the briefing paper, they will draw down £15 million from Treasury. That finishes the access to EYF over the Budget period.

The Chairperson: So none of that will be lost to Treasury.

Mr Capper: No.

The Chairperson: What decisions do you need to take at this point to prepare for the next financial year?

Mr Ford: One of the key issues that have simply not been addressed by the Executive is the potential for a redundancy scheme for civil servants. We have known for a lengthy period about the people in the DVA in Coleraine who would lose their jobs, and yet, even faced with that, no redundancy scheme has been set up. I certainly know that there are senior civil servants — this does not include either of the gentlemen sitting beside me — who believe that there would be significant demand for a voluntary scheme, were it to be announced. That is one area in which changes could be made, although the reality is that so few Department of Justice staff would be directly affected by a Civil Service scheme. Frankly, we need early information, and we need to have some opportunity to plan in a rational way. We should have been well into the Budget-setting process for next year in September so that we would have some idea of how to make plans. At this stage, we have no sign of anything. It looks highly likely that it will not be possible to do the proper process, with the proper consultation, before the end of March, and that makes it increasingly difficult to plan for.

We also need to recognise that the cuts will impact significantly. Four years ago, we started this comprehensive spending review (CSR) period by making significant efforts to trim the core of the Department and protect the front line — whomever it was who delivered the front line. That included

some of our voluntary sector partners whose grant aid remained at a fairly high level because they were providing direct front line services. We have now reached the point at which it is simply not possible to give that level of protection. We are now in the position in which everywhere is having to take some fairly significant cuts. You will see from the percentages that I outlined that we have still managed a degree of protection for a number of bodies because of the work that they do, but everybody will have to take significant cuts next year.

The Chairperson: Finally, on some of the legacy-related issues, what assessment have you made of the duties that you have as the state to be investigating the historical crimes that were committed as opposed to dealing with issues that we are facing at present? Are you not potentially leaving yourself open to challenge that you are failing to carry out those duties?

Mr Ford: I am not sure whether you are putting words such as "yourself" in the singular sense, Chair. I am not sure that I am the "state". I believe that we collectively are the "state", and we have responsibilities. I also believe that I have responsibilities under article 2 to keep society safe this year and that the responsibilities of the past lie more with those who had responsibility, principally the British Government. I noted two interviews on Radio Ulster this morning from people who agreed with the view that I have just expressed. They said that there are real issues of the legacy of the past that cannot be dealt with unless there is the direct involvement by the Northern Ireland Office or other aspects of the British Government funded by the Treasury, because the DOJ is funded for the present, not to deal with the past. We simply cannot get into the position in which the good work that is being done by justice agencies for the present cannot be carried through because of the legacy of the past. That requires a political joining-up. It requires an input from the British Government, and it requires the Treasury to accept that there are specific issues there. I think that most people will accept that it is not possible for us to manage today's budget to deal with the past as well as the present.

The Chairperson: You alluded to that at Question Time. Obviously, the Chief Constable has taken a decision on temporary staff in respect of that, and that will impact on the HET, but there are full-time, permanent police officers who are actively involved in investigating legacy issues. The example cited in the Chamber was Bloody Sunday, where upwards of 30 officers are involved. Will those officers be taken off that investigation to be able to protect the public today from crime?

Mr Ford: You really will have to ask the Chief Constable that, because that is getting into operational issues, but my understanding is that, because of the concerns of today as well as those of yesterday, we are likely to see legacy work be slimmed down and some of it brought together into a single unit. I have probably now gone further than I should have done, and I am not going any further than that. If you are seeing him next week, he will be in a position to answer that question.

The Chairperson: He may well have already given the information publicly, but we will hopefully ask those types of questions. Thank you for that.

Mr McCartney: There is a lot of detail in this, and I am sure that we will revisit some of it in time. At the beginning of your presentation, you mentioned three or four different bands of areas of cuts. How was it decided what cuts should be made for particular agencies?

Mr Ford: Allowing for what I said earlier about the need for the Executive to look at priorities across all Departments, as opposed to having to do it internally, all that we could do at this stage was internally seek to see where the biggest pressures and issues of public safety were and protect that front line as far as possible. That is why, for example, Criminal Justice Inspection Northern Ireland (CJINI) and the Police Ombudsman have a smaller level of cuts. It is why, when areas of the core Department are having very significant cuts, even allowing for the fact that they have taken the biggest cuts up until now, we have done that to prioritise as best we can. However, the reality is that the cuts are of such a scale and so late in the year that it is not possible to do what we want to do.

Mr McCartney: Who has the ultimate responsibility for signing off on this?

Mr Ford: Do you mean signing off on what we are saying here now?

Mr McCartney: Yes, at this presentation. Who will decide that this is the final decision of the Department of Justice?

Mr Ford: The correct answer is that it will be probably a combination of the Minister and the accounting officer. Between us, we have to take those decisions and justify them.

Mr McCartney: OK. In the round of discussions with the agencies, was an impact assessment of the cuts to the particular organisations carried out?

Mr Ford: I am not sure whether that is the right term, but Glyn was most responsible for the detail.

Mr Capper: If I explain the process, that will hopefully answer your question. As the Minister said, he and Nick met the chief executives and accounting officers of all our arm's-length bodies and agencies. Arm's-length bodies were invited to describe and outline the impact of cuts against a number of categories, including, at one extreme, the impact on the back office, up to the impact on the front line and public safety. We gathered information from all our bodies on that scale, and that was then fed into the decision-making process.

Mr Perry: It has been reinforced, of course, by meetings. The Minister has met the Chief Constable, the Policing Board, the Lord Chief Justice, the Police Ombudsman and the chair of the Probation Board to discuss the cuts and their implications. All of that has been taken into account in arriving at the figures. As the Minister said, we have done our best to protect the front line where we can.

Mr McCartney: As a result of those meetings, were any of the percentages increased or decreased?

Mr Perry: There have been some adjustments.

Mr McCartney: Was part of the impact assessment into public confidence in the justice system and wider policing structures?

Mr Capper: As I said, the assessment asked for information on the public safety impact on the front line, and that, collectively through the information provided and engagement with the bodies, informed the decision. It took those sorts of things into account.

Mr Perry: In all the meetings, the issue of public confidence in the institutions, including accountability arrangements, came up quite forcibly. The judgement was made on the impact on public confidence in that sense versus the impact on public confidence through not being able to deliver critical services today.

Mr McCartney: No, but the specific question that I am asking is this: what weight was put on public confidence, and was it as much as was put on public safety?

Mr Ford: I am not sure that you can separate them in that context, because public safety today is a significant part of public confidence. Clearly, for those most affected by the past, there are issues related to how we handle legacy issues, and that will also impact on their confidence. It is not an either/or situation; rather, they run alongside each other.

Mr McCartney: That was not clear in the answers. Perhaps that should have been in the answer rather than treating them as if they were two separate entities.

Mr Ford: I do not think that I said that.

Mr McCartney: When I asked the question, I was not told, "No, that was a priority, and public safety and public confidence are one and the same", which you have said. There seems to be a difference of opinion here about the weight put on public confidence.

Mr Ford: I do not think that there is any difference in what we have said.

Mr McCartney: Do you not think that there is a difference?

Mr Ford: No.

Mr McCartney: Right, fine. Perhaps I picked it up wrongly, but I certainly did not see any attempt being made by anyone to say that public confidence was high on our priority list when we were implementing the cuts. I picked up that public safety was the bigger concern, until you said that they were one and the same thing.

Mr Ford: I did not quite say that they were one and the same. I said that safety has a significant impact on confidence today, and there are other people for whom confidence is more related to their personal circumstances.

Mr McCartney: I asked that because the cut to the Police Ombudsman's budget seems to very high in proportion to his budget. In the commentary in the past 24 hours, have you heard anything to change your mind about the weight given to public confidence in the work of the ombudsman's office?

Mr Ford: Glyn will keep me right, but I believe that the ombudsman's office was one of very few spending areas in the justice system that had received an increase over the past four years. It has actually taken a lower cut in this particular exercise, so I think that that is a fair degree of protection.

Mr Capper: That is correct. The ombudsman's office was the only area that received a budget increase between 2010 and 2014.

Mr Ford: It received a budget increase and then a smaller cut. That sounds to me like protection.

Mr McCartney: I will not get into the statistics, but it has a budget of £7 million and is losing £750,000. Michael Maguire has said publicly that that will have a massive impact on both the historical work and the current work. Have you heard anything in the past 24 hours to change your mind that this will have a massive impact on public confidence in the Office of the Police Ombudsman in a week when Criminal Justice Inspection has said that confidence has been restored? For a number of years, using whatever words you want, confidence was not high. Is there anything that you have heard in the past 24 hours about families' expectations being lowered by the decision to take £750,000 out of the ombudsman's office's budget, given that there are other agencies of the Department that have higher budgets and could mop up £750,000?

Mr Ford: I do not recognise the figure of £750,000 out of £7 million. I think that you must be taking account of the further increase that we had hoped to give it until June monitoring was imposed on us. It is not actually on that scale. The complete decrease is —

Mr Capper: About £564,000 came out, which was 6.2%.

Mr McCartney: In real terms, as represented by the ombudsman laying out his programme of work to ensure the trajectory of confidence being restored in the office, he believes that his cut is to be £750,000.

Mr Ford: The reality is that the trajectory of all kinds of other spending areas has also been trimmed back, and trimmed back much further than we have done to the ombudsman's office.

Mr McCartney: The point that I am making is about public confidence. If you are trying to keep the trajectory going around public confidence in, say, the Police Service, do you not think that, when this type of decision plays out, there will be an impact on that confidence?

Mr Ford: There may be —

Mr McCartney: Given that the ombudsman has also said that he cannot deal with current complaints, the statutory obligation that all complaints about the PSNI be investigated will not be carried out by him but will have to be carried out by the PSNI. That is wrong in the first instance, but it will also cost more money than if they were investigated in the ombudsman's office.

Mr Ford: You have put together a lot of things, and I do not necessarily agree with all of them. I agree that there may be an impact —

Mr McCartney: If you do not agree with any of what I said, you can tell me what you do not agree with, and perhaps we can have a discussion about that.

Mr Ford: There may be an impact on the issue of confidence. There may also be an impact on confidence through the public safety being provided by the cuts to the police, probation services, youth justice and prisons. Those are all the harsh realities that we currently face, and I believe that we have protected the ombudsman's office to a significantly greater level than the level to which other areas of spending have been protected. I know that there will be negative impacts everywhere we have had to make cuts. That is the world that we live in because of the failure of the Executive.

Mr McCartney: That is for a wider discussion. We have to deal with the here and now of the impact on the Office of the Police Ombudsman.

Mr Ford: We have to deal with the impact on everything that we have talked about today.

Mr McCartney: Absolutely, but, at present, I am dealing with this. That is my prerogative. There are other issues, and we can deal with them in time. I have no issue with doing that, but you have said that this will wreak carnage on your Department measured at eight on a scale of one to 10. On a scale of one to 10, what is your rating of the carnage that will be caused the ombudsman's office?

Mr Ford: If you are talking about eight on a scale of one to 10 because of the cuts being imposed across the Department generally, the cuts being imposed on the ombudsman's office are somewhat less than that, so they might score a five or a six.

Mr McCartney: You are accepting that you are wreaking carnage on the ombudsman's office with these cuts.

Mr Ford: I am accepting that the budget that the Department of Justice has been given is wreaking carnage on the justice system in totality, not just one particular office.

Mr McCartney: No, but you are responsible. That is why I asked the question. Ultimately, you have accepted that the Minister and the permanent secretary, as the accounting officer, are responsible. In this instance and on this particular issue — we have all heard the commentary in the past 24 hours — there is an expectation from the public that the office should not be attacked in the way that it is being attacked, in order to ensure that there is maximum public confidence in our policing structures. That confidence is being undermined.

Mr Ford: There is an expectation from members of the public that no aspect of the justice system should be undermined and that we should continue to fund every aspect of justice.

Mr McCartney: I have no issue with that, but we have to deal with this issue. In my opinion —

Mr Ford: Sorry, you are dealing with this issue. I am trying to deal with the overall issue, and I repeat the point that the ombudsman's office has been protected in a way that other spending areas have not and has had benefits over the preceding three years that other spending areas did not. In that sense, I believe that I have done as much as I can to protect that spending.

Mr McCartney: If that is the position, you have certainly not convinced Michael Maguire .

Mr Ford: I would not expect to convince Michael Maguire any more than I would expect to convince Sue McAllister when cuts are made to the Prison Service.

Mr McCartney: In fairness to Michael Maguire, he has made it a public issue. The rest have not. They may have their reasons, because —

Mr Ford: Sorry, I am not doing things on the basis of who shouts the loudest. I am doing things on the basis of the best decisions that we can take in the Department.

Mr McCartney: Nor am I asking to make decisions on that basis.

Mr Ford: Sorry, but you were close to it.

Mr McCartney: You may have thought that that was the case. Sometimes, when a person makes a public stand, it is done for a good reason. You should not think that people are shouting loudly to

make the most noise. They might be doing so because they believe that it wholly and absolutely right to do so. Other people may remain silent for their own particular reasons. I will not assume why that is, and I do not think that you should assume that Michael Maguire —

Mr Ford: Other people have made the same robust case as Michael has made, with evidence —

Mr McCartney: But the public aspect of it —

Mr Ford: They have put that case to me.

Mr McCartney: The public aspect to this is because of the wrangle in the ombudsman's office over a number of years. My point to you is that you are sucking the life out of an important office. That will have wider implications across the whole justice system and not just for the work of the office. That is why I am making the case today. That is where the public's mind is on the issue, and you should be mindful of it.

Glyn has lowered the amount of money to £560,000. That money could be used to create the circumstances in which that office is not undermined. You are not here today because this is an operational matter, but, given the cutbacks in the HET and, indeed, its collapse, I think that there are massive article 2 considerations involved. Those will have a wider impact on public confidence and on the whole structures of policing and justice in the North.

Mr Ford: I repeat that the ombudsman's office is the only spending area that received increases over the first three years. Having protected it better than other spending areas, I believe that I have done the best for it against all the other competing issues that the Department has to deal with.

Mr McCartney: I am very conscious of the time, Chair, but I want to ask another question. You mentioned the responsibility of the British Government to deal with legacy issues. Has the Department made any representations in respect of that? I do not want to go into the financial aspects, but have you made any representations on, say, the issue of hearing loss?

Mr Ford: It depends on how you define "representations". In some of the discussions that I had with the Secretary of State last year when Richard Haass was leading the talks, and more recently, I made the point that there are issues with the past that are the responsibility of the British Government to deal with.

Mr McCartney: When you say "deal with", do you mean the funding stream as well?

Mr Ford: Yes. We have to reach agreement on what a historical investigations unit (HIU), or whatever we might call a new institution, might be. However, in those circumstances, I believe that there is a strong moral and practical obligation on the British Government to fund it.

Mr McCartney: Finally — the Chair made a similar point — is there room and space for the books of the Department's agencies to be opened to have a more rigorous examination of their spending streams? That would mean that, when you are faced with these difficult decisions, you can satisfy yourself and the Department that the budget lines that are being spent by some of the agencies are wholly necessary for the wider issues of policing and justice.

Mr Ford: Given the independence of a number of the agencies that we are talking about, we need to be careful that the Department is not seen to be interfering. However, I believe that that is what Glyn and his team have been doing in recent times. They have been steering a careful line between proper financial management and not interfering with operational decisions.

Mr McCartney: OK. Thank you.

The Chairperson: Before I bring in Mr Dickson, I want to get a bit more clarity on the legacy issues, if you are able to advise us on those, and the unit that will be set up by the police. There is some concern about the hierarchy of victims, as people refer to it. Do you know what the priority will be for the new unit?

Mr Ford: I really do not. I am afraid that you will have to ask the Chief Constable. You have only a week to wait.

The Chairperson: There is a concern that investigations will focus on state actors rather than on investigations, for example, for those who suffered at La Mon. That obviously goes to the heart of the debate about the past. To have confidence in the police, people will want to know who will determine the priorities of their investigations into what happened in our past. Is that a concern for you as Justice Minister?

Mr Ford: It is not for me to suggest to the Chief Constable the way in which he should organise that kind of work. Clearly, there will be prioritisation, as there was prioritisation in the HET and in the ombudsman's office. It is for you to check with him what the planned prioritisation will be.

Mr Dickson: Minister, there are very difficult and challenging decisions to be taken. For the vast majority of people, public safety is the number one issue in considering the totality of the Department of Justice budget. I am quite sure that, just as Mr McCartney has robustly questioned the budget of the ombudsman, there are many of us around the table who would have an equally robust discussion if, for example, probation services were to fail over sex offenders or the police were to fail over the number of speed checks that they carry out, which could lead to an additional number of road deaths. Every single thing that you do impacts on the safety of every citizen in Northern Ireland. Therefore, there has to be a recognition that no one part should take precedence over another and that each decision has an interlocking effect on the totality of the delivery of justice.

I want to discuss one point that was raised yesterday in the media. It might be helpful if you can clarify for us exactly what the situation is. A substantial sum of money has been set aside for the provision of the Desertcreat facility — I am sure that Mr Capper can tell us what it is. Could some or any of that money be used to alleviate the current budget crisis if, for example, that project were not to proceed or continued to be undelivered?

Mr Ford: Before Glyn does the capital stuff, I want to say that the point that you make about the interdependency of different areas is significant. However, I make the point that that is not just something for one Department. I find it slightly bizarre that, in June, we decided to protect the health budget as it saves lives, yet no account was taken of the fact that justice also saves lives in the way that has been highlighted.

The Desertcreat programme board is continuing to work through the current tenders. I have not had an update, but I believe that I am due to get one in a few weeks. There are technical issues about swapping capital expenditure for resource expenditure that are way beyond me. I will leave that to Glyn to take you through that.

Mr Capper: I suppose that the straightforward answer to your question is "No, it cannot". The Desertcreat funding is capital funding, which is used for construction projects and so on. What we are talking about is resource funding, which is running costs and so on. The two cannot be swapped.

Mr Dickson: I understand what you are saying, or, at least, I think that I do. However, you can equally understand why many members of the public may not see that. It bears spelling out very clearly why the answer is no. Is there anything else that you can do to assist us so that there is absolutely no doubt or ambiguity about the fact that the answer is no?

Mr Capper: Public finances operate under quite a strict set of rules, and those rules spell out that funding from Treasury comes in two tranches — capital and resource. You cannot move from capital to resource. That is simply the rule book that we operate under.

Mr Dickson: What will happen to the money that may not be expended?

Mr Capper: The Desertcreat funding that has not been spent to date over the budget period has gathered up into an end-year flexibility pot. When access to that pot is required, the Department, through the Department of Finance and Personnel, will approach Treasury. There will be a discussion, as we enter the 2015-16 year, about access to that pot, because the existing agreement and arrangement lasted until March 2015.

Mr Dickson: Is that pot available only to the Department of Justice or is it available to the Department of Finance and across all Departments?

Mr Capper: The pot has been gathered up from Desertcreat underspends and is earmarked for Desertcreat.

Mr Dickson: That is fine.

Mr McGlone: If I picked up correctly on what the Minister said, we heard something fundamental and quite shocking. At the point where the Minister discerned and made a distinction between the responsibilities of his Department towards the present and not the past, was that the Department washing its hands of historical issues and the duty, political and moral, to deal with those, particularly in the context of cuts to the HET?

I listened carefully to the words you used there, Minister. Assistant Chief Constable Alistair Finlay said that it meant, in effect, the closure of the HET. You said that it was the end of the HET in its current form. Also, the ombudsman referred to the issue of dealing with the past and historical cases by saying that they included some of the most difficult areas of our troubled past from all sections of the community. That could have an impact there. Minister, will you please clarify what you were trying to say earlier?

Mr Ford: I suppose —

Mr McGlone: I heard it quite differently, but please continue.

Mr Ford: I suppose that it comes down to the point that the Chair raised when he suggested that I was the state. The state has certain responsibilities for dealing with the past. The state is divided into a number of different areas. On some issues of the past, I believe that the moral responsibility lies more with the Department that had responsibility for justice issues at the time when these concerns arose — the Northern Ireland Office.

In practice, the Department of Justice is funded for the needs of today, and it is having great difficulty as it is the only body that is doing any work about the past. That is the reality; the past, which is a political priority and an issue principally, in my opinion, for the Northern Ireland Office is being dealt with by coroners' inquests, the Police Ombudsman and the HET. That position is simply unsustainable at a time of significant budget cuts. I am not washing my hands of my responsibilities, but I also have responsibilities for today in a way that I was not responsible for events when the issues being investigated by those legacy enquiries happened. There is a fundamental need to get agreements on new structures and better ways of dealing with them. There is then an obligation on the Treasury to produce the money and not expect the current budget to deal with the problems of the past, which are, clearly, a rather bigger issue.

Mr McGlone: Thanks for providing some degree of clarity around that. Just to be clear: you are not absolving the Department of responsibility. You mentioned justice issues in the present. How many of today's justice issues are legacy issues from the past that many people have to live with and are trying to seek truth and justice for? I was very concerned to hear you draw a distinction, be it moral or political — a line in the sand, if you like — regarding a duty, some of which, I accept, lies with the British Government.

Mr Ford: The reality is that we have spent three and a half years living in this budget period while seeking to manage the needs of the past from a budget that is to deal with the present. These cuts will have a significant impact, and we have obligations to keep people safe today. That ties across to issues like the failure of the Haass talks and the inability to agree about a better way of dealing with matters. The issues of the responsibilities of others come into play. The justice system cannot be left as the only body that is actually dealing with the past, yet that is the practical reality of where we are.

Mr McGlone: Has your Department prepared a paper for the upcoming talks specifically on funding and that element of funding that lies — as you or your Department sees it — immediately with the British Government? Have you worked up funding proposals for that as to what cost might be required to continue with that crucially important work to achieve truth and justice for victims?

Mr Ford: No, I do not believe that we could produce a funding paper at this stage without knowing what the shape of any possible future institution might be.

Mr McGlone: So, what work have you done on it? Obviously you have thought through the concept you have raised here. What work has been done by the Department in anticipation of the talks? You clearly stated that the responsibility of your Department is the here and now, the present, and that responsibility for the past potentially lies somewhere else, if I interpreted what you said clearly. You could not go into discussions with the British Government, or any other Government, for that matter, with a blank sheet. What kind of thinking is going on at the Department about the concept you have just raised?

Mr Ford: I think there needs to be a much firmer proposal as to what might be happening before it would be worth asking people to start doing work around the costings. At a point when it appeared that the party leaders' talks earlier this year were taking forward the work, in effect, where the Haass talks failed, papers were prepared in my Department looking at some of the issues, but the reality is that we need to know the shape of any structures before we can do any meaningful work.

Mr McGlone: But, if you have just apportioned some of the blame to the British Government, surely you have thought about what that portion might be or where that responsibility may lie.

Mr Ford: I doubt if I would be the final arbiter on such decisions.

Mr Ford: You may not be the arbiter but you are Minister of Justice.

Mr Ford: I think we are looking at two Governments and five parties deciding on those matters before there would be any point in the Department —

The Chairperson: Mr McGlone, I encourage you to come back to the present budget crisis and try to focus on that.

Mr McGlone: It is a very fundamental issue; I am sure you appreciate that.

The Chairperson: I understand that, but it is taking us into aspects that are not specific —

Mr McGlone: I appreciate that, but it is a very important issue. Thank you, Chair, for rowing me back in there.

Minister, on another matter, when are you likely to have a progress update on the Desertcreat community and policing facility?

Mr Ford: I am not sure at this stage. I think we will have an idea when we get the next reports.

Mr Perry: There will be a steering group meeting at the end of October that will take a view on that. As you know, the programme board is working to get the procurement arrangements for the college back on track. Once the steering group considers it, we will need to go the Justice Minister and Health Minister and then to the Executive for a decision.

Mr McGlone: So, when?

Mr Perry: I expect a paper to go to Ministers in early November.

Mr McGlone: OK; thank you.

Mr Anderson: Thank you, Minister, Glyn and Nick for coming today. Can I go back to the Prison Service? Minister, I have asked you, as, I am sure, other Members have done, in the Chamber about staff morale, especially in Maghaberry. My information from staff in Maghaberry is that their morale is at a very low ebb. I have some information in relation to staffing issues. What I am hearing today is that these cuts will have an immediate effect on the operation of the prison and that prisoners will spend longer in their cells, which is only going to make things worse in anyone's eyes at HMP Maghaberry. What do you have to say about the staffing position and the morale? I ask you again today about the morale of staff in that prison.

Mr Ford: I have no specific information on the morale of staff other than in the unit in Glen House where I met staff a couple of weeks ago when I was last in Maghaberry. I saw a small team that was doing extremely good work helping prisoners with a drug problem, but I accept that that is not a representative sample of prison officers. I have no specific information on that. I would not expect these cuts to improve staff morale in any part of the justice system. That is the reality of what we are living with. This is not the choice of Nick Perry or David Ford. It is being imposed on us and we are seeking to do the best we can. But I am fully aware of the effects when people see those kind of cuts occurring.

Mr Anderson: Staffing levels are below what they should be at Maghaberry. I am sure that you will accept that.

Mr Ford: I do not have the specific figures and so I am not in a position to accept it.

Mr Anderson: I was told that staffing levels are not up to what they should be. Four years ago, 48 prisoners on a landing had four staff. Today, it is three staff for 60 prisoners. Sometimes it is reduced to two and, on occasions, one member of staff unlocks 40 prisoners. How can that be a safe regime for prisoners and staff? Those are facts.

Mr Ford: They may or may not be the facts but all those issues are addressed through a proper risk assessment. The fact that there were, if you say so, 48 prisoners and four staff four years ago does not necessarily mean that that is the appropriate staffing ratio for all time.

Mr Anderson: On the other hand, one member of staff unlocking 40 prisoners is not an appropriate ratio either.

Mr Ford: It depends on the prisoners. It may well be entirely appropriate.

Mr Anderson: I would not say that the staff want to hear that 1:40 is a good ratio.

In relation to staff morale, I am being told that they are being told to operate the restricted regime or do the best they can, and that puts a lot of pressure on staff if something were to go wrong. It is putting staff into a state where sickness levels are rising. I am sure that you know that. I have asked questions before in the Chamber in relation to sickness levels and such like. I am hearing now and seeing today that, if these cuts are implemented, that can only make that situation worse and it will become a very dangerous situation. Do you agree?

Mr Ford: I have highlighted the potential problems to safety from these cuts. I am fully aware of that.

Mr Anderson: We have to think of the safety of the staff and the inmates. If the proper resource is not put in to staffing levels in Maghaberry and other prisons, what will happen? In your opinion, what will be the final outcome?

Mr Ford: I do not know what the final outcome will be. I am not a mind reader.

Mr Anderson: Are you not concerned?

Mr Ford: I am concerned about every part of the justice system. I am concerned about the cuts to the number of police officers on the ground. I am concerned about the cuts to the number of probation officers and youth justice officers. I am concerned about a range of cuts. I am concerned about public confidence and public safety.

Mr Anderson: Before we were hit with this situation in the June monitoring and such like, was there not a failing to put a proper recruitment process in place? That has now impacted even more because we are placed in this situation. Do you agree or disagree that a proper staffing recruitment process was in place before this?

Mr Ford: At no time was there a recommendation to me that there needed to be a recruitment process for Prison Service staff.

Mr Anderson: And you are not sure if the staffing levels are correct or not at present.

Mr Ford: I do not micromanage such issues. That is the job of the director general of the Prison Service.

Mr Anderson: OK. We will leave prisons then. It concerns me that we are in that situation. It is effectively a bad situation that possibly could get worse because of staffing levels and resource.

You touched on backfilling back-office posts in the PSNI. Are those officers who were in back offices before that and were taken out and put on to front line jobs?

Mr Ford: You will have to ask the Chief Constable about the precise detail of that. We all heard Matt Baggott talk about taking 600 or 700 officers from desks and putting them into front line response and community policing, and my understanding is that some of those officers —

Mr Anderson: He did that to give us more out on the streets and more front line policing to make the community safer. We are now getting to a situation where it is going in reverse.

Mr Ford: That is my understanding, but you will have to tease that out with the Chief Constable.

Mr Anderson: I do not think I will be in the chair next week to tease that out with the Chief Constable.

I think I picked you up right when, in an answer to the Chairman on your specific position in relation to all this, you commented that you would not put up with this. At what stage would you not put up with it?

Mr Ford: Amongst all the hypothetical questions that I get asked, that really is going just a bit too far.

Mr Anderson: But there will be a time when you cannot put up with this. Where are you now with it?

Mr Ford: I have made it absolutely clear where I am now. I also made it clear in my response to the Chair what the position might be.

Mr Anderson: So you will not elaborate any further.

Mr Ford: Why would I elaborate on a point that I have made very clearly?

Mr Anderson: The statement, "I will not put up with this", leaves something hanging there. If anyone makes that statement, they obviously have great concerns and will not put up with it. I am happy enough to leave that, Chair. Thank you.

The Chairperson: Is that, Minister, a very real threat, that you could walk if you believe public safety is compromised to such an extent that is not tenable for you to continue?

Mr Ford: It was a statement of fact.

The Chairperson: Beyond you believing that you are the most capable MLA of 108 of us to do the job — set that aside — if you believe that it is not tenable to continue in post because public safety is so compromised, you would walk away. Is that a very real threat?

Mr Ford: It is not a threat. It is a statement of fact that I made earlier.

The Chairperson: I have two quick points. There are only two more members, and then we will conclude this. Do you accept that these decisions are controversial?

Mr Ford: I suspect that it is very difficult to suggest that the decisions being made by any Department at the moment, with the possible exception of Education, are not controversial.

The Chairperson: That being the case, what cognisance has been given to the fact that the Executive can call in decisions that are deemed to be controversial? Are these decisions that you believe you can take on your own, or should they be referred to the Executive for decisions to be taken?

Mr Ford: I am the person who, at the last Executive meeting, asked that the Executive reconvene to look in detail at these decisions over a period of time, but my request was refused by the First Minister and the deputy First Minister. So, I believe that I have done what I can to ensure that the Executive collectively take the collective decisions that are required. If the Executive are unwilling to do that, I have a duty to carry on with my staff in my Department.

The Chairperson: I accept the context that you are painting about the overall picture that the Executive are facing, but individual Ministers can be subject to Executive call in for specific individual decisions. Do you believe that the decisions on these matters, specifically the cuts to the Probation Board, the Prison Service, the Office of the Police Ombudsman and the Police Service, could be called in by three Executive Ministers and that the Executive would then have to take those decisions?

Mr Ford: As I said in my first answer; at this point, I would be delighted if the Executive had a proper, coherent discussion about the priorities that face Northern Ireland this year and next year, looked at the issues as they need to be prioritised across Departments and took a joined-up and mature approach to the difficulties that we are in. Sadly, that was not what we got. If that means that you are suggesting that some Executive Ministers might choose to call in any decisions that I have taken, I suspect that there are 10 other Departments in the same position.

The Chairperson: OK. Fair point. You can take these decisions to try to live within budget, but if the Executive were to default, the head of the Civil Service would write to the Treasury. What would be the impact of that? Maybe that is for the permanent secretary. What implications would that have? Would the authority to take decisions move to the accounting officers and, in your case, Mr Perry?

Mr Ford: My understanding is that some decisions fall to the permanent secretary of DFP. I am not quite sure what happens after that, because we are in unchartered territory.

Mr Perry: That is the position, Minister: any authority to take decisions on budgetary matters rests, in the circumstances that you have described, with the permanent secretary of DFP and not with me. As for our in-year position, as accounting officer, like every accounting officer and like my subordinate accounting officers, we have an obligation to try to do everything we can to live within our budgets.

The Chairperson: If the Treasury says that the Executive are heading into the red, they will go into default. A mechanism will be triggered and the permanent secretary of DFP will then take decisions across all of the Departments.

Mr Ford: The soft option would be that the Treasury might say that it is taking the money from the block grant next year. If the Treasury chooses to act further, then we could be left in a position whereby the DFP permanent secretary effectively allocates the Budget to Departments.

The Chairperson: You have put the blame solely at the Executive, Minister, for the current budget crisis that you have, but what is ultimately forcing you to make these cuts to your budget? What do you regard as the primary factor in all of this?

Mr Ford: Until the June monitoring round, the Department of Justice was ring-fenced. We knew what our budget was to be, we lived within that for the first three years of this CSR period and halfway through the fourth year. We are now in the position that that factor has been changed. Part of that is clearly because of the inability of the Executive to agree to implement welfare reform, which has placed some additional burdens on us, but primarily, for the DOJ, it has been the effect of that added to the removal of ring-fencing, so that, well into the financial year, we have found that the goalposts were moved for us.

The Chairperson: You highlighted the reason for your ring-fencing being compromised as welfare reform. Is that fair?

Mr Ford: You would need to ask the Minister of Finance and Personnel, who removed the ring-fencing. I am not sure that it is entirely that, but, once the ring-fencing was removed, the effects of not proceeding with welfare reform and not doing anything about not proceeding with welfare reform have had a significant impact on us.

The Chairperson: How do you feel, then, when you hear members such as Mr McCartney and Mr McGlone, laying it on the line that you are potentially compromising confidence in the Police

Ombudsman's office; that all of the historical investigations should be protected? What is your view on the £13 million taken out last year; £87 million this year; and another £100 million next year; and then being lectured by those representatives who are opposing welfare reform that you are failing to do your job?

Mr Ford: I always thought that it was the job of Committee members to have a go at the Minister rather than the Minister to have a go at Committee members, Chair. We are living with the consequences of the Executive not having agreed welfare reform. The Department of Justice is seeking to manage a variety of priorities, many of which impact on public safety and confidence, in the way that we can best manage, given that, as has been made fairly clear, pretty nearly every decision that I have outlined today is going beyond the unpalatable into the potentially damaging.

Mr Lynch: Minister, what will be the impact on the probation services? They have been doing excellent work; can they sustain that within these proposed cuts? What will the impact be on the Youth Justice Agency?

Mr Ford: I am not sure that I am in a position to give any specific actions beyond the £1 million cut on probation services, but I know that, as I said earlier, that a number of probation officers on temporary contracts have had those contracts terminated. I know, for example, that a number of their smaller reporting centres have been closed or are in the process of being closed, because one of them is next door to my constituency office. I also know that some changes will impact on how probation officers work, with them being much more tied to the office rather than getting out to see the rounded picture of those that they are working with. You would probably have to go to the director of probation to get more detail than that.

Mr Lynch: And the Youth Justice Agency?

Mr Ford: I do not have any specific figures for the Youth Justice Agency. Part of the impact on the agency will be due to the custodial services that it manages at Woodlands, where there are issues around ensuring the best possible staffing to do the best possible work with young people who face those cuts as well as the kind of work they do in the community, which may well have similar sorts of impacts to those on probation officers working in the community. Again, I do not have specific details on that will apply. We can write to you with further information on that, given that it is an agency rather than an arm's-length body.

Mr Elliott: Thanks for the presentation. Is there still a part of the Department of Justice's budget that is protected?

Mr Ford: There is no protection for our budget beyond the £30 million — I think the Chair said £27 million earlier, and I should have corrected that point — that the Treasury has given for the additional security funding for the police.

Mr Elliott: That is all.

Mr Ford: That is the only area that has any degree of protection.

Mr Elliott: You said, and I do not like using scales but I will do so for convenience, that the overall impact, on a scale of one to 10, would be eight, whereas the impact on the Police Ombudsman's office would be five.

Mr Ford: I think I said five or six.

Mr Elliott: Whatever way you look at it, it is less than the impact on the overall departmental budget. Is that reasonable to say?

Mr Ford: It is reasonable, given that the budget for the Police Ombudsman's office had increased in the period up to now and that it has taken smaller cuts than nearly every other area, to say that the impact is at a different level, allowing for the pressures that it has and its increasing caseload.

Mr Elliott: OK. So, it is a lot better off than some of the other areas in your Department.

Mr Ford: There might be quibbles about the words, "a lot", but it is better off.

Mr Elliott: OK. We are about halfway through the financial year. At what stage do you and the accounting officer start taking those significant decisions? Does that have to be done in the October monitoring round, or can you leave some of them to a later stage in the year?

Mr Ford: It would be irresponsible to leave decisions until later. Delaying everyday decisions means that they will have a bigger impact because there is a smaller part of the year in which to impose them. We are exactly halfway through the year today, so we have real challenges. That is why we need to take action. That is why you saw the Police Ombudsman and the Chief Constable making statements yesterday.

(The Deputy Chairperson [Mr McCartney] in the Chair)

Mr Elliott: Is it the view throughout the Executive that those decisions have to be taken now rather than being left to a later stage in the year.

Mr Ford: I honestly do not know the view of other Executive Ministers on that. For obvious reasons, the only other Minister whose views I am aware of are the Minister for Employment and Learning's. He is taking very similar actions. For example, you will have seen the University of Ulster's announcement yesterday about the effects on its budget.

Mr Elliott: While I accept the point you made earlier about wanting to discuss this in more detail at the Executive, surely there has been a level of discussion at the Executive on budgets and how they are managed within the Executive generally. Has there not been?

Mr Ford: I would find it hard to describe anything that has happened at the Executive table as even "a level of discussion".

Mr Elliott: OK. It sounds quite unusual when we are in such a crisis that there is not even a level of discussion about how you manage the process as an Executive.

Mr Ford: We had a level of discussion at the last meeting about why we were not discussing it.

Mr Elliott: So, each Department is working in a silo.

Mr Ford: That is a fairly reasonable summary. I suspect that the contacts between accounting officers and the head of the Civil Service are rather better than the contacts between Ministers and OFMDFM.

Mr Elliott: I will leave it at that, Chair.

The Deputy Chairperson: Minister, if you have any closing comments, feel free to make them.

Mr Ford: There is nothing that has not been well aired or, at least, extensively aired.

The Deputy Chairperson: OK. Thank you, Minister, Glyn and Nick, for your presentation this afternoon.