



Northern Ireland
Assembly

Committee for Social Development

OFFICIAL REPORT (Hansard)

Inquiry into Allegations Arising from a BBC NI
'Spotlight' Programme aired on 3 July 2013 of
Impropriety or Irregularity Relating to NIHE-managed
Contracts and Consideration of any Resulting Actions:
Ms Jenny Palmer

8 January 2015

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Members present for all or part of the proceedings:

Mr Alex Maskey (Chairperson)
Mr Mickey Brady (Deputy Chairperson)
Mr Jim Allister
Ms Paula Bradley
Mr Gregory Campbell
Mr Maurice Devenney
Mr Stewart Dickson
Mr Fra McCann
Mr Sammy Wilson

Witnesses:

Ms Jenny Palmer

The Chairperson (Mr Maskey): I formally welcome Mrs Palmer — yourself — here this morning to the Committee and just remind you then that you've been requested to give evidence under oath or affirmation, as you so choose, and you have chosen to give your evidence under oath. So, could I now ask the Clerk to bring you a copy of the oath? Obviously, you have been advised of the potential legal implications of giving evidence under oath and so on.

Ms Jenny Palmer: I, Jenny Palmer, swear by almighty God that the evidence I shall give shall be truthful and honest and that I will give the Committee all such information and assistance as I can to enable it to discharge its responsibilities.

The Chairperson (Mr Maskey): OK. Thank you very much. OK, members. So, again, you have your papers. Jenny, are there any opening remarks you want to make this morning before we open it up to members for their questions?

Ms Palmer: No, Chair, I'm happy to take questions.

The Chairperson (Mr Maskey): OK. Thank you. Mickey Brady.

Mr Brady: Thanks very much for coming, Mrs Palmer. In your submission to the Committee previously, you talked about the telephone conversation with Mr Brimstone and gave a fairly detailed account of the actual conversation itself. In terms of what had been said, you said that Mr Brimstone told you, "The party comes first. You do what you are told". I think that was quoting. Mr Brimstone,

when he gave evidence to the Committee previously, said he had no recollection of using that phraseology. Now, that's fairly clear phraseology. I mean, it's something that is very specific, and maybe, just for the benefit of the Committee, you could maybe reiterate what was actually said in that conversation, because, as I said, you have given very specific detail of the conversation previously. Mr Brimstone then said, "No", basically, "That's not what I said". So, it was just maybe to clarify that.

Ms Palmer: Yes, I'm happy to do so, Chair. I received a phone call in Dundalk at the Boyne centre, and it was from Allan Ewart's telephone, and it was Allan that said to me, "Jenny, here is a chap — Stephen Brimstone — he wants to talk to you". I took the call, and it was noisy, so I went outside into the garden, and he introduced himself on the phone. He said he was Stephen Brimstone and he was the Minister's SpAd. He said that we hadn't had time to meet, we didn't know each other. Basically, he didn't have any time to meet me, but he needed me to go into the boardroom of the Housing Executive on Tuesday and that I was to go against the decision of the board to stand down the Red Sky contracts and to ask for an extension to the contract. I asked him clearly to repeat what he said, because I was shocked. When I heard him, I was on — I was — I think it was shock. What are they asking me to do here? A lot of things were playing through my mind, and so he repeated it again verbatim, and I said to him, "I'm sorry. I don't believe that I can do that". And he said to me, "Jenny, listen, the party comes first here. You have to do that. Otherwise, there's no point in you being on the board of the Housing Executive". I said, "Well, I'm sorry, I don't believe I can do that". That was the end of the conversation. Not another word was spoken.

Mr Brady: Just then maybe a second question. You had said and you had given some evidence about a subsequent meeting with party members, I think including Mr Robinson. I think Jeffrey Donaldson was with yourself, if I remember rightly, and you had said that, at that time, Mr Brimstone essentially agreed your version of the conversation. Subsequently, in evidence, Mr Brimstone said that he didn't agree essentially with what you had been saying. So, is there any — I mean, as far as you're concerned, that is what was said, and you're quite clear on that.

Ms Palmer: Quite clear. He, in the room, was asked by Peter Robinson if he wanted to give his account of the conversation, and he looked at me and said, "Firstly, I am a Christian, and I would not go out of my way to offend you or hurt you in any way, Jenny. It's over two years since this conversation happened". He said, "I can't really recall exactly". That's when I interrupted and said, "Well let me remind you". I repeated it verbatim. Peter Robinson looked at him and looked at me and said, "So, Stephen, what have you to say?". And he said, "Well, that is pretty much as it was". At that point, Peter Robinson said to me, "Jenny, what is it that we need to do now to put this right?". I said to Peter Robinson, "Well, this is a very public affair now, and there is a lot of interest and speculation out there as to who in fact was telling the truth in all of this and whose version was accurate. So, therefore, I want a public apology". He agreed, and Mr Brimstone agreed. It was left that the two of us would put together — that we would agree a form of words that would include an apology to be released to the public. Everyone in the room agreed that. We all gave each other big hugs, and we all went out the door. And five drafts later, we are still fighting over that apology.

Mr Brady: Did you consider — this is my last question — that the apology would be based on the consensus of agreement that what had been said in the conversation had been agreed by all parties present at that particular meeting?

Ms Palmer: Yes. I was not expecting an apology for him being sorry about hurting my feelings; I was expecting an apology for the wrong that he did in approaching me outside of the boardroom.

Mr Brady: But also in relation to the accuracy of —

Ms Palmer: And the accuracy of the conversation. In fact, if you want, I'll share with you the first opening — if you permit, Chair — the first —

The Chairperson (Mr Maskey): If you speak to explain the —

Ms Palmer: I have the five draft copies, of which none of them, except the last one — the first two paragraphs were not amended at all, toing and froing between myself and Stephen Brimstone. That would indicate that both he and I were comfortable with the opening paragraphs from our party leader. It was only on the last draft that Mr Brimstone amended it dramatically. So, there are four copies here, toing and froing from the party, from the concerned parties involved, and not once were those three

paragraphs from Peter Robinson amended, until the very final draft. I refused to accept any of the drafts, because of the amendments.

The Chairperson (Mr Maskey): You appreciate that people here don't have sight of those copies —

Ms Palmer: Well, I wouldn't like to show the whole documents, Chair, but I can read the first three paragraphs that Peter Robinson opened the statement in.

The Chairperson (Mr Maskey): I think that the question you were being asked there and dealing with there was that you have provided a version of the conversation —

Ms Palmer: Yes, and this —

The Chairperson (Mr Maskey): — on the telephone.

Ms Palmer: — third paragraph will clarify that, Chair.

The Chairperson (Mr Maskey): If we could just — so we are clear what we are looking for here: you have provided a version of the telephone conversation between yourself and Stephen Brimstone. Mickey Brady, as the Member currently asking questions, is probing you around that. Obviously Mr Brimstone has rejected your characterisation of that conversation. So, what we're looking for here is for you to give us whatever information you have in regard to that conversation.

Ms Palmer: Yeah.

The Chairperson (Mr Maskey): It may or may not verify one or any version. If you don't mind —

Ms Palmer: But, Chair, they are all the same —

The Chairperson (Mr Maskey): — could you speak to that?

Ms Palmer: They are all the same — there are all five copies, but one amends dramatically, at the very last, the fifth draft. The actual opening couple of paragraphs from my party leader were not amended at any point until the fifth draft.

The Chairperson (Mr Maskey): Well, sure, present that.

Ms Palmer: If I could read the opening third paragraph that Mr Robinson says:

"Both were agreed that the only issue discussed during a conversation was the board's consideration of the Red Sky contract."

So, in terms of the meeting I had, the private meetings that I had with Peter and all of the said parties, each of these statements that Peter Robinson opened up with:

"Following the BBC 'Spotlight' programme focusing on the Northern Ireland Housing Executive during which there appeared to be two alternative recollections of a telephone conversation between Councillor Palmer and the DSD ministerial adviser, Stephen Brimstone, DUP leader, Peter Robinson MLA, hosted a meeting between the two recently. Speaking afterwards, Mr Robinson said: 'Following the programme, I indicated that I would be pleased to meet with Jenny and Stephen should they so desire. I was pleased that they both sought a meeting having met separately and then hosted a meeting between the two. Both were agreed that the only issue discussed during the conversation was the board's consideration of the Red Sky contract.'"

It wasn't about Leeway Maintain; it wasn't about the Northern Ireland audit role that I had; it wasn't about the chairman's role; and it wasn't, certainly, about the Minister. So, that is in Peter Robinson's words, never amended until the fifth document. So, that clearly indicates to me that Stephen was quite content with the way forward until he realised the implications for him. That is there, Chairman, and that's the party leader, the First Minister. That's his words, and I expected that the statement would be delivered, and it never was because it never was agreed, but I am happy to share Peter Robinson's words with you.

The Chairperson (Mr Maskey): First of all, we would appreciate, then, if, after this, you could share that document with the Clerk —

Ms Palmer: Yes.

The Chairperson (Mr Maskey): — who will then issue it to all the members for their own attention. But what you are saying is that, over four drafts among all the participants, that was, basically —. Because it runs, this issue runs to the heart of the evidence or the conflict in the evidence, because you have made, as I said earlier on, a claim of what was the conversation that was a single-focus conversation. Stephen Brimstone rejected that and basically described the conversation as something else or additional. What you have said about that is a process of at least four drafts, which actually confirms, it would seem to me, your version of the event. OK, that —

Mr Brady: Sorry, could I just —. It was just that you have been very clear in the evidence that you have given previously that there was particular phraseology used. Mr Brimstone, in his evidence, said he had no recollection of using that phraseology. Now, the phraseology that you have quoted is very specific in relation to the conversation. There is an obvious conflict there, although, subsequently, at the meeting, then there was consensus that, essentially, that was what was said.

Ms Palmer: Yes.

Mr Brady: I just wanted to clarify that, thank you.

The Chairperson (Mr Maskey): OK.

Ms Palmer: I didn't want to reveal that, but, since, in the previous inquiry meetings that I wasn't present for, I was perturbed at the near allegation that I was a liar from — it stopped very short of calling me a liar — from certain members of this Committee. So, therefore, I determined then that I would be using all of the evidence that I had to present my case as accurately as I could so that everyone would know that I am telling the truth.

The Chairperson (Mr Maskey): OK, well, I mean, obviously, that's an expectation that we would have of all of our witnesses, but I appreciate your remarks, and, obviously, you will have an opportunity to make concluding remarks at the end of the evidence session.

Mr Campbell: Jenny, if you could just go back to the issue of the context of the phone call. How long had you been on the board when that happened? Just roughly.

Ms Palmer: I think four years. I was only on the audit committee from January 2010, but I was on the board from about 2007.

Mr Campbell: So then, obviously, you were aware of the composition of the board.

Ms Palmer: Yes.

Mr Campbell: Well aware. So, let's set to one side at the minute the conflicting view about what was said and the import of what was said. But your recollection of what was said about the need for you to go to the board and vote in a certain way — you would have been aware because of being on the board for four years that it would have required more than your vote for that —

Ms Palmer: Oh yes.

Mr Campbell: Right. So, did you, at any stage after the conversation, speak to anybody else to say, "Look, have you changed your mind?" or whatever? Because you were being asked to, effectively, vote in a particular way. Now, that would only be of any relevance if there were four or five others going to vote the same way to overturn the decision. Is that right?

Ms Palmer: My input into what way I voted on that board wouldn't have made any difference to the outcome of that board decision, because that board decision was a unanimous decision. So, my one, lone voice would not have made any difference to it.

Mr Campbell: Right. I suppose that's precisely the point. Does that mean then that you knew that people weren't going to change their mind or that they hadn't any — declared any view about being approached themselves to change their mind? How did you know that your one vote wasn't going to make the difference?

Ms Palmer: I didn't at the time. It was only afterwards, in hindsight, because I didn't know what way the board — we had not had a conversation. This meeting was called as an extraordinary meeting. I didn't even know that we were having a meeting until Mr Brimstone told me on Tuesday, which is not even the regular day that we would have our meeting.

Mr Campbell: Yes, but there was a period of time between the phone call and the board meeting.

Ms Palmer: Oh yes. There was.

Mr Campbell: Your recollection of this phone call is that you had a decision to make about which way you should vote if you were to take part in the discussion and to vote at the board. Did you ask anybody else if they had any opinion?

Ms Palmer: No.

Mr Campbell: Right. What was your state of mind going into the board meeting in terms of how others were likely to vote, given the fact that you had had a phone call?

Ms Palmer: You know, I didn't really think about how others were going to vote. I thought about the predicament that I was placed in and about the challenge to my integrity and to the integrity of the audit committee and to the Housing Executive board by having been approached outside of my boardroom by someone who I didn't know and asked to do something that was highly irregular. So, therefore, I wasn't really worried about how the rest of the board would vote at that time; I was worried about how I protected myself in all of this.

Mr Campbell: How many members — when you went into the board meeting, how many members were there? Can you recall?

Ms Palmer: They were probably all in the room. I don't think I recall; I was upset. I had been in with the chairman just before that, and he had said he was going to direct that there was a conflict of interest because of the party interest in Red Sky, and he was going to ask me to leave. That gave me some assurance of protection. I thought, in doing all of that, that this would put this all to bed. That the party — that there would never be another word about it, and I would leave the boardroom and they could make the decision, and that would be it.

Mr Campbell: But your view was that the board, up until that point, had been unanimous.

Ms Palmer: Oh yes. In their decision on the Red Sky —

Mr Campbell: Yes.

Ms Palmer: — yes it was. We had taken the decision earlier in the year.

Mr Campbell: So, a 10-person board or thereabouts — a nine- or 10-person board — in your view, was unanimous, and you were going into a meeting, and no one had said to you or made contact with you to indicate that they were considering changing their mind?

Ms Palmer: No.

Mr Campbell: Right. So, was it your view that if you did as had been requested you would have been the one person saying that?

Ms Palmer: Uh-huh.

Mr Campbell: So, it wouldn't have made any difference then in terms of the end of the contract.

Ms Palmer: That is what I am saying: I don't think it would have made any difference.

Mr Campbell: Right, which would make the phone call a bit pointless then, wouldn't it?

Ms Palmer: No, not really.

Mr Campbell: What?

Ms Palmer: Not really, no.

Mr Campbell: Well, if there are 10 people on a board taking a decision about a contract and one person is contacted and the other nine are all voting the other way —

Ms Palmer: Can I give you some thoughts around this? I have thought very, very long and hard about this, and there is only one conclusion that I can come to around all of this. The fact that Jenny Palmer was the last wheel in the cog, because we had exhausted all of the legal issues around toing and froing about the Red Sky contracts, the fact that Jenny Palmer was a DUP councillor on the board and the fact that, throughout the issue of Red Sky, it appeared that this sectarian card was being played and that the Housing Executive was acting in a sectarian manner, the only conclusion that I could aspire to at the time, aside from the fact that it was going to damage my integrity to tell a lie and to get up and to go against my gut feeling on this, was the fact that the sectarian card could have been played out in the public domain, because I was only one of two unionist voices on that board that actually would have said, "No, hold on here, I disagree with the board". You see, I couldn't disagree with the board simply on a whim. I had to have evidence to disagree with the board, and the evidence that was presented to me throughout my time on audit was quite clear that there were serious issues. So, I believe that the only reason — the only conclusion that I can come to — is the fact that I would've been used as a pawn in the game of politics to say that the sectarian card was alive at the Northern Ireland Housing Executive.

Mr Campbell: Of course, the sectarian issue in relation to the Northern Ireland Housing Executive had been there for a long, long time, long predating —

Ms Palmer: And I challenged it.

Mr Campbell: Yeah, as many of us did over a countless number of years, when others were away. So, when you came to the point that you were going into the board and you were the only person, as far as you were aware, who had been contacted, your view is that this was a sectarian card issue, rather than an attempt to change —

Ms Palmer: No, not at the time. No, no. It was only in hindsight —

Mr Campbell: What did you think at the time, then?

Ms Palmer: Well, I just didn't know what on earth the DUP would want me to do this for. You know, there was uncertainty as to why would the DUP hierarchy want to contact me. I'd been on that board since 2007. It was now 2011. I'd never been contacted once by a senior member of my party about any issue other than the basic lobbying issues that you get for —

Mr Campbell: Would there have been any reason, though, for them to contact you?

Ms Palmer: No, there wouldn't have been, so why was he contacting me?

Mr Campbell: Well, that's the point I'm asking you. If it wasn't going to make any difference in terms of the decision, which, according to what you're saying, it wouldn't, what was the reason then? You're saying that you think it was a sectarian card reason.

Ms Palmer: Look, I don't know what was in the thoughts of my Minister at the time and his SpAd or anybody else who was associated with this Red Sky contract on the —

The Chairperson (Mr Maskey): If I could just maybe, because you can't know the mind —

Ms Palmer: No.

The Chairperson (Mr Maskey): So, therefore, I'm just going to advise people against speculating as to somebody else's motivation, and that works both ways because there's no doubt — this is just, Gregory, in terms of that line you're pursuing there. Stephen Brimstone doesn't in any way deny the fact that he contacted Jenny Palmer, so there's no — if you know what I mean — that's not in dispute.

Mr Campbell: I accept that, Chairman. I think the central point here is that it would appear and 'Spotlight' were attempting to indicate in the programme that there was a very determined attempt to get this decision on a contract changed. My questioning to Councillor Palmer is to indicate that, even if it were the case that Jenny Palmer was being asked to change her vote, it wouldn't have made any difference. It would've been a 9-1 vote rather than a 10-nil vote, so it wouldn't have made any difference to the contract, which is what 'Spotlight' were majoring on.

Ms Palmer: It would have damaged my integrity.

Mr Campbell: But it wouldn't have made any difference to the contract.

Ms Palmer: Imagine your own party wanting to damage a party member's integrity around an issue.

Mr Campbell: Well, there's an inference there, Jenny, that that's what was —

Ms Palmer: Exactly.

Mr Campbell: — at the back of the phone call, which, I think, we've got to — that's quite subjective.

Ms Palmer: It's quite evident.

The Chairperson (Mr Maskey): I could suggest some of the questions could be described that way as well, but I'm just making that point, so —

Mr Campbell: Well, my questions are about the programme, Chairman.

The Chairperson (Mr Maskey): You don't know what way a vote would've gone. I mean, for example, I —

Mr Campbell: Well, that's why I've asked the witness and she has indicated nobody else had indicated a change of mind. We've never heard from anybody else that they were indicating a change of mind.

Ms Palmer: I wasn't in the boardroom.

The Chairperson (Mr Maskey): Sorry. Mrs Palmer wasn't there for the debate because she left, so who knows, if Mrs Palmer had made an interjection, what the conversation would've —

Mr Campbell: Well, we had Brian Rowntree here and he never indicated that there was any — I mean, it has never been hinted or suggested that there was any decision other than the one that was made by anyone.

The Chairperson (Mr Maskey): Mrs Palmer didn't make any interventions at that particular board meeting at all, so you don't know the outcome of any debate. Who knows —

Mr Campbell: Brian Rowntree was here and gave no indication whatsoever that anybody else was of a mind to change their opinion or their vote on the issue of the contract. Nobody has ever suggested that. No one has ever suggested it. So, the difference would've been 9-1 or 10-nil, but still the same outcome — still the exact same outcome.

If I could move on to a separate issue, Chairman. Jenny, just the last time you were here, I asked you about the issue regarding the famous or now infamous Rinmore contract in Londonderry. You had said, "I would prefer not to talk about Rinmore".

Ms Palmer: Yes, that's right.

Mr Campbell: Was there a reason for that?

The Chairperson (Mr Maskey): Again, I just remind people the Rinmore contract — because this Committee is not aware of any issue around the Rinmore contract other than tangential references to it in a couple of evidential sessions. So, nobody around this table that I am aware of and, certainly, the Committee formally has not been made aware of any issue. Certainly it is no relation to this inquiry.

Mr Campbell: The Committee formally at our last meeting, Chairman, when you and I had an exchange about this, formally agreed — it's in the minutes — that Rinmore would form part of this inquiry.

The Chairperson (Mr Maskey): No, it did not. That's not what we agreed whatsoever. No, no, no. I actually invited anybody who wanted to discuss Rinmore as an issue then we would do that. I was prepared to even go into closed session to do that, and I raised it again.

Mr Campbell: As part of this inquiry.

The Chairperson (Mr Maskey): No, not as part of this inquiry.

Mr Campbell: Oh yes.

The Chairperson (Mr Maskey): Unless somebody proves that it is part of it because, at the end of the day, people had mentioned Rinmore. Not one person has introduced as to what the relevance Rinmore is in relation to this inquiry, and, until somebody does, it won't form part of the inquiry.

Mr Campbell: No, Chairman.

The Chairperson (Mr Maskey): So, I didn't. I know what I said.

Mr Campbell: Excuse me, Chair, you may do, but there have been two witnesses now, Chairman. I raised this at the last meeting with Mr Rowntree, who, when asked about Rinmore — there may well be legitimate reasons why they didn't want to talk about Rinmore, but you can't then say, "Unless somebody tells us something about Rinmore, we're not going to form an opinion about what we should do about it" if people say, "No, I'm not going to talk about it".

The Chairperson (Mr Maskey): I was very clear because people are referring to Rinmore, no substance to it, no reference, no understanding what it's about, and what I suggested at the last meeting is that people want to discuss it because Mr Rowntree made it very clear that he would be more than happy to talk about the Rinmore issue outside of this — he didn't make it conditional outside this inquiry — but he made the point that he didn't see that it was anything to do with this, and he was quite prepared to discuss it in any other meeting or any other forum. I put it to the Committee that, if the Committee so desired, I was quite prepared to facilitate a discussion, even in closed session, although that wouldn't be necessary as such on the issue of Rinmore. Not one member of this Committee came to me before this meeting or even at the start of the meeting to say, "By the way, I want to have that raised". So, the offer still stands. We will deal with it under AOB, but I am directing the witness not to respond to an issue around Rinmore because this Committee is not aware of anything relevant to Rinmore because — I will say this for two reasons — first of all, it has been referred to before without any substance attached to it or understanding as to why it has even been brought up. The second point about it is Ms Palmer is here this morning under oath to give evidence in relation to specific matters which have been identified to her, and that is what she is here to respond to. No other witness has been asked to deal with issues outside of the remit that they have been charged with for that particular evidence session, and that will pertain today. So, I am directing the witness not to be addressing the Rinmore issue.

Mr Campbell: Right, Chairman, then the issue is this: in the 'Spotlight' programme of July 2013, a specific reference was made during the interview with Brian Rowntree to the Rinmore contract during the programme, and this Committee is conducting an inquiry as a result of the programme — the 'Spotlight' programme — of that date. Now, I am quite content to rest with your decision in terms of Councillor Palmer and Mr Rinmore — sorry, Mr Rowntree — also made the same view that he would

not, despite what you've just said, he said he would not answer when I asked him. He then subsequently said he would be happy to come back and answer questions about Rinmore. I made the point that we've now had two witnesses who've declined to answer questions about Rinmore. You, Chairman, or anybody else can't then say, "We've had nothing raised about Rinmore". We are trying to get something raised about Rinmore, and people won't answer the questions.

The Chairperson (Mr Maskey): Well, I've made it clear again, if someone has an issue to raise around Rinmore, then bring it to our attention and then we can deal with it.

Mr Campbell: And once we get answers to the issues, we then can understand and establish whether there is any substance to the issues.

The Chairperson (Mr Maskey): Thankfully, I appreciate that you're prepared to deal with it in this manner. It's rested for this morning, and we will deal with it under AOB immediately after this session because, as I've said to you earlier on, people mentioned Rinmore, they haven't said what it's about, they haven't said what it means, they haven't said, "Has the Housing Executive dealt with it?". I heard Brian Rowntree saying he'd be prepared to come back. I would make it more strong than that. If this Committee requires Mr Rowntree to come back as a witness in respect of Rinmore, he'll be here. So, I'll have no hesitation, nor would any other member round this table. If it's pertinent to this inquiry, we will certainly compel any witness. That's what we would seek to do, as one would expect us to do: to follow our job robustly. So, I am moving on from the Rinmore issue.

Ms Palmer: Chairman, can I just make a comment briefly? I am happy to answer any questions around Rinmore if you wish to bring it before this Committee at another point.

The Chairperson (Mr Maskey): OK, thank you for that. OK, so we can move on from the Rinmore.

Mr Campbell: Right. And, we're coming back to Rinmore, of course.

The Chairperson (Mr Maskey): Surely. I said that before Christmas.

Mr Campbell: Yes, and we agreed to do that.

The Chairperson (Mr Maskey): Not under the inquiry. No, I said we would have a discussion —

Mr Campbell: We agreed at the last Committee to do that.

The Chairperson (Mr Maskey): Just check the reports of the meeting. Anyway, we have made the decision, so —

Mr Campbell: And we will do that, Chairman.

The Chairperson (Mr Maskey): We will, surely.

Mr Campbell: Yes, we will indeed.

The Chairperson (Mr Maskey): I am looking forward to hearing it.

Mr Campbell: No decision by the Chair or anyone else will prevent us from doing it.

The Chairperson (Mr Maskey): The Committee will decide.

Mr Campbell: That's right; they will indeed.

The Chairperson (Mr Maskey): The Committee will decide, which, I remind you, I actually asserted that in our last meeting. I made it very clear. If people do not want to then take up the offer to come back and raise the issue, it is not my fault. The responsibility for raising these matters lies with those who want to raise them.

Mr Campbell: That's right —

The Chairperson (Mr Maskey): We will raise them —

Mr Campbell: And some of us have.

The Chairperson (Mr Maskey): The Committee will deal with it. Nobody will dictate to anybody round this table. I will moderate the business of the Committee and the hearing. I will do that robustly. OK, so we are moving on from Rinmore. We will come back to that at another stage.

Mr Campbell: Yes, we will indeed.

The Chairperson (Mr Maskey): And decide whether or not it is pertinent to this inquiry.

Mr Campbell: Yes, we will, and it is pertinent to the inquiry.

The Chairperson (Mr Maskey): You say that —

Mr Campbell: It is pertinent to this inquiry, Chairman.

The Chairperson (Mr Maskey): The Committee will decide that. You will not, and I will not.

Mr Campbell: It is pertinent to this inquiry.

The Chairperson (Mr Maskey): That's fine, but you won't decide that, nor I will.

Mr Campbell: It is pertinent to —

The Chairperson (Mr Maskey): Move on.

Mr Campbell: — this inquiry.

The Chairperson (Mr Maskey): Move on.

Mr Campbell: If I could go on then, Jenny. The issue about Mr Rowntree. I had asked him about talking with the producer of the programme or, sorry, the reporter — Mandy McAuley, I think it was. You had said that she had arrived unannounced at your door for the interview. Mr Rowntree had said that, subsequent to the programme, he had spoken to her. I don't know whether it was in the context of her wanting to establish what he thought of the programme. Did she do that with you?

Ms Palmer: Yes. I was made aware from the BBC — not Mandy but the director chap who was with her at one point during the programme — that they had a duty of care after the programme to meet with all of the contributors who had been under pressure or something. It is like a pastoral role, a compassionate role — I don't know.

Mr Campbell: Is this the BBC we're talking about?

Ms Palmer: Yes, so they met with me afterwards to make sure that I was OK, because, for about five or six weeks, I was under a massive amount of pressure, media pressure. So, yes, they did meet with me on a couple of occasions to make sure I was OK.

Mr Campbell: I think, from recollection, Mr Rowntree said it was, from his perspective, the discussion he had with them was a very short time after the programme — within the following week or so. Would that have been the same for yourself?

Ms Palmer: It probably was around a week or two.

Mr Campbell: Have you had any discussions with the director or the reporter subsequent to that?

Ms Palmer: In terms of the —

Mr Campbell: In terms of the programme.

Ms Palmer: No. Only the indicated times that I have met with them to discuss my pastoral well-being in terms of their — they have a legal obligation or something. I can't remember what they said, but they basically said that they had an obligation to make sure that I was OK. So, they had a cup of coffee with me and a chat to see how I was.

Mr Campbell: Right. But the programme went out about 18 months ago. So, you haven't had any discussions with the makers of the programme, for example, in recent months.

Ms Palmer: In terms of that programme.

Mr Campbell: Yes, or any follow-up to it.

Ms Palmer: No, no, not at all, not in terms of that programme.

Mr Campbell: So, the last time you would have spoken to the director or the reporter was when?

Ms Palmer: Last week.

Mr Campbell: Last week?

Ms Palmer: But not about this, not about the programme. This was a whistle-blowing allegation that came to me, that I was asked to approach the reporter on to ask them to meet with the whistle-blower. So, it was a separate event.

Mr Campbell: Was it in any way related to the 'Spotlight' programme?

Ms Palmer: No, it was nothing to do with that. Nothing to do with any of this. Nothing to do with housing.

Mr Campbell: Right. OK. So, had the 'Spotlight' — because we've been trying to get the BBC to come to the Committee. In your earlier discussions with them in relation to this programme, did the issue of your attendance at this Committee come up at all?

Ms Palmer: No.

Mr Campbell: No. Neither from you or them.

Ms Palmer: No. I don't think even we had — no, they never discussed anything about the programme, just about my well-being, just making sure that I was OK, because I was under extreme pressure and stress. My husband was being treated for cancer at the time as well, and they showed compassion where a lot of people didn't.

Mr Campbell: Is your husband improving now?

Ms Palmer: He is, yes, thankfully.

Mr Campbell: Good. OK, Chairman. Thank you.

The Chairperson (Mr Maskey): OK, Gregory, thank you. Fra.

Mr F McCann: Thank you for your evidence so far. Earlier on in the meeting with, when Michael Sands was giving evidence, there seemed to be a complete difference of events that occurred. Obviously, when you were giving evidence, you were saying that — stating it as a matter of fact, and Michael was talking about it in terms of recollection. Would you like to comment on what Michael Sands has said and on how he framed his interpretation of what happened during the —

Ms Palmer: Well, it seems like it's a long, long time for Michael Sands to recollect three and a half years ago, but I can tell you now that, in terms of the email and how that conversation came around, it

was very clear to me that I had given evidence — I had given evidence to DFP on a fact-finding investigation into Stephen Brimstone's conduct on 30 August, and, a few weeks after that, Michael Sands appeared at my committee for the first time. That was his first appearance at my committee, other than if he was coming to give a presentation, whereby he had no role to attend my committee. And even my secretariat said this was very unusual that Michael Sands would attend a basic subcommittee of the Housing Council. And after lunch or after the meeting, I asked him, Chair, I asked Michael Sands in front of the members, "Michael, can you clarify for me why you're here? Can you tell me do you report back to the DSD in terms of the work of my committee?". He said in front of a lot of members — I am sure there are plenty of members that were in attendance that would've heard it — "Oh no, no, madam chairman, I'm only here out of my own volition just to find out a wee bit more about the issues that are perplexing the elected members". So, he had no role to be there.

After the lunch or after the meeting and we had lunch, he sat beside me, and it wasn't a gossip — I asked him, "Michael, did you have a good holiday?", because, normally, we're in recess and we're all having a break away, and he said, "Yes, I had a lovely time away with the grandchildren and the family". And he said, "What about you?". So, it was general conversation, not gossip. I said, "No" —

The Chairperson (Mr Maskey): OK. Just take a moment. OK. Do you want to —

Ms Palmer: I said, "No", Chair, because John —

The Chairperson (Mr Maskey): Do you want to take a few minutes' break?

Ms Palmer: If I could.

The Chairperson (Mr Maskey): No problem. Just adjourn for a few minutes.

The Committee suspended at 12.04 pm and resumed at 12.07 pm.

On resuming —

The Chairperson (Mr Maskey): Again, thank you for — are you happy enough, Ms Palmer, to go ahead with your evidence today?

Ms Palmer: Yes, Chair. I'm sorry about getting a bit upset.

I did explain to Michael that we'd had a couple of days in Donegal, because, obviously, John was getting his chemotherapy. And then he said to me — not the other way round, Chair — he said to me, "Can I ask you something, Jenny?". I says, "Fire away, Michael", and he said, "Do you know anything about an email that was sent to the chairman of the Housing Executive?". Chairman, I was worried at that point on that inference that he had asked me about an email that he sent. The only reason that I was worried was because, within this document here, which has not been released — this is only my statement — but, within that document, I had indicated, as part of — they had asked me in the interview —

The Chairperson (Mr Maskey): Document? Sorry, Jenny, you are referring to what document, just for the record.

Ms Palmer: The investigation of DFP. In the document, Chair, under investigation with the two chaps, they said to me, "Jenny, listen, you know, is there anything there —"

The Chairperson (Mr Maskey): I take it these are two DFP officials.

Ms Palmer: Yes.

The Chairperson (Mr Maskey): This is a fact-finding exercise.

Ms Palmer: Yes. Do you need their names?

The Chairperson (Mr Maskey): No, it's not necessary.

Ms Palmer: They asked me, "Jenny, is there anything else that you can think of that would actually give substance to your side of the conversation?". And I said, "The only thing I can think of is that I know that there was an email sent to the chairman that I never saw because I was outside the boardroom that morning". But there was an email that was sent to the chairman from the DSD and from Mr Brimstone that basically directed him or invited him to invite the board to extend the contracts. I said, "So, that's the only thing that I know would link Stephen Brimstone with the conversation he had with me and the accuracy of my account of it". I am assuming, Chair — that's all I can do, because the Department won't release the document — that Mr Brimstone was met before Mr Sands appeared at my committee, because I met on the 30th; this investigation was over in three weeks, and they had presented it to the permanent secretary. When he asked me that, I knew right away that they must have said to him, "But, Stephen, Jenny Palmer has said to us that you sent an email to the chairman directing him to tell the board to extend the contracts on the morning of —". That's the only reason I can think that Stephen Brimstone went into his office and demanded that he see that email. And it wasn't there, Chair.

The Chairperson (Mr Maskey): OK. Fair enough. Thank you for that. Again, just watch the speculation. But, I mean, the factual record is —

Ms Palmer: But, the chronological timeline in all of it, Chair. Why would Michael Sands come to my committee? Why would Michael Sands ask me about an email? Why on earth would I want to talk to Michael Sands about any email that was nothing to do with him? I did not enter into that conversation with Michael Sands. Michael Sands raised that with me. That triggered my concern that Mr Brimstone was probably going to hide that email, and that was my assumption around it all.

The Chairperson (Mr Maskey): OK. Fair enough. Thank you for that. OK.

Mr F McCann: Chair, during Michael Sands's evidence, unless I picked it up wrong, he seemed to say that he was at the committee on a number of occasions. I think he mentioned six times. I take it from what you are saying that is not the case.

Ms Palmer: The first time that Michael Sands appeared at my committee informally was in that September meeting, and, after that, he came maybe four times more before he took ill and then after he took ill. After he was back, he came one more time, but he didn't come because he had any business to relate to the board — to the regeneration committee. I don't know why he came, and I still don't know why he came, and he didn't answer it fully. But I did ask him in front of members, and, in fact, whenever I asked him about — when he returned to — I asked him a couple of times so he knew about it — the phone call. Or if he was even — I asked him if he was present when the phone call was made to me because I was trying to find out who was present, and he said no, most definitely not.

Then, when he gave evidence to this Committee when he came back from sick leave — I can't remember the date — he was fidgeting about with papers. If you look back on the record and you view it, he was fidgeting, and I noticed as I was getting ready to go out to the Chamber of Commerce dinner and I saw him on television on the six o'clock news. And the six o'clock news saw him, and he was very anxious around some paperwork. He was at the Housing Council committee the following week, and I went up to him and I said to him, "Michael, I am very impressed with your evidence at the Committee", because I believed that he had given an accurate account of all of that. And I said, "What was wrong with the paperwork in front of you? You were very fidgety about it?". He says, "Well, I was trying to get — I was trying to get someone to actually ask to see the paperwork, but they didn't". And I says, "Michael, were you present when Mr Brimstone made that call to me?". And he says, "No I wasn't". I says, "How do you know about it then?". He said Mr Brimstone came to him and said to him — about, I think, a day later, he told me — and said to him, "Look, just for your information", because of his role. It wasn't gossip; it was because he needed to say that he had made contact with a board member, and that's how he found out about it. So, his account that the permanent secretary told him a week later is not the same account that he relayed to me.

I said to him, "Would you be prepared to tell the truth because that substantially supports my conversation with Mr Brimstone?". He said, "Well, if somebody asks me, I'll tell the truth", and I went to my secretariat and told them, "This is brilliant. Michael Sands". I mean, I was so elated that someone else knew exactly what Michael Sands asked me to do that I went to a couple of members on the Housing Council regeneration committee and to my secretariat and said, "This is great news. If Michael Sands stands by his word, Michael Sands will relay the exact conversation that Stephen Brimstone and I had because he has just told me". They were bowled over with it. They thought this was great. So, this is not just me and Michael Sands because, at the meeting, I was so elated about

his testimony that I told a few members that this was wonderful news because this supported me. Unfortunately, he let me down badly. That's all I can say on that, Chair.

Mr F McCann: Chair, it's just to go back on that. I think it's something that, on the basis of that evidence, it's something that we need to come back on also because, again, there is a clear contradiction —

The Chairperson (Mr Maskey): We'll consider that, you see, in —

Mr F McCann: It just goes back, and I'm just obviously seeking some clarification, and it was based on a question I'd asked back on 6 November 2014 in relation to the conversation that you had, and I'd said to him that it seemed more than a casual conversation that you were having, when he said:

"I can assure you that all it was a casual conversation over lunch. As I said in my statement, it was Jenny who raised the issue of what had happened over the summer and her appearance, and she mentioned an email that had gone from the Department. To get clarification as to whether it was another email that I was not aware of or an email that we are aware I sent on the morning of 5 July, I simply asked her about it. She said, 'It was your email.'"

And then he goes on. I said that there seemed to be a clear contradiction in the evidence, and he said:

"Yes, I did ask her. I did not introduce the subject."

Ms Palmer: He did introduce the subject — he asked me. After I had discussed holidays and he had shared his experiences of his holiday, he asked me, "Can I ask you a personal question, Jenny?". That was how he introduced it. I said, "Fire away", and he said, "Do you know anything about an email that was sent to the chairman on the morning of the infamous board meeting?". I said, "What are you asking me that for, Michael? You sent it on behalf of Mr Brimstone". I mean, it's a clear-cut as that. To me, there is no deviation in terms of who enacted that conversation. He did, and that triggered for me, because it was only three weeks after I had given evidence to the DFP and had said expressly that that email would have supported my view of the conversation I had had with Mr Brimstone. So, I was very concerned that Michael Sands was asking me about an email that he should have known about because he sent it.

Mr F McCann: Chair, I have one final question and comment on it. It's much, much more than a gossip conversation that Sammy Wilson is trying to portray here, that it was two people in a corner who were having this wee conversation and passing on gossip about the thing, and that that part of the evidence that Michael Sands gave here this morning was untrue.

Ms Palmer: You say I'm under oath, Chair, but I know I'm telling the truth.

The Chairperson (Mr Maskey): Well, I mean, I don't want to have to remind you, but I will remind you for the record, and I will also advise Mr Sands after this meeting in writing on behalf of the Committee just to remind him that people are under oath and there are implications of being on oath, but we expect and anticipate that all witnesses coming here will be as honest and frank as they can be.

Ms Palmer: I will answer that question, Chair, by saying I have told the truth — the whole truth.

Mr F McCann: That's fine.

Ms Palmer: I have been totally honest.

The Chairperson (Mr Maskey): OK. Fair enough. Thank you. Sammy.

Mr Wilson: There are a number of parts of your evidence that seem to be quite contradictory, not only contradictory from what other people have said, Jenny, but contradictory from what you said yourself. Let me just take you back to the whole discussion about this. In your evidence on 9 October, I asked you about allegations that were made about a sectarian witch-hunt against Red Sky, and, in that, you said you were not aware of any sectarian allegations. You've told Gregory Campbell this morning that you were concerned that you were being asked to play the sectarian card.

Ms Palmer: Can I say —

Mr Wilson: Now, if you weren't aware of any sectarian allegations around the contract, and that's what you've said in the evidence that you gave on —

Ms Palmer: I think you'll find that I said that I wasn't aware of any sectarian allegations around the Red Sky contract at the outset of me becoming a board member on the audit committee, that I actually only became aware of the sectarian element around it when it became public knowledge that the contract was going to be removed from Red Sky. I think you'll find that I said that I realised then that there was political inference out there that there was sectarianism in the Housing Executive around this Red Sky contract and the fact that the media had covered some of the repair work done to it.

Mr Wilson: You see, you didn't say that.

Ms Palmer: I think you'll find I did say that.

Mr Wilson: I asked:

"you were not aware of any sectarian motive being attached to the whole contract."

And you said: "Yes". Then, I said you knew that big players, because you'd said that earlier on, in the DUP and their views around Red Sky. Now, the big players in the DUP had — as you admitted later on, what you knew about it was what was in the media, and yet all the media stories were about the sectarian campaign that there was in west Belfast against Red Sky. So you told us that — you're telling me now that you're only aware of it because it was in the media, then you tell us that all you were aware about the media stories was TUPE issues. That's what you said under evidence the last time. And now you tell us today or you tell Gregory Campbell today that you were concerned that you were being dragged into an issue which was sectarian. Now, were you telling us the truth the last time, or are you telling us the truth now?

Ms Palmer: Sammy, you're very good at saying if I'm telling the truth or not. Can I, Chair, through you, explain: Mr Wilson asked me questions for 35 minutes, which was tantamount to bullying, around the Red Sky contracts and when I became aware of sectarianism. I was on audit committee, reports were brought to audit committee, there was media sent to me, and there was media sent to me every single day and probably every week around Housing Executive business. But, I was not aware at the time of this company or their background in this company; I was looking at this as a professional making a decision based on evidence presented to me about Red Sky.

Now, yes, there was media attention, because Brian Rowntree's name was put up on some wall or something because of, I suppose, the allegation that there would be a lot of job losses. Now, I think I have it — I don't have it with me — I think that 391 out of the 400 actually got re-employed. But, in terms of — who did I see on the media from my own party? I saw Robin Newton and Sammy Douglas and Peter Robinson and the Minister, and when the phone call was made to me, could I go to any of them, Chairman? Because they were already involved in the Red Sky issue in east Belfast. So, was it appropriate that I could've felt comfortable going to any of those members who are my party hierarchy to discuss how I felt? No; so I went to my MP, and that's the basis of it. Now, whether you want to twist my words because it was 35 minutes of toing and froing — you are very welcome to twist my words, but I know exactly —

The Chairperson (Mr Maskey): Just for the record, I mean, there were essentially two strands of the discussion around what's called "sectarianism". One was the suggestion, which was put to Mrs Palmer, that there was a sectarian motivation behind the decision in the Housing Executive to terminate the contract, and that was rejected by Mrs Palmer and all of the other witnesses from the Housing Executive in particular. And then there was the issue as to whether or not there was what was described as the "sectarian card being played". So, there are two separate strands of the conversation here.

Ms Palmer: Yeah, they are.

The Chairperson (Mr Maskey): So, it's important not to mix the two.

Mr Wilson: So you're now telling us that you couldn't approach anybody because you actually did know that this was a company which is based in east Belfast and there were sectarian issues around it. In fact, you can even recollect some of the stuff about Brian Rowntree being pasted on a wall in east Belfast. Yet, at the time, you were telling me that you weren't aware of any sectarian issues —

Ms Palmer: No.

Mr Wilson: — and, indeed, all you knew — I'll quote it — was what was in the media and the concern about job losses and the TUPE issues.

Ms Palmer: Yeah. I knew that our party wanted to keep the Red Sky contract afloat, but I didn't know anything else. No one from my party came to me and said to me, "Jenny, we need to protect Red Sky". Even if they did, why would we be — with public money and the worry of public money — why on earth would any of my party hierarchy have come to me and said, "We need to protect Red Sky", because it is a private company and public money being wasted? I felt uncomfortable about going to them when the phone call came in; that's all that I'm saying around that issue. The big guns were all over that story. All I could see on the news was my party leaders — all my party hierarchy — all trying to save Red Sky.

Mr Wilson: No. All I'm trying to —

Ms Palmer: I'm not saying that there was anything sectarian in any of that, because I didn't even know that was — I've said clearly that I didn't know what the political or religious breakdown of that contractor was.

Mr Wilson: Well, then, why did you then say to —

Ms Palmer: I didn't. The media said —

Mr Wilson: Why did you then say to Gregory Campbell this morning that, when Stephen Brimstone rang you, you were perturbed that you were being asked to play the sectarian card? You know, Jenny, all I'm saying to you is there's no consistency —

Ms Palmer: There is very much.

Mr Wilson: — in what you are saying, which calls into —. I'm going to leave this one, because I think that we'll to and fro from it and then you'll accuse me of bullying you for 35 minutes, though you never mentioned anything about bullying the morning you were here. Anyhow, leave that aside.

Let's come to the second issue then, where there appears to be a conflict of evidence. When you were here the last time, you indicated that you were asked to go and meet with the party officers and there was a number of people there. This is what you said about Stephen Brimstone at that meeting in which Peter, Gregory, Gavin, some others and Jeffrey were all there: "He" — that is Stephen —

"agreed then that my account was practically right."

Ms Palmer: Yeah.

Mr Wilson: Now, the strange thing is that's not the recollection of anybody else.

Ms Palmer: Have you spoken to them all?

Mr Wilson: And the other thing is, according to the letter which you have read out — because you then said that, on the basis of that, an apology was to be sent. On the basis of the letter that you have quoted here this morning, there was no such content in that letter indicating that the agreement which you allege took place was actually made. Indeed, your objection to that letter — maybe you'll tell us: what was your objection to the letter?

Ms Palmer: Well, really, I don't think you want to go there.

Mr Wilson: Your objection — no, you've already stated — what was your objection to the letter?

Ms Palmer: Well, Chairman, first and foremost, the objection to the letter — the first draft — when I sat down with my MP and my family to discuss what was the content of the letter: basically, apologise to me for hurt, recognise that I was a valued member of the DUP and that my — that Peter Robinson acknowledged my expertise on the board of the Housing Executive and to protect my integrity. But the letter deviated from what was agreed in the room. I couldn't sign off on it, and Jeffrey said, "And I wouldn't expect you to".

So, it was sent for a second draft, with amendments. Jeffrey and I sat down and talked it through and amended the document at my table. Then it came back to me — another amendment and another addition. It was getting more and more wieldy because all it was was — as you rightly say, Chair, we deal with facts, not with opinions — but all this was was opinions about how the Minister, Jenny understood the Minister's role and it quoted the SpAd's code of conduct. It all got really messy. And I said: "I am not signing off on this, no way, Jeffrey." So we sent it back again. I told him that I removed all the crap that was in it and dealt with the facts. And then the next draft came back to me, and it was even worse than the last one. And Mr Brimstone had one of the drafts for about three weeks. I think I put on Twitter, and I remember saying this at this Committee: "Twenty-one days and still waiting"; "Twenty-two days and still waiting". I think it went up to about 26 days before Jeffrey actually rang me and said: "I've got another copy; can I send it to you? It's probably our last opportunity". And it was our last opportunity, because I wasn't signing off on such rubbish. It wasn't based on the meeting of Peter Robinson and those agreed. And in Peter Robinson's words, nothing was amended there, because Peter Robinson's words were not amended until the last draft. And Peter Robinson was clear on it in what he tried to do, to set the scene, that Jenny Palmer —. Both were agreed that my recollection of the conversation was the accurate one. That is Peter Robinson's words after the meeting with all the other parties in the room, Chair. So I can only assume that the agreement to put out the apology to me would only have been predicated on the acknowledgement within the room that I was right, and not the witch-hunt that has presently —

Mr Wilson: Obviously, the inconsistency in your argument here, Jenny. First of all, if that had been agreed — and Stephen Brimstone has said it wasn't agreed, there's no recollection amongst those who were present that it was agreed, but, furthermore, the evidence —

The Chairperson (Mr Maskey): Sorry, sorry. Just a second. I want to make a ruling on this here because, Sammy, you have made that reference twice. This Committee has not spoken to any other person in that meeting so therefore we can't —

Mr Wilson: OK, well, the only reflection we have then is Jenny's revelation of what was contained in the letter, and the letter contains nothing of what she claimed was agreed when she spoke to this Committee. And, in fact, I suspect that the main reason for that is that no such agreement was ever reached when that meeting took place. Jenny, when you say you did not know there was any sectarian motive behind the Red Sky contract, and then admit to Gregory this morning that you thought you were being asked to play the sectarian card, your recollection —

Ms Palmer: Two separate issues, Chair.

Mr Wilson: Your recollection of that meeting —

The Chairperson (Mr Maskey): Sorry, folks. Just wait a wee minute. Again, Sammy, you are putting questions and putting assertions some of which are not correct, but obviously there is always a certain amount of latitude. We are all being adult in the room. So you are putting your questions and, you know, you have to allow the witness then time to respond to some of that, if it is in order to do so. So, stick to the kind of facts of the matter and ask the relevant questions.

Ms Palmer: Chairman, I was asked if my recollection of the conversation with Stephen Brimstone was accurate. We had this meeting with Peter Robinson. As a consequence of my appearance at that meeting, and both of us, Stephen and I, both giving an account of what happened, Peter Robinson didn't turn to Stephen Brimstone and say: "How will we manage this?". He turned to me and he said: "Jenny, so what can we do to put this right?". And I said to him, "This is in the public domain, and people are asking whose account is accurate, mine or Stephen's, and I need the apology to show that". And, Chairman, this is the fifth draft; it is not even worth reading because it is an absolute — But you see the rest of the drafts? They all say, in the third paragraph, Chair, and these are Peter's words: "Following the programme, both were agreed that the only issue discussed during the conversation was the board's consideration of the contract with Red Sky". Not about all the other stuff that Stephen said he talked to me about.

Mr Wilson: Nobody's denying that. Stephen Brimstone has not denied.

Ms Palmer: Stephen did. He amended —

Mr Wilson: Stephen Brimstone did not deny when he was here that the discussion was about Red Sky. The issue is whether or not he tried, he was ignorant to you —

Ms Palmer: He was.

Mr Wilson: — and tried to force you to do something that you didn't want to do. That was the issue. So, you know, you can quote about both agree it was Red Sky, the conversation was the contract with Red Sky. That is not at dispute, so I don't know what the relevance of quoting that particular document is.

Ms Palmer: I'll tell you what the relevance is, Chair.

The Chairperson (Mr Maskey): Sorry, let me just come in. There is an important relevance, because in Stephen's evidence, he suggested there were other items which were discussed — a number of items which were discussed in the telephone conversation. So, it is very pertinent that we have a set of drafts, none of which have been amended until, we have been told, maybe five. I am not sure, but certainly over four drafts which have been exchanged between the various parties, including Stephen, that that hadn't been changed at all. So, the relevance is that the drafts have been read out into the record and we haven't physically got them yet. We will do that later on and consider further in Committee session and the private session what we make of all of this obviously in due course. But, it clearly states there, and it's been read into the record twice, that there was a single item of discussion and it was Red Sky, which is directly contrary to what another witness has actually said in relation to the telephone conversation, so it is relevant.

Mr Wilson: No, the issue is whether or not there was a demand from Stephen, and he was ignorant to Jenny causing her to nearly have a heart attack over what was said to her. Now, there is nothing, no evidence that she has given so far, although she did give evidence to the Committee that, when she met with people from the DUP, they agreed that her account was practically right. She has produced no evidence to show that that is the case. That's all I'm saying. So, there appears to be a contradiction yet again on this particular issue, where she says —

The Chairperson (Mr Maskey): No, I mean —

Ms Palmer: With respect, Chair, the evidence that I have given today is actually predicated on the meeting that took place, where I interjected and spoke to Stephen in that meeting and said, "Let me remind you", when he couldn't recall exactly what he had said. He couldn't recall exactly what he had said, and I reminded him verbatim in that meeting with Jeffrey Donaldson and all the others present. And it was after that, Peter looked at him and said, "Well, what have you to say?" He shook his shoulders, he went red in the face and he said, "Well, that's probably as accurate as it'll be". Peter then turned to me, so what more evidence do you need? For me to produce a document.

The Chairperson (Mr Maskey): Again, you have been asked a question, and you have been asked it on a number of occasions, and that's fair enough. And you've given the same response. Obviously, the Committee, in due course, will consider all the evidence, including this particular piece of evidence, and decide what weight, if any, to attach to it. That is a discussion the Committee will have when we look at and consider all of the evidence. That's not something we'll decide in the middle of an evidence session.

Mr Wilson: Could we come just to a third issue, where, in response to Gregory, one of the reasons Mrs Palmer said she was so upset was she didn't know if her vote would make any difference because she didn't know how the rest of the board would have reacted? Isn't that what you said?

Ms Palmer: No, it's not what I said.

Mr Wilson: Well, you said, "I didn't know if my vote would have made any difference". Those are exactly the words which you said.

Ms Palmer: And that's exactly right. I didn't know, because I mean the board hadn't made the decision. I wasn't in the room. All I could think was, "Why am I being approached? Why is my integrity at risk here? Am I going to have to go in there and do something that goes against the grain, that damages the integrity of the Housing Executive, the audit committee and all of the external reviews that were undertaken on behalf of the Housing Executive and the legal advice?". Was I going to go in there and make a fool of myself and be a sacrificial lamb on the whim of a phone call that I took from Mr Stephen Brimstone that demanded, and did bully me and did say to me, "Jenny, you do what the party wants, otherwise there's no point in you being on the board of the Housing Executive"? Now, if that's not bullying and that's not a demand, then I don't know what is.

The Chairperson (Mr Maskey): But, I mean —

Mr Wilson: Of course, he says he never said anything like that.

Ms Palmer: He says a whole lot of things.

The Chairperson (Mr Maskey): I want to remind people, and I pointed this out earlier on: Stephen Brimstone and, indeed, the Minister, made it clear in evidence that they approached Mrs Palmer as a board member to speak to the board, which may well be legitimate to do on the basis that they were not confident that Brian Rowntree was presenting the proper arguments. So, it remains to be seen and totally speculative and therefore pointless for us to go down that line — If Jenny Palmer had taken on board the essence of what Stephen Brimstone or the Minister presented here and gone to the board and relayed other information that allegedly Brian Rowntree was not important to the board, who knows what the board might have decided? We don't know, because Jenny Palmer wasn't at the board, left the board meeting, wasn't involved in the discussion, and the Minister and Stephen Brimstone have actually rationalised —

Mr Campbell: Mr Rowntree was. Mr Rowntree was.

The Chairperson (Mr Maskey): Yeah, but the point I'm making is both Stephen and the Minister have actually very clearly stated that they approached Mrs Palmer, as a board member, to go over the head of the chair of the board, or Brian Rowntree, because they weren't confident in his interpretation of the Minister's wishes. So, that's fair enough. That's not in contention. We don't know what the result would've been if any debate had have unfolded.

Mr Wilson: You see, this is where the point of contention does come, because when Mrs Palmer was giving evidence the last time, she said a number of things which would have indicated that she knew the mind of the board: that, first of all, the board had already tried to terminate contracts of Red Sky; that there was dissatisfaction about the contract; that there was evidence of overpayments; that there had been political representations already, and don't forget there were three other political representatives on the board at that time. So, given all of that background, your knowledge from the audit committee, all of the evidence that you knew was going to be presented, the political opposition there already was to the contract and the fact that attempts had already been made to terminate the contract, do you honestly believe your own contention that you did not know what the outcome of any representations which you made would have been?

Ms Palmer: In terms of my representation to the board on the morning of that meeting?

Mr Wilson: In terms of what Stephen Brimstone asked you to do, either voting or speaking. Did you honestly believe, what you've just told Gregory Campbell, that, "I didn't know if my vote would make any difference"?

Ms Palmer: Chairman.

The Chairperson (Mr Maskey): I think the question actually would be best put to the people who say they made the request to Jenny Palmer, because why would the Minister or the SpAd have actually approached Mrs Palmer under their explanation of events? Why would they have went to Mrs Palmer to ask her to go and explain matters to the board? You'd have to ask them what was their assessment —

Mr Campbell: They are from the same political party. *[Inaudible.]*

The Chairperson (Mr Maskey): I know, but they are the people who say that they asked Mrs Palmer to go and make an intervention.

Mr Wilson: No, all I'm trying to do is —

The Chairperson (Mr Maskey): They would need to explain why they thought that her decision to cooperate in that venture may have been successful or otherwise, because Mrs Palmer has given you an explanation which is really speculative, because she doesn't know.

Mr Wilson: Chairman, all I'm trying to do is to establish that, first of all, Mrs Palmer said she didn't know there was any sectarian motive here, although she had read all the papers and read the media, that she wasn't telling the truth. That when she said —

Ms Palmer: Oh no, hold on.

The Chairperson (Mr Maskey): Hold on a wee second.

Mr Wilson: That when she said she didn't know —

The Chairperson (Mr Maskey): I think you need to clarify. Sorry, Sammy, you have just — I mean, are you saying in this evidence session that Mrs Palmer isn't telling the truth?

Mr Wilson: Well, all I'm saying is —

The Chairperson (Mr Maskey): They are your words now. I'm quoting. That's a quote.

Mr Wilson: Yes. All I'm — I'm saying that, first of all, she read all of the stories in the media, and yet she has told us she didn't know there was any sectarian issues involved here. She had all of the background of what the board thought about Red Sky, yet she didn't know if her vote would have made any difference, and she met with party officers in the DUP, who agreed essentially with her report of what had happened and yet couldn't get a letter of apology for it. Now, all I'm saying is it doesn't add up that, if those things were the case, she could be telling the truth.

Let me just come to Mr Sands and the relationship with Mr Sands. I mean, Mr Sands seems to have a totally different view of two conversations that you claim he had with you, where he confided in you that Stephen Brimstone was going mad and that Stephen Brimstone had had a conversation with him or a telephone call. Now, how well do you know Michael Sands?

Ms Palmer: I don't know him any more than having met him at six meetings and having sat beside him for lunch at six meetings. That's about the height of it, Chair, but —

Mr Wilson: Do people who are just casual acquaintances like that come up and unload to you all the gossip that they hear, or you allege they hear, and tell you this kind of tittle-tattle about somebody going mad and somebody coming in and telling you about a conversation they had with you and everything else? Is that what people do?

Ms Palmer: Can I just say to you, Sammy, in terms of the conversation I had with Mr Sands, it was introduced as a "How were the families? How were the holidays?". And then he asked me if he could ask me a personal question. Now, that question was: "Do you know anything about an email that was sent to the board chairman on the morning of the Tuesday?". And I looked at him and said, "Well, sure, what are you asking me that for, Michael? You know about that, because you sent that on behalf of Brimstone". You know, that is when I asked him, "Were you there when Mr Brimstone made that phone call to me?". So, there is nothing unclear in my mind about who instigated that conversation. That was Michael Sands instigated that conversation.

Mr Wilson: There is nothing unclear in Mr Sands's recollection either.

Ms Palmer: There is. There's plenty of recollection. Where was the email?

Mr Wilson: However, when you were asked about the conversation and why you thought he had asked the question, this is what you said, in answer to — I think it was Fra McCann. You thought that he wanted — Stephen Brimstone — to hide the email.

Ms Palmer: Well, he definitely wanted to see what was in it.

Mr Wilson: Now, no, this is what you told the Committee today, that Mr Brimstone wanted to hide the email. Now, if you knew that the Housing Executive had received the email, that the board had had the content of the email relayed to them, how could you possibly have thought that the email was going to be hidden?

Ms Palmer: It was off the system. Why could Michael Sands not find the email?

Mr Wilson: No —

Ms Palmer: Why was Mr Brimstone looking for the email three weeks after I gave evidence to the DFP and he gave evidence to the DFP?

Mr Wilson: But you knew that the Housing Executive had it. You've already told us you knew that the Housing Executive had it. So how could he have hidden it?

The Chairperson (Mr Maskey): Take your time.

Ms Palmer: Who hid it?

Mr Wilson: No. You — in your evidence you have said that you believed that Mr Sands was asking the question because he — I don't know whether you meant him or Stephen Brimstone — wanted to hide the email. Now, how could you possibly have believed that, since you knew that the Housing Executive had already received the email —

Ms Palmer: Well, I didn't know where the email was.

Mr Wilson: — and, furthermore, it had been reported to the board.

Ms Palmer: I had never seen the email, Chair. I didn't know where the email was. I know it was sent to the chairman, but I didn't know after that where that email was. I didn't even know that any of the board members had got a copy of it. But I do know this: when he asked me about it, it triggered in my mind, why would Stephen Brimstone be looking for that email other than the fact that I gave evidence to the DFP and that Stephen Brimstone was interviewed after me, and they had elaborated on it. Now, it's only my reasoning behind it all, but I was concerned that that email — why could they not find it, why were they looking for it, why was he specifically looking for it? It was two years, it was sent two years previous to it. Why was Stephen Brimstone looking for it? Why did Michael Sands say to me, "Jenny, Stephen Brimstone is going mad in the office. He wants to find that email, and we can't find it". Now, I didn't know at that point that the email couldn't be found. I didn't know at that point that the email was off the records and was a hard copy. But I was concerned that the evidence that I had given to the DFP was going to be compromised because — I couldn't understand why Mr Brimstone would be wanting to find that email. Now, did he want to hide it? I don't know. Where was it? It was in a cupboard somewhere.

Mr Wilson: But you see —

Ms Palmer: Who did hide it?

Mr Wilson: But you see, Ms Palmer, that all doesn't add up, because in your very clear recollection two and a half years later of the conversation that you had with Michael Sands, this is what you said, that it was sent to the chairman of the board of the Housing Executive. Now, you know that, if it was sent to the chairman of the board of the Housing Executive, since he had every reason to make sure that that email was in the public domain, nobody could have hidden it.

Ms Palmer: Yeah.

Mr Wilson: So why, then, did you make —

Ms Palmer: Chair, I have a role. I have a role to play on the Housing Executive board. The chairman — that email was the — the email belonged to the chairman and to the Housing Executive. I don't interfere in the operational side of the business of the Housing Executive. I scrutinise the Housing Executive at audit and on the board but I don't interfere with processes whereby I would be looking for emails or where they would go. My role is totally different than an employee of the Housing Executive, so I don't know where Mr Wilson is coming from in terms of what he says, that the email was there and readily available. How was it? If it wasn't, and the evidence proves it wasn't, then why was he looking that? Why was he looking that email off me? Why was he looking details of that off me? That's concerning; that was three weeks after I gave evidence to DFP.

The Chairperson (Mr Maskey): OK, that's fair enough. OK. Mickey, you were looking to interject, but is it resolved?

Mr Brady: I have two comments, really.

The Chairperson (Mr Maskey): If it is on that matter, because I'm bringing —

Mr Brady: I think Sammy made what I consider an uncalled-for and facetious remark to Mrs Palmer about the phone call nearly giving her a heart attack. My recollection of Mrs Palmer's evidence is that she was upset by the phone call and immediately, then, went home. The other point that I'd make in relation to the sectarian card, in inverted commas — I've been sitting here this morning and my recollection of what Mrs Palmer said in answer to Gregory was that it was on reflection and hindsight —

Ms Palmer: Uh-huh.

Mr Brady: — that she felt that that is possibly the reason why she had been contacted, not necessarily at that particular time, so I just wanted to clarify that.

The Chairperson (Mr Maskey): OK, well, thanks for that. All of that there are matters that the Committee will consider when we come to consider the evidence. Jim?

Mr Allister: Yes, there are a couple of things, just. On this issue — and there has been an attempt to dispirit you over this, I think, this morning — this issue about the sectarian card, if I understood your evidence the last day and, indeed, today, it was to the effect that while Red Sky was being investigated by the audit committee and others, you didn't even know it was Red Sky; it was Project Young.

Ms Palmer: Uh-huh.

Mr Allister: So and on foot of that, you knew nothing about the composition —

Ms Palmer: No.

Mr Allister: — of the Red Sky workforce.

Ms Palmer: No, just the poor work.

Mr Allister: And then there comes a point when a proposition comes to the board to terminate the contract and at that point it becomes clear it's Red Sky we are talking about. Is that right?

Ms Palmer: Yes.

Mr Allister: So, at what point in the chronology did you become aware that the investigations you were overseeing in respect of Project Young in fact related to a company called Red Sky?

Ms Palmer: Only when it became public knowledge in the media that Red Sky was to be terminated and all of the party colleagues then lobbied and set up meetings, and there were meetings,

extraordinary meetings, that were happening that weren't involved in the Housing Executive. So, therefore, that was brought as a report to the audit committee that there were specific meetings that were being held without the knowledge or the invitation of the Housing Executive on a company that was in administration at that point.

Mr Allister: So, up until the point of March/April 2011, as far as you were concerned, this was Project Young we were dealing with.

Ms Palmer: Yes, as all the other contractors would have had project names, as would land deals, to protect the identity and commercial interests of all of those contractors.

Mr Allister: And then the board, in April, vote to terminate the contract of Red Sky and all hell breaks loose.

Ms Palmer: Yes.

Mr Allister: And at that point —

Ms Palmer: That is when it became —

Mr Allister: A sectarian issue.

Ms Palmer: Yes.

Mr Allister: And if I understood you correctly, what you were saying was that you interpreted the attempt to inveigle you into that matter by the phone call of 1 July as an attempt to legitimise the sectarian allegation by having a board member raise it.

Ms Palmer: Yes. That would be my opinion, based on what happened and the reason for the approach to me. In terms of this wonderful idea about all these people who can't recall my recollection from three years ago or two years ago or whatever, I will tell you that on 5 July, when this was a hot potato, after the decision of the board to terminate the contract, 'The View', which is a BBC programme — it was all over the media. It was after the 'Spotlight' programme. 'The View', which is a BBC programme, ran an interview, which was two minutes and eight seconds long, with the Minister at the time for DSD, and do you know something? I have only heard once since then where the Minister has supported Mr Brimstone's version at this Committee of how it came that they went to approach Jenny Palmer, because, in that first BBC programme that he did the interview for, in those two minutes and eight seconds, the commentator asked him, "Minister, did you know that your special adviser was going to ring Jenny Palmer?" "No." "Minister, should you have known that your SpAd was going to ring Jenny Palmer?" "What a ludicrous and bizarre question", I think was his response. Now, all along, all through the whole process of all of this, the Minister has never once wanted to contact me, because he had no reason to because he wasn't involved. All of a sudden, you bring Mr Brimstone here, and he says the next step forward in the process was decided after a conversation with the Minister. So, the Minister did know, but, all along, he kept saying in the media he didn't know about it. So, who is lying here? I'm telling the truth. I know that.

Mr Allister: You've told us this morning about Mr Sands attending a sequence of meetings — your subcommittee, socialising with people afterwards — and you said, at a subsequent meeting, which I took to be different from the September 2013 meeting, you approached him again about whether or not he would tell the truth about knowing about the conversation. Now, you said that was after he gave evidence here. There might be some confusion or room for confusion because Mr Sands has given evidence a number of times. Was that after he gave evidence in the Turkington part of this inquiry?

Ms Palmer: Yes. Yes, it was Turkington's, and it was to do with Turkington contracts. He was in the lobby along with all the members when I arrived at the hotel. I think it might've been up in Bushmills or up on the north coast somewhere. He was in the lobby, and I went over to him and I said to him — I said, "Michael, I want to commend you for your honesty around the reporting to this Committee on the issues pertaining to the Housing Executive."

Mr Allister: So, that wasn't his evidence about your part of the inquiry.

Ms Palmer: No, no, no.

Mr Allister: That was after his evidence about Turkington's.

Ms Palmer: Yes.

Mr Allister: The third point I want to ask you about: you've made reference to the evidence you gave to the DFP fact-finding body. Is that in line with what you've told this Committee?

Ms Palmer: Yes. Most definitely, yes.

Mr Allister: Are you prepared to give that to this Committee?

Ms Palmer: Yes, I am. It's there, and I highlighted the question that was linked to the email in yellow marker. I'm happy to share it because it's my testimony at the time. I'm quite happy to.

Mr Allister: Well, I think we should receive that.

The Chairperson (Mr Maskey): We'll get that through. The Clerk will sort that out.

Ms Palmer: If I can quote, Chair, page 4;

"Mrs Palmer confirmed that when an announcement was made that the Red Sky contract was to be ended, representatives from the Department and politicians from the East Belfast area, where Red Sky were based, became heavily involved. In fact, there was even an email" —

this is where I highlighted this —

"there was even an email sent to the chairman of the Housing Executive by Michael Sands, DSD, on behalf of Stephen Brimstone on the morning of the board meeting at 7.30 instructing him not to close the contract."

Now, I'm quite happy to share. That's my interview, it's no one else's, and I'm quite happy to share that.

The Chairperson (Mr Maskey): We'll procure that from you later on through the Clerk here. Thank you for that.

Mr Allister: Thank you.

The Chairperson (Mr Maskey): OK. There are no other members indicating that they want to ask any particular questions at the moment. Again, Ms Palmer, obviously you have made statements, and you are now providing two elements of documentation in relation to the comments that you have made to the evidence that you have provided. Thank you for that. We will get that from yourself immediately after this meeting and distribute it out to members. Obviously, the members will have to consider all this evidence before us in the round. Are there any other remarks that you want to make this morning before —

Mr Wilson: Chairman, there is just one last question that I wanted to ask.

The Chairperson (Mr Maskey): Go ahead.

Mr Wilson: The conversations you had with Michael Sands were over lunch. Who else heard those conversations?

Ms Palmer: Probably whoever was sitting beside me. I don't know.

Mr Wilson: And you can't remember who was sitting beside you.

Ms Palmer: I would think Alderman Brown would usually have been sitting beside me, and Bobby McKee maybe. I don't know, Chair, to be honest. It was a luncheon. You just sit where you —

Mr Wilson: You can remember exactly what was said, but you can't remember who was sitting beside you?

Ms Palmer: Well, I was talking to Michael Sands.

Mr Wilson: It's the kind of conversation that you would imagine that most other — anybody sitting beside would've pricked their ears up at, isn't it?

Ms Palmer: It is, aye, but you would need to ask the rest of the members of the housing council if they did hear it, because I spoke to a few afterwards and said, "This is great".

The Chairperson (Mr Maskey): It is open to the Committee to consider any witnesses we think might be of benefit to our evidence gathering sessions.

Mr Allister: Could I just ask to clarify, is that Alderman Brown of Carrickfergus council?

Ms Palmer: It would be, yes.

The Chairperson (Mr Maskey): And just to finish, for example, it is open to this Committee, I think we have discussed it before, and certainly I have indicated before that it is entirely open to this Committee if it wants to extend the evidence gathering sessions out, balancing that against trying to wind up this inquiry sooner rather than later. By the same token, as far as I am concerned, we have always said from day one we will pursue the evidence. There are options open to this Committee for further verification or clarification, and that could include the meeting which Jenny Palmer has referred to, which involved her being represented — I think was the term used previously — by Jeffrey Donaldson. Stephen Brimstone was there, Peter Robinson was there, Gavin Robinson was there and whoever else was there. So, we consider this, and it is up to the members of the Committee to determine how far further it wants to go. Certainly, I am in the gift of the Committee. We are quite prepared to *[Inaudible.]* evidence wherever it needs to take us to.

On that basis, there are no further questions this morning. Could I thank you, Ms Palmer, for your evidence here this morning? I appreciate that at points it was very difficult for you. Thank you for continuing on notwithstanding that. These are difficult evidence sessions. I know you have personal issues as well with your family's health and so on, so thank you again for this morning. Obviously, the Committee will consider the evidence in the round. It is quite clear that there is very starkly contradictory evidence being presented. We have to weigh all that up. We may want to come back to you at some point. Obviously, as I have said to all the other witnesses, it is entirely open to yourself if you wish to come back to us in advance of any such engagement. OK. Are you happy enough with that?

Ms Palmer: Happy, Chair, yes.

The Chairperson (Mr Maskey): Thank you very much, Ms Palmer.