

From the Office of the Minister for Finance & Personnel

Finance and Personnel Committee

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Our reference: COR/564/2012

Hear Baithi

Mr Daithi McKay MLA

Parliament Buildings

Chairperson

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October 2012

Thank you for your letter of 28 September 2012 in relation to the potential application of the NICS equal pay settlement to PSNI staff.

As you will be aware the Stage 2 Devolution financial package included access to the HM Treasury Reserve in the 2010-11 financial year to cover a potential equal pay pressure associated with PSNI staff of up to £26 million. You are also aware that last year I sought, and was granted, a one year extension by the Chief Secretary to the Treasury in terms of access to this funding.

I understand that a court is currently hearing the PSNI staff equal pay case and that a decision is expected within the next 3 to 4 weeks. If the court finds in favour of the PSNI staff, I understand that the Department of Justice (DOJ) will seek access to the £26 million of funding in this financial year, in line with the agreement reached with the Chief Secretary. If the court finds in favour of the DOJ there will be no financial pressure in this financial year. However, some PSNI staff may subsequently appeal the decision and, if successful, this could lead to a settlement (and associated financial pressure for DOJ) in future years.

I will await the outcome of the ongoing court case and, if necessary, I will write to the Chief Secretary to the Treasury seeking a further extension in terms of access to the Reserve. My officials have already alerted HM Treasury officials to this fact. A request for a further extension for access to this funding will need to be made in advance of the HM Treasury Supplementary Estimates, which means that a request will need to be made in December 2012.

Yours sincerely

SAMMY WILSON MP MLA