



Northern Ireland
Assembly

Committee for Justice

OFFICIAL REPORT (Hansard)

Budget 2024-25 and June Monitoring Round:
Department of Justice

13 June 2024

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Ms Joanne Bunting (Chairperson)
Miss Deirdre Hargey (Deputy Chairperson)
Mr Doug Beattie
Mr Maurice Bradley
Mr Stewart Dickson
Mrs Sinéad Ennis
Mr Justin McNulty

Witnesses:

Ms Deborah Brown	Department of Justice
Mr Mark Goodfellow	Department of Justice
Mr Seán Holland	Department of Justice
Ms Lorraine Montgomery	Department of Justice
Mr Hugh Widdis	Department of Justice
Mr Glyn Capper	Northern Ireland Courts and Tribunals Service

The Chairperson (Ms Bunting): We have with us, from the Department of Justice, Hugh Widdis, permanent secretary; Deborah Brown, director of justice delivery; Mark Goodfellow, director of safer communities; Sean Holland, director of access to justice; Glyn Capper, director of the Northern Ireland Courts and Tribunals Service (NICTS); and Lorraine Montgomery, acting director of corporate services in the reducing offending division. I hope that you did not all travel together, because the whole system will go down. Thank you very much for coming. Apologies for our lateness. We have your paper. I will hand over to you to make your remarks, and there will presumably be questions at the end.

Mr Hugh Widdis (Department of Justice): That is really helpful, Chair. Thank you very much for having us back. I will not introduce everybody, because you just did that. You probably know that Beverley Wall cannot be with us, but Lorraine has very kindly come from that division. We thought that we would provide the Committee with an update on the 2023-24 provisional out-turn, on the 2023-24 annual report and accounts, and on the final budget for the coming year. We will also give a brief update on the June monitoring exercise. I will ask Deborah to cover some of the detail of that, but, before I do so, I will make a few opening remarks, Chair, if you are content.

As, I think, everybody knows, the Executive had about £1 billion to put towards pressures of £3 billion. DOJ has been allocated £95 million, which is 9.9% of the available amount, despite our pressures representing 14% of the total pressures across the block. That will exacerbate a certain level of underfunding that the Department has had for some time. I will provide some context. Over the past 13 years, the Department has seen an increase of 13% in its budget. That may sound good, but the block has gone up by 53%, Health's budget has gone up by 80% and Education's budget by 50%, so it

is not a comfortable position for the Department to find itself in. We have done an allocation of the £95 million — we can talk about that shortly — but we still face £349 million of pressures. Of that, £227 million relates to exceptional items — McCloud, the data breach and holiday pay — but it still leaves us with £122 million worth of pressures just to sustain current services at current levels.

I will say a bit about the impact of the settlement. I am happy to get into that in more detail, but it is evident that, overall, it will have serious implications for delivery across the Department, its agencies and the wider justice family. Without additional funding — the Minister made this clear when she was here — there is real potential for lasting damage to the justice system, which would, obviously, be regrettable. There is not a sufficiency in the budget settlement to meet the increased demand that the Department faces. I will give a few examples: we have had a 35% increase in prison numbers over the past three years; police officer numbers are at an all-time low of 6,394 against the 'New Decade, New Approach'-recommended level of 7,500; legal aid costs have seen a 30% increase; and we have a significant backlog in the Courts and Tribunals Service. That speaks to a combined effect of a certain amount of underfunding and having to deal with the unique and unusual demand-led nature of the majority of the services delivered by justice organisations.

There are difficult prioritisation decisions to be taken to manage those pressures, to live within the budget allocation and to meet the requirement not to spend money that is not allocated by the Assembly and, as regards accounting officer responsibilities, to meet the Assembly's expectations for the money that is allocated to the Department through the Budget. We have identified a number of potential actions to reduce the funding gap, and I am happy to think through some of those with you. Those are being considered by the Minister, so they are not completely decided, but, obviously, there will be some negative impact on the system as a whole. We will continue to engage in further discussions with the Executive, as needed as we get clarity on these things, and the Department of Finance on the exceptional pressures and on exactly what will happen in relation to holiday pay, McCloud injury to feelings claims and PSNI data breach costs. We are still engaged with the Department of Finance, and that will continue.

We bid for £122 million worth of capital. We were allocated £92 million, which does not allow us to meet all the pressures that we have in the Department or all the bids that we had internally. We can provide data on that, if the Committee is interested.

Broadly speaking, this is the most challenging Budget that I have seen Departments face during my period in public service. It will require careful management across all Departments, but, in particular, given the settlement that the Department of Justice got, we will be required to manage and reduce the risk of overspend. As accounting officer, I am serious about my personal responsibility to avoid any overspend across the departmental accounts.

We have shared the business plan with you, and that might give you a bit of a flavour. It is still in draft. We do not have a Programme for Government as yet, and, therefore, there can be no overarching objectives for that business plan to feed into. We are equally conscious of the equality requirements in relation to it, but, overall, it demonstrates what may be possible. There will still be a challenging financial position, and we will have to keep an eye on that as the plan is finalised and delivered.

I will pass to Deborah to provide detail on the out-turn and the other issues.

Ms Deborah Brown (Department of Justice): I will move, first, to the provisional out-turn. As you can see in your papers, the provisional out-turn figures were submitted to the Department of Finance on 14 May. As you are aware, last year was a challenging year for us, given our 1.7% budget cut and the fact that we started the year with £148 of projected pressures. During the year, the Department secured some funding. In November, £11 million was received from the Secretary of State to meet some of the legal aid pressures. As you are aware, towards the end of the financial year, in February, the Department was allocated £75 million.

Despite the late allocation of that £75 million, the Department was able to minimise its underspend and achieve its smallest non-ring-fenced resource departmental expenditure limit (DEL) underspend, in both monetary and percentage terms. There was a very small underspend of £0.6 million, which is 0.05% of the Department's budget, and that was because of specific actions that it took towards the end of the year to make sure it maximised all the budget available and to try to minimise some of the pressures moving into the new financial year. However, the provisional out-turn is subject to the audit, and it could change. We will, of course, keep the Committee updated. In addition, the Committee will be aware of the Information Commissioner's Office (ICO) fine that has been levied against the PSNI, which has not been factored in at this point.

On the capital side, we had a small underspend of £1.5 million, which is 1.7% of our budget. The ring-fenced resource DEL provisional out-turn was also £1.5 million underspent, which is 1.45% of our budget. Again, all those figures are provisional. Once the figures have been audited, we will report the final position to the Committee.

On the audit itself, the 2023-4 resource accounts have been submitted to the Northern Ireland Audit Office (NIAO). That was done, within the timeline, on 31 May. We are on course to meet the summer recess deadline for the laying of those accounts, despite some very challenging staffing pressures that we are experiencing.

Moving to the 2024-25 Budget settlement, the Minister of Finance issued the Budget allocation to the Departments on 25 April. As Hugh stated, the Department's non-ring-fenced resource DEL budget allocation was £95 million, which is 9.9% of the total funding that was available to the Executive. However, our pressures were estimated at £446 million, which represents 14% of the total pressures. That indicates that the Department should have received an allocation of £134 million, which is £39 million more than the £95 million that was provided.

The Chairperson (Ms Bunting): Deborah, how much should the Department have received — £134 million?

Ms Brown: Yes, if it had been allocated pro rata, based on our level of pressure. Our pressures represented 14% of the total pressures. If the Department had got 14% of the total available, we would have got £134 million rather than £95 million. The allocation of £95 million is only £9 million more than the funding of £86 million that we received during 2023-24, which was the £11 million for legal aid and the £75 million that we received in February. That is a very small, marginal increase in funding against which the Department faces increasing demands for its services, inflationary costs and the full-year impact of the pay awards for 2023-24 and those that will be payable in 2024-25.

Whilst the additional £95 million of funding is welcome, the Department is still left facing pressures of £351 million. Within that, there is £2 million of transformation bids. Leaving those aside, pressures of £349 million remain. To put the £349 million into perspective, it broadly equates to the combined spend across prisons, the Courts and Tribunals Service, legal aid and the core Department, the annual spend of which is usually about £369 million. The Department therefore had to make a number of assumptions. It considered options for allocating the £95 million across the business areas. That was vital, as the Minister was clear that the allocation should be made on the most equitable and fair basis for all our organisations. That is particularly important for the justice system, given the consequential impact that funding decisions in one area may have on other areas of the Department.

A pro rata allocation based on the stabilisation pressures — that is excluding the exceptional pressures to do with the data breach, McCloud and holiday pay — was determined as being the most appropriate option to provide the most equitable distribution of the available allocations across the core Departments, its agencies and the non-departmental public bodies. That option was approved by the Minister, and the opening allocations were communicated to the Department's business areas on 21 May. The Department is considering what actions are now required to live within the resource allocations, given that those fall significantly short of what is required. Therefore, extremely difficult decisions will be required to be taken for us to remain within that resource budget. I highlight the fact that those are all draft allocations until we have completed our equality screening.

The Department's capital allocation was £92 million. That was a shortfall of £30 million, or 25%, against our total bids of £122 million for our inescapable and high-priority projects. The Minister approved the decision to allocate 100% to the inescapable bids together with 30% of the bids that were submitted for high-priority projects.

On June monitoring and the in-year position, the Department of Finance issued its in-year monitoring guidance on 10 May and included a return date of 31 May. The exercise was formally commissioned by DOF on 21 May. Given that very short timescale for us to complete June monitoring, it was not possible for all business areas to completely reassess all their pressures in light of the new budget allocations. The Department submitted bids to DOF for June monitoring to the full value of the £349 million, which represents all the pressures across the board, takes account of the £95 million allocation and excludes, as I said, the £2 million worth of transformation bids. The transformation bids are now being considered as a stand-alone exercise. We also requested £1.1 million from the Northern Ireland Consolidated Fund. We submitted bids of £18.7 million for ring-fenced resource DEL pressures and £17.4 million for capital DEL pressures.

The Chairperson (Ms Bunting): Just slow down on that one. There was £1.1 million requested from the Consolidated Fund. What were the next two, please?

Ms Brown: There were bids of £18.7 million for ring-fenced resource DEL — that is for things like depreciation — and £17.4 million for capital DEL pressures.

The Chairperson (Ms Bunting): Thank you.

Ms Brown: The June monitoring details have been shared with the Committee. The outcome is not yet known. It is not clear when June monitoring will be presented to the Executive. Indeed, it may have to wait until after the election. DOF has indicated that there may be some funding available in June monitoring from Barnett consequentials and negotiations around the 124%. However, again, how much might be available remains unclear. In the meantime, while we await the outcome of that, business areas have been advised that they must manage their spending plans in line with those opening budget allocations and that there should be no assumption that there will be further allocations in monitoring rounds. Until then, the Department will continue to monitor its position on a monthly basis. We will then conduct a full exercise for the next monitoring round in October.

I will give you a little information on the transformation bids. As I outlined, we previously put forward a number of small bids, but, subsequently, a new exercise was commissioned. The Executive agreed to the creation of an interim board to consider the administration and prioritisation of the £235 million public sector transformation fund, which begins in 2024-25. Subsequently, the interim public sector transformation board, chaired by the head of the Civil Service, has written to Departments to officially call for those proposals. A total of £47 million is available for each of the five years, and the bids are to be returned to DOF by tomorrow. The request is for a maximum of six proposals per Department: two large-scale proposals in the range of £10 million to £100 million, and up to another four small-scale projects of below £10 million. We are finalising our proposals. Our proposals include two large bids: one on speeding up justice, and another on reducing harm from domestic and sexual abuse. We have two small bids: one to reduce the pressures on our prison population, and another to take forward technology for electronic monitoring. In addition, a bid will be submitted from the tackling paramilitarism team. That will be a large bid for a violence and harm reduction hub. Once those proposals are finalised and approved by the Minister, we will provide further details to the Committee.

I hope that I have provided a useful overview of our financial position. We continue to operate in a very uncertain financial environment, and the Department remains in an extremely challenging position with regard to managing its budget. I thank you for the opportunity to brief the Committee. We very much value the Committee's views and its role in helping us with this challenging position. We are happy to take any questions. If there are questions that we cannot take here, we will take them away and come back. Thank you.

The Chairperson (Ms Bunting): Thank you very much. You say "uncertain", but, having heard about it, I just think it is bleak.

Miss Hargey: You answered one of my questions on the transformation bids. You said that you will send an update once the Minister has approved them, which is good. Are any of those bids done in collaboration with other Departments? One of my other questions was going to be around the disjoint in the system and in the justice family as a whole. The correlation with Health in relation to prevention is an issue that comes up regularly. Will you be working with other Departments on some of the larger bids or the smaller bids for transformation?

Mr Widdis: Both of the large bids are cross-departmental. Speeding up justice is across the criminal justice system and includes the Public Prosecution Service (PPS). Ending violence against women and girls is our part of that, but it is part of an integrated whole with TEO's ending violence against women and girls policy. The violence and harm reduction one is part of the Executive programme for tackling paramilitary activity and organised crime (EPPOC). We are still exploring exactly how that will be treated, because it is not purely a DOJ issue; it is an Executive programme. Coming to the other two points, can you cover electronic monitoring, Mark?

Mr Mark Goodfellow (Department of Justice): The bid on electronic monitoring is not a cross-departmental bid, but we see there being clear community supervision benefits downstream across the justice system and beyond, including for partners such as the Probation Board.

Miss Hargey: OK. Thank you.

Mr Widdis: Can you cover prison populations, Lorraine?

Ms Lorraine Montgomery (Department of Justice): On prisons, work is ongoing with partners, such as probation, to support people who are on short sentences and to improve the effectiveness of the rehabilitation work that happens behind the gate.

Ms Brown: The reducing harm from domestic and sexual abuse bid is being countersigned by the Department of Health's permanent secretary, so we will have that support.

Mr Widdis: Everything that the Department does is so integrated with everything that other Departments do. Their policies very often push people towards us and vice versa. We have maximum impact when we collaborate like that.

Miss Hargey: I know. That will be an area for the Committee to look at; it comes up consistently, including at the visit to Maghaberry last week. We may go back to look at some of the prevention and intervention work.

My other question is around the overall budget and further work that is being done to link it to the strategic priorities. You mentioned the business plan and the Programme for Government. Can the Committee be provided with further information once those processes have been completed? Is a full equality impact assessment (EQIA) being done? Is that out for consultation? DFC's consultation opened on 11 June, I think, and will run until September. My understanding is that October monitoring will begin to look at some of these in respect of EQIA pressures or things that may come up. I know that we will get more information around what actions you or the Minister will be looking at to reduce the pressure, but will there be areas that the Department will move on at risk, in the hope that you will get some in-year funding to address them? If so, can you say what those areas are?

Mr Widdis: On equalities, we treat all allocations as draft at the moment. We are working through the screening process. If the screening suggests that we need to do an impact assessment, we will and will publish that as normal.

The third question was about going at risk with the allocations. We are still working through the budget with the Minister. We have come to various conclusions about where money might be saved, and none of it is particularly attractive for delivering on the Department's objectives or positive outcomes for, for example, the prison population or the PSNI's services. We are working through that with the Minister.

On going at risk in the expectation that there might be more money later in the year, my impression is that, after the June monitoring, there will not be a lot of extra money. I would be resistant to taking much risk in the sense of predicting or guessing that the Department might get extra money in-year, but we will keep that under review as the year progresses.

Ms Brown: Whilst there is not a lot of hope about getting additional funding in-year, the Department has demonstrated that, when it does get additional funding, it has been able to spend it. Indeed, towards the end of the 2023-24 year, we took a deliberate strategic approach to getting money out the door by monitoring our spend weekly and finding out where there were potential underspends. We put money out through Compensation Services and legal aid, which has helped to reduce the backlog in legal aid and allows the Department to start in a slightly better position, albeit still with the backlog of 11 weeks on legal aid that we opened with in April. Again, if the Department gets money, we know the areas where it can be spent. There are areas of the Department where pulling back on spend is incredibly difficult because the majority of the spend is on staffing and achieving savings in-year is difficult for the Department.

Mr Widdis: We focused on the stabilisation pressures, and there are still £122 million of them. Beyond that, there is the £227 million pressure for the exceptional costs. I will have to factor that into the risk calculation as we move on, if any extra money is available.

Miss Hargey: When will the screening be finished? Will the outcomes be made available to the Committee? Is there a timeline for that?

Ms Brown: We had expected all the returns to be in this week, but, unfortunately, a couple of business areas have not been able to meet the deadline, and we have given them extra time. We had hoped to get something out at the start of July, but, given the delays with a couple of the larger business areas, that might not be possible.

Miss Hargey: Will you keep us updated on that?

Ms Brown: Absolutely.

Miss Hargey: Thank you.

Mr Dickson: There are tough decisions to be made. I am pleased, rightly so, to hear the permanent secretary say that, as accounting officer, he takes a very personal responsibility to ensure that every penny spent is spent wisely and correctly and that we do not do things that we should not do. That is a strong and positive lead from the permanent secretary.

I have two questions. First, you said that pressures are pushed towards you by other Department's programmes and talked about the cooperation levels between Departments to recognise the short-, medium- and long-term issues. We see that happening regularly in the Prison Service, and some of it goes back to the early years of someone's life. What plans do you have to push away those pressures? How are you working with the other Departments to say, "If we did these things together in the short, medium and long term, we would have very different outcomes"? What is the level of cross-departmental working at a practical level?

Mr Widdis: The EPPOC is a good example. I will ask colleagues if they have other examples. Broadly speaking, it is about identifying the factors in how paramilitary organisations work and take advantage as well as the way in which individuals or communities are vulnerable to the interface of paramilitarism. There is very little of the programme that is delivered from inside DOJ. The programme works with TEO, voluntary partners, communities and the police to cooperate across the system to prevent people being drawn into paramilitarism. It is similarly the case with other interventions.

Mr Goodfellow: I will extend what Hugh has said and pick up your point, Stewart. The fiscal environment is driving us to a place where we cannot afford not to collaborate to get the right outcomes. I will give you a couple of examples on my side. I mentioned this the last time that I was in front of the Committee. The Minister has agreed to develop a new community safety strategy for Northern Ireland. For me, the worst outcome would be if that were a DOJ strategy alone, because we know, with regard to community safety, that it is often socio-economic factors that drive people to the attention of the criminal justice system. You referenced the prison population. If we can get upstream with Communities, Health and Education to get the early interventions right, that can only benefit the justice system, from our perspective, and individuals, more importantly. That has got to be a truly collaborative impact. Likewise, we have a one-year addendum for organised crime. We need a new strategic approach to organised crime, but I do not think that that should be in isolation from a wider safer communities strategy. There are opportunities there to streamline. Again, we cannot do that unless we take a trauma-informed and health-informed approach to that.

There are some very specific points. I know that we do not have time to go into them, but the prevalence of mental health in the justice system is of increasing concern. We see that every day. We are working directly with the mental health champion on a number of initiatives. We are supporting PSNI and the Department of Health, looking at a programme called "Right Care, Right Person", to make sure that we get the balance right on the operational, very intensive resources that the PSNI is having to use, often to be first responders in a health space. We are working to try to drive out some efficiencies there as well.

Mr Dickson: Moving then to the transformation budget, which, I think, will be very helpful going forward — maybe this is not a question for you but more a question for those who are actually leading the transformation board — how can we be assured that all the bids that go in will be genuinely needed by the proposers and are not simply for pet projects?

Mr Widdis: You might have to ask other Departments about that. None of that is coming from our Department. These are genuine transformation attempts. There is a multi-staged system that is designed to filter out bids that, for example, do not show enough invest to save or will not be sufficiently aligned to Programme for Government objectives. It will then be put to the board, and it will

try to select those that seem to show best return for the entire system in Northern Ireland. Ultimately, it will then go to the Executive for approval via the Finance Minister, I think.

Mr Dickson: I suppose that the other side of that question is this: what penalties would you face if, despite getting a project through, it failed? Is there an incentive on you to ensure that what you present to the transformation board, and what gets approved, is actually sharpened and honed to the point of delivery?

Mr Widdis: Again, I would say that ours are. There is a stage after that where, if you get through it, you will have to work up business cases and do full project plan development for each of them, and so on. As regards penalties — especially penalties for failing, and so on — I would prefer to be in the territory where we try things that we genuinely think will be good investments to try to improve. If mistakes are made or investments do not yield the returns that we had hoped that they might towards whatever the outcome might be — reducing offending, for example — then we learn from that. I always think more in terms not of penalties but of how we can actually make it better next time. The programmes that the Department has sponsored and been involved in are exactly that. The EPPOC is heavily data-informed about the outcomes of the projects and interventions that we have tried. We have learned from them in putting in our bids. I am sure that other Departments are doing that as well.

Mr Dickson: Will there be external assessment of those transformation projects?

Mr Widdis: DOF asks for the bids to be in, and so on, but, again, my understanding of it is that the transformation board has an independent member on it, so it will be the head of the service and one of the independent board members from the Civil Service board, and then there is UK Government representation as well.

Mr McNulty: Thanks, folks. What percentage of the budget is spent on the PSNI data breach and the McCloud injury to feelings claims?

Mr Widdis: In 2023-24, there was a small amount in PSNI —.

Ms Brown: A total of £6 million was spent —

Mr Widdis: A total of £6 million was spent last year.

Ms Brown: — on the data breach. In the exceptional pressures, there is £116 million for the data breach, which is the PSNI's estimation of how much those claims will cost, but there is no certainty yet on that.

The Chairperson (Ms Bunting): They have not been factored in yet, have they?

Ms Brown: They are in the £227 million.

Mr Goodfellow: The piece that has not been factored in is maybe the Information Commissioner's Office fine that was levied against the data breach. It is £750,000.

Ms Brown: Yes, the ICO fine has not been factored in.

Mr Widdis: There is a window for the PSNI to make representations to the ICO in relation to the quantity of that.

Ms Brown: Then, there is £30 million for McCloud and £81 million for holiday pay.

Mr McNulty: Will you explain the £116 million to me? How long a period is that expected to be over?

Ms Brown: That is our estimation. That is the estimation from the PSNI as to how much the claims will be on the data breach. There is still an element of uncertainty around when that will be settled. We are awaiting a business case from the PSNI on that.

Mr McNulty: Is the £30 million for McCloud an estimation as well?

Ms Brown: Yes, that is an estimation at this point.

Mr McNulty: Is it not a huge worry, in efficiencies terms, that the Department's spend is extended to such a degree, based on failings within —?

Ms Brown: Absolutely. That is why we have set the £227 million aside for the time being, and we are in discussions with DOF. Holiday pay and McCloud are not just a DOJ issue: they are across all the Departments. There will have to be a Northern Ireland Civil Service solution to that. We have been clear in engaging with DOF that, for the time being, we have to set those aside because there is no way that this Department could do anything to manage the size of those pressures.

Mr McNulty: In the capital budget, where does the disposal of vacated properties sit?

Ms Brown: We have no proposed disposals during the 2024-25 year.

Mr McNulty: Why not?

Ms Brown: We are currently drafting our asset management plan, which looks to ensure that we are maxing the use of the DOJ estate, making sure that we are keeping regular review of our leases and using the estate to best effect. However, there are no actual disposals of any size projected in 2024-25.

Mr McNulty: Modernisation of the infrastructure is totally necessary. It was agreed that Crossmaglen will be disposed of as part of the south Armagh policing review. What is the delay on that? I am sure that that is a question for the Minister, as opposed to you. I have other questions for the Minister, which I will ask her when she next appears before the Committee. Thank you very much for your time today.

The Chairperson (Ms Bunting): Folks, I have a few bits and pieces here.

Are you giving consideration to things not going ahead? It seems to me that you have no option but to consider that things will not proceed. What is in the ballpark? What consideration is being given to that?

How are you going to prioritise what you are doing? I appreciate that you have moved to stabilise and be equitable with that, but, within that, some tough decisions will have to be made. For example, if somebody puts in a bid for capital and gets only a fraction of it, it will not be able to proceed. How are you prioritising what will go ahead and what will not? We still await a PFG, and there will be priorities in that that might change your priorities. What flexibility has been built in there, when you are really up against it and already have very little room to manoeuvre?

There are a couple of other things from me. We have seen your business plan, and there are a lot of references to various strategies and so on. The strategies are all great, but you need to have the money to implement them. It seems to me that you do not have that, really.

We heard from the tackling paramilitarism programme about the extent of duplication of strategies across the Civil Service. There are something like 80, and no central Department keeps a record of the strategies that exist in Northern Ireland, which I find shocking and abominable, to be honest, in the financial straits in which we find ourselves.

Within all that, I have sought, from the Minister down, to establish the extent of collaborative working with Health. We are familiar with the collaborative working within tackling paramilitarism, but we cannot ascertain, in any meaningful way, the extent of the collaboration beyond projects here and there. We are at a point now where the duplication within Departments in strategies and priorities without collaboration can no longer proceed. It would be really helpful if you could give us information on the extent of the collaborative working between Health and Justice. Frankly, we are well aware that there is massive overlap in terms of the problems. Therefore, there needs to be considerable overlap in terms of the solutions. It seems to me that it is always presented at Justice's door, and that should be the last resort.

That is it for me. What is not going ahead? How will you prioritise? How are you going to fit in PFG priorities? How will you resolve duplication? Can you give us meaningful explanations around collaboration?

Mr Widdis: On that last point, Chair, we will follow up with something more fulsome. As an example, Chair, Lorraine, would you like to say a word on health trusts in prisons?

The Chairperson (Ms Bunting): Hugh, that is the thing. We are familiar with those examples —

Mr Widdis: OK.

The Chairperson (Ms Bunting): — but we are also familiar about how they do not work to an extent. For example, we are aware that healthcare in prisons has been contracted out to trusts. We also know that with that, however, there come difficulties regarding prescription drug issues in prisons, because prisons then cannot be told, because of patient confidentiality, how much medication a prisoner holds for themselves, what their baseline is for that medication and so on. For each move on the chessboard, there is another series of reactions that cannot be resolved because of resourcing.

Those examples we are familiar with. I am not now talking about individual projects. Strategically, there now needs to be collaboration to resolve the issues, and I am not seeing it. I cannot get to grips with the extent of the conversations between the Ministers or even the subject areas that are being looked at, but we are now reaching the point where we need hard facts and not examples from way down the chain. At the highest level, what is going on between the Departments to root out duplication and to work more collaboratively?

Mr Widdis: Maybe we will come back to you with some data on that, Chair, if that is the way to address that one.

The Chairperson (Ms Bunting): Thank you.

Mr Widdis: In terms of prioritising — I do not know whether you meant just the capital side, but I will do both — on the capital side, we were able to fund all the inescapable commitments this year. We then did, essentially, a pro rata for what other people needed, with a few tweaks around the edges. I will ask Deborah to say a bit more about that if you want to hear some detail.

We absolutely recognise that the business plan is maybe not as ambitious as it could have been if, for example, we had got the level of funding that Deborah had suggested as a perfectly proportionate share of the money available or if the financial position this year was not £3 billion pressures for £1 billion pressures across all Departments. I hesitate to say that there is less ambition, but there may be less successful delivery available this year —

The Chairperson (Ms Bunting): But that is the sensible approach.

Mr Widdis: — so we have scaled that back a bit.

The Chairperson (Ms Bunting): Yes, absolutely.

Mr Widdis: The business plan is absolutely draft. It is not yet totally approved inside the Department. The Minister is still looking at it. Until the PFG is formed, it would be precipitate of a Minister or Department to come up with a definitive plan. However, we cannot sit around waiting indefinitely for that, so the idea is that we get to where we think we might be. If it needs serious adjustment after PFG is agreed, there will be serious adjustments; that is OK. Then, as we go through the year and work through the pressures of the £122 million and the £227 million, we may well have to adjust it again or to adjust expectations about what can be delivered — possibly upwards, more likely downwards — but we will continue, as a Department, to do absolutely everything that we can.

Deborah, do you have anything to add to that?

Ms Brown: Maybe just on the capital. Some of the reassurance is that this capital allocation allows us to take forward a number of key strategic projects, which will help with the cross-departmental elements. Specifically, we will be able to commence Causeway. We have our big project Atlas at Forensic Science Northern Ireland (FSNI). We have the Themis project as well. Those could be further

maximised by some of the transformation bids that we have put in on the speeding up access to justice piece. We will also be able to look at some of the modernisation that is needed to the prison estate: looking to start on our youth facility for women at Hydebank, the new visits at Maghaberry and the reconfiguration of Magilligan.

You asked about what we are stopping. Decisions have yet to be taken. However, we do take forward a number of projects on behalf of other Departments. Those are areas that we are going to have to look at critically because, if we are unable to do even our own things, and other Departments are not providing the necessary funding, there could be very difficult decisions in there as well. However, all those issues are with the Minister for her consideration.

The Chairperson (Ms Bunting): And beyond the capital?

Ms Brown: In the prioritisation, we had to look at what was inescapable in all the business areas. We then looked at where people were reporting pressures. We looked at different options to allocate the £95 million. We could have allocated on people's baseline, but that would not have taken account of the true pressures. We looked at where the pressures were sitting, and we took the decision to take the exceptional pressures out, because we needed to park them for the time being. We also took out the elements relating to Consolidated Fund money that we expect to get in the June monitoring round, and we took out some of the additional costs associated with legacy, because there is so much uncertainty around that. That was deemed to be the preferred option. We also looked at what was spent in previous years, but, again, that was not a terribly fair way in which to allocate money, because some areas had really pulled back on their spending and had nowhere else to go, while others might have had a little more opportunity. We focused on the pressures, and that is why the £95 million went into the various areas.

We are now left with the situation of having £349 million of pressures, £122 million of those being the stabilisation pressures. Of that £122 million, £34 million sits in the Department. At the moment, a significant element of that is legal aid, in order to stop us overspending. Legal aid has always been our go-to, but we hope that we might secure some more funding in monitoring rounds in order to get the legal aid funding. As a consequence, we made sure that more funding was going into prisons, because of the increased population numbers, and into the courts, because, again, we have made so much investment in the courts that we do not want it to take a back step and we know that the pressures there are truly inescapable because they are around staffing.

That still leaves us with shortfalls in all those areas, and tough decisions are still being considered at the moment as to how we might manage them. I remain optimistic that we might get something in the June monitoring round that will help in some way.

The Chairperson (Ms Bunting): I understand, but the difficulty is that legal aid cannot always be a go-to, because you will lose the profession.

Ms Brown: No. I absolutely agree, but, when you are the accounting officer and are told that you cannot overspend, that is the only place that you can go to. We find it truly unacceptable that we are in that position. We ensured that legal aid started the new financial year with an 8% uplift on what it had had previously, and we hope, again, because it is demand-led and our forecasting has a proven track record, that we might secure some success in monitoring rounds. If we get a three-year budget, from a new Administration or from the existing one, we need to make absolutely sure that we get the right baseline for legal aid so that we do not have to live in the way that we have done over the past number of years by using it to flex the budget overall.

The Chairperson (Ms Bunting): Our fear is that businesses will be lost, criminal defence will be lost, and people will then have no access to justice. I am not sure whether there is any other circumstance in which people have a 12-week lag in payment, potentially for work that they did the previous year, never mind within that period. We are also conscious that trying to get people into the profession to deal with criminal defence is horrendous. All those things have a knock-on factor.

Mr Widdis: I totally agree with you, Chair. I absolutely take the point about the impact on individual practices and individual citizens involved with the justice system. We bid for £27 million this year as part of a two-year programme in order to get back to a four-week payment period. We did not get that in whole from the Executive. Deborah has just outlined how we can try to manage that to the best degree possible, and we have bid for it again in June monitoring. We will continue to push for it to be properly funded. It is absolutely demand-led but not fully funded, so there are gaps in the system.

The Chairperson (Ms Bunting): We fully understand the position in which the Department finds itself. Each of us has stood in the Chamber to advocate for the Department and its budget, and we will continue to do so. We recognise the severity of the situation. Assurances beyond that, I am afraid, I cannot give. We are grateful to you for taking the time.

Do members have anything else to ask? No.

Is there anything else that you need or want us to know?

Mr Widdis: No. It has been really helpful, Chair. Thank you. I will just double-check with colleagues — no, nobody has anything else. That has been incredibly helpful. Thank you so much for your support.

The Chairperson (Ms Bunting): Thank you, and apologies for having kept you waiting. We will do our best, and we know that you will too.