

Northern Ireland Affairs Committee

Oral evidence: Work of the Secretary of State for Northern Ireland, HC 359

Wednesday 4 March 2026

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Members present: Tonia Antoniazzi (Chair); Sorchá Eastwood; Claire Hanna; Simon Hoare; Adam Jogee; Mike Kane; Mr Paul Kohler; Katrina Murray; Gavin Robinson; David Smith; and Robin Swann.

Questions 132 to 215

Witnesses

I: Rt Hon Hilary Benn MP, Secretary of State for Northern Ireland; Matthew Patrick MP, Parliamentary Under-Secretary of State for Northern Ireland; Fleur Johnson, Windsor Framework Director, Cabinet Office; and Ruth Sloan, Director of Strategy, Northern Ireland Office.

Examination of Witnesses

Witnesses: Rt Hon Hilary Benn MP, Matthew Patrick MP, Ruth Sloan and Fleur Johnson.

Q132 Chair: Welcome to the Northern Ireland Affairs Committee session on the work of the Northern Ireland Office. I welcome the Secretary of State, the Parliamentary Under-Secretary of State, Ruth Sloan and Fleur Johnson.

I am going to pick up with a question on Kenova, which I asked about in oral questions to the Department the other day. We have published our Committee report on Operation Kenova, and we called on the Government to formally name agent “Stakeknife.” Subsequently, they responded to my question in oral questions. Secretary of State, can you give any further detail on the Thompson case—of course, without prejudicing any live cases? The ongoing civil proceedings that you have cited have implications for formal identification.

Hilary Benn: I have given a commitment to the House. We said that we needed to wait for the outcome of the Thompson case, which we had, I think, in December. The Government are currently considering the implications of that for the formal request that has been made to me by Operation Kenova and echoed in the report that you published. I will be meeting Sir Iain Livingstone very shortly, because he has asked to come and see me to talk about this.



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I have promised to come back to the House when the Government have reached a decision. The Committee will be well aware of the long-standing principle of “neither confirm nor deny”, which is very important for our security. We are weighing all those factors up in reaching a decision, which we will do. I hope the Committee will bear with us as we complete our deliberations.

Q133 **Chair:** So there are no timescales yet.

Hilary Benn: I am not going to give a date today, because, as I hope you will know, I will never make a promise that I am not certain of keeping. Just bear with us.

Q134 **Chair:** I was interested to see the Taoiseach naming “Stakeknife” in the Dáil and calling on you to do so. What are the implications for your policy if he has done that?

Hilary Benn: There has been a great deal of speculation, going back a very long time, about the identity of the alleged agent known as “Stakeknife”, but that is for others to do.

The Government have a very particular responsibility in relation to “neither confirm nor deny”, because it is not just about historical matters; it is about the credibility of the commitments that we give to agents who are working on behalf of the state today and who will be doing so in the future. That ensures that if they assist the state with the work that they are doing—for reasons that I know the Committee well understand, those agents play an important part in keeping us safe—they can rely on the commitment that they are given when they choose to give their services to the country.

Q135 **Katrina Murray:** Thank you, Secretary of State. I want to move on to the funding of the Northern Ireland Executive.

Something that troubled me a lot before I came to this House and joined the Committee was the funding of public services in Northern Ireland. My background is in health service trade unionism. We are perpetually in a state where health workers in Northern Ireland have to look towards industrial action to get the pay parity and payout recommended by the pay review body, which are almost automatic on this side of the water.

Even with recent uplifts to the block grant, it is unclear whether the 2026-27 budget in Northern Ireland can fund the level of public services that have been budgeted for without further overspends. How do you plan to support the Executive in dealing with what has now become a systemic problem?

Hilary Benn: I will respond to that question about the funding, then turn to Matthew on the specific point that you raise about public services transformation.

What are the Government doing? First, there is the record settlement that arose out of the spending review last summer—an average of £19.3 billion over the three years. Secondly, there are the additional Barnett



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consequentialials that were announced in the November Budget, with £370 million over the period—actually, I think the period is over four years. Thirdly, there are the Barnett consequentialials announced by the Chancellor in her spring forecast yesterday, which total £388 million. You asked specifically about 2026-27. For next year, that will be £231 million. Almost all of that is resource DEL—£228 million—and the CDEL is £3 million.

We have been in discussions with the Executive and the Finance Minister over the state of the Budget, and as a result we have agreed to do two things. One is to grant a reserve claim of £400 million. They had said that their overspend was currently looking to be £467 million—I think that was the figure—and we gave a reserve claim of £400 million. That will have to be paid back in three tranches, which is what the Finance Minister asked for. That is end-loaded, so it is £80 million, £160 million and £160 million over the three years.

The second part of that agreement was the open-book exercise. That goes to the heart of the point that you raised in your question. We hear a lot about the pressures in the Northern Ireland Executive and in the various Departments, so we are now going through the books with the Executive to better understand the nature of those pressures, what is unavoidable and what could be dealt with in a different way. As I have said before the Committee previously, all Governments have to balance their books, and the Northern Ireland Executive is no different.

There are choices that the Executive can make about revenue raising. With the exception of regional rates, they have largely chosen not to do that. There are consequences for not making choices. In the Budget last year, the Chancellor made some pretty challenging decisions to put the public finances on a stable footing, and we are now beginning to see the benefits of that, as was made clear in the spring forecast yesterday. Of course, public services transformation is a really important part of that.

There has been some progress in health, but, if I may, I will turn to Matthew to say a bit more about that.

Matthew Patrick: Thank you very much, Secretary of State, and thank you for that question, Ms Murray.

I think the Secretary of State gave you a really comprehensive overview of the funding situation. Regarding health, I think that in Minister Nesbitt we have a Health Minister who is really starting to see some good results with his reset plan. The Executive target to see 70,000 additional patients has now been exceeded by about 200,000, so there are some positive steps that you can see in that. The Secretary of State set out quite comprehensively the funding component of that.

I am happy to hear more questions on this, but I will add that, as I have often said in the main Chamber, this is not simply a question of cutting a cheque and walking away. That is why we try to share expertise, and that goes both ways; there are some really exciting things happening in Northern Ireland that can be learned in Government here.



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That is why I have been so keen to speak with Minister Ahmed and the health team here and to connect them up with Minister Nesbitt. That is also why I have been really pleased that the Department of Health in Northern Ireland is speaking to the Department for Health and Social Care here and sharing best practice. That is really important.

Q136 Katrina Murray: There are two points on that. First, going back to the comments from the Northern Ireland Fiscal Council, it has said that routine interventions, such as the recent reserve claim to mitigate Executive overspend, are reducing the incentive to deal with the root causes of historical issues.

I understand the need, certainly when there is a demand, and I do not think that any of us want to see porters or cleaners paying the price of the systemic funding issues in Northern Ireland's public services. However, being able to provide other sources of funding is reducing the incentive to make sure that something is done on a more permanent basis. How would you respond to that?

Hilary Benn: There is a balance to be struck here, and the Government are working very hard to strike the appropriate balance. The situation that we found ourselves in most recently was that the Executive came to us and said, "We are heading for a very significant overspend." All Governments have an obligation to balance the budget. Sir Robert Chote has had some quite striking things to say in the NI Fiscal Council's most recent report about the failure to do that. However, there was a request, and we took the decision to provide the reserve claim in order to protect public services.

This really depends, as your question implies, on each of us doing our bit. I think the Government are, without question, doing their bit. There was the record settlement. The last assessment was done by the NI Fiscal Council on the level of additional need in Northern Ireland. In the end, the report said that that could be between 121% and 127%, and it settled on 124%. We are funding the Executive at just above its need—indeed, if you go back and look at the level of funding over recent years, it has been quite considerably above that in some years.

That is the Government doing our bit, but the Executive needs to play their part. The difficulty is that the conversation will often be, "Yes, we recognise the need for public service transformation, but it is a bit difficult to do this year." The trouble is that if that approach is repeated the following year and the year after that, things do not move.

In addition to what Matthew has just said to you, there is the public service transformation fund. The first lot of projects are being funded, and we hope that they can have an impact. We are finalising decisions on the second round. Matthew may want to say something more about that, because that was a sign of recognition by the Government that some additional support to help the process of transformation to begin is important at the same time as you are trying to keep the services on the

road, until such time as you get to the point where they can be delivered more efficiently.

The First Minister said quite recently, "Well, of course, there are efficiencies that we could find in the way in which we do things." I agree with that, but it is for the Executive to find them and to take the appropriate steps.

Q137 Katrina Murray: The only other point that I want to follow up on is the agreement on the open book. Thank you for the answer that you have given already. What exactly will this exercise cover? Will you share the findings with the Committee, given our interest over a long period of time in this matter?

Hilary Benn: What the exercise consists of is Treasury officials working with colleagues in the Northern Ireland civil service and going through the budgets of all the Departments. They are understandably requesting information. The aim is to try to finish the process by the end of this month, although that may be a bit ambitious. This has never happened before; it is a very significant development. It was the quid pro quo for the £400 million reserve claim, and it was unquestionably the right thing to do.

We will have to see what comes out of it and how the report is framed. We have not yet taken a decision about what will happen to the results of that, but it will inform further discussions between the Government and the Northern Ireland Executive, and no doubt it will play into a continuation of discussions about the fiscal framework in the months and years ahead. I hope it will provide some really important information that will enable us to work out together the difference between pressures, things that I would like to do, things that I can't escape and things that I could do efficiently.

There is a recognition that things need to be done more efficiently. You can't keep pouring more and more funds into a system that is not efficient. There is a growing recognition of that fact.

Q138 Claire Hanna: Thank you very much, Secretary of State. Do you recognise that we are in a bit of a fiscal doom loop, in that every year or two there is a crisis? The Executive say, "Give us more money," and you say, "No. Spend what you have more effectively." Then the Executive say, "We've overspent," and you say, "Here's a loan, but don't do it again"—rinse and repeat. That has been the story of the past two decades. It is useful to hear that information about the open-book exercise.

Perhaps we might yet get the much-vaunted multi-year budget that allows services to plan and transform. Do you recognise the link between this aspect of dysfunction and the need for Stormont reform? Do you recognise that periods of absence, when Stormont is not sitting, and the decision-making logjam are fundamentally, intrinsically linked to the dysfunction that you have just set out?



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Hilary Benn: The 40% of time when the Executive has not been functioning guarantees that there will be no progress on what we have been discussing for the last 10 minutes. That is very clear indeed. Notwithstanding the challenges of operating a mandatory power-sharing system, in the end this is about political choices that the Executive can or cannot make. It is up to them to do it.

The obvious example is spending per head on health. Because of the additional funding—the just over 24% extra that we give to Northern Ireland, above the funding that is available in England—there is more money per head for health. I am looking at a former Health Minister, who is a member of the Committee—Mr Swann will know this extremely well. There is more money spent per head, but if we look at the outcomes, we see that 50% of people waiting to see a consultant for the first time wait more than a year. In England, the figure is 4%, and I think it is now coming down as a result of what the Government is doing.

It is perfectly reasonable for the public in Northern Ireland to ask, “I don’t quite understand it, so can you explain to me again why you have more spending per head than in England but worse outcomes?” There is progress being made, as Matthew just explained, as a result of the efforts that have been developing over time in the Department of Health, which Minister Nesbitt is now leading, but it is a perfectly reasonable question.

Q139 **Claire Hanna:** I do not disagree with any of that. A multi-year budget would go a very long way. I am sure that the current and former Health Ministers would concur. But do you accept the link between Stormont dysfunction, the decision-making logjam and the periods of absence, and that if we fail to reform Stormont we will be back here very soon? Additionally, in recent weeks you will have received a letter from the Assembly, triggered by an SDLP motion, asking you to convene discussions on Assembly reform. How do you propose to go forward with that request?

Hilary Benn: In my recent meetings with party leaders, including you, reform was one thing that we talked about. The point I am making is that, first, periods with no Executive mean that these questions are absolutely not going to be addressed; they will be left untouched. In my view there is absolutely no reason why, even with the current arrangements, it is not possible for the Executive, if they wish to exercise the political will and to find a way forward, to operate the budget more effectively to improve the services to the public.

At the same time, if they wish to, they can take decisions about revenue-raising. If they choose not to do that, there is going to be a consequence. In the end, they have the responsibility. My job, on behalf of the Government, is to make sure that we play our part, but I need the partner on the other side of the relationship to play their part.

Q140 **Claire Hanna:** Do you disagree that the Stormont instability is linked to this, and that if we fail to reform Stormont we are not going to address the problem? I am asking whether you agree with that as a proposition,



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and how you propose to respond to the majority of MLAs asking you, as the Secretary of State, to convene discussions on reform.

Hilary Benn: There is an important discussion on the extent to which any reform would make the Executive more likely to take the kind of decisions that we have just discussed.

My view—we might come on to this later—is that I am very happy, of course, to look at proposals for reform and what can be brought forward that is capable of creating a consensus. But the responsibility is now on the Executive to do their job. Even with the constraints that you have raised, if there is the will it is perfectly possible for the Executive to do something about that.

Q141 **Claire Hanna:** We seem to disagree on the link—I am surprised by that—and on the effect that that instability and long periods of absence have on the public finances. How do you propose to go forward with the request from the Assembly, validly endorsed by a majority of MLAs, to convene discussions on reform?

Hilary Benn: I got that quite recently. I will, of course, respond to it and you will see what I say when I respond to the letter that I received. I think we are in agreement that periods of collapse are hopeless for what we are discussing. I think that we have come to the end of the road regarding collapse.

Q142 **Claire Hanna:** We will come to the end of the road on collapse only if we address the mechanisms that allow people to collapse so readily, and to keep the Executive down so readily. While those tools are so easily available, they will be used.

Hilary Benn: Under the current power-sharing arrangement, that is true. We have seen the history, of one and then the other party choosing to collapse the Executive. I am saying that we have come to the end of the road with that, because how on earth would anyone now justify collapsing the Executive, given that 40% of the time there has been no functioning Government in Northern Ireland? That has let down the people of Northern Ireland above all.

Q143 **Claire Hanna:** I have one small question for Minister Patrick. The Northern Ireland Office reported a £1.97 billion underspend on the expected drawdown from the Executive. Would you suggest that that is linked to brilliant efficiencies, or maybe to inadequacies in capital spend? Will that be taken into account when you are doing the open book exercise?

Hilary Benn: If I may deal with that, there is not actually an underspend. It is a bit complicated, so excuse me as I read this out from my notes so that I get it right. "The NIO manages the cash drawdown for the Executive. The Executive have both a budget, which is authority to spend, and a cash requirement, which is the actual money that is transferred to their account." So, it is not actually a budget underspend.



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The estimates would allow the Executive to draw a higher amount but they cannot draw it because they have a budget. There is not £1.9 billion lying about that the Executive could put their hands on to then deal with some of the issues that we have just discussed. It does not exist. It is about the way in which these two different things—the authority to spend and the cash requirement—work in practice. It is a bit of a technical point, but it does not mean that there is money waiting to be applied to services; it isn't there.

Q144 Simon Hoare: Secretary of State, on the point that Ms Hanna has been raising, the “timidity” of the NIO on this is slightly dispiriting, in that the points are drawn and the picture is painted but the rest of the dots are not quite joined up. There is surely scope and space here for the NIO and the guarantors of the Good Friday agreement to step into this space in a more energetic way.

You are right to say that the Executive can do things, and that they have the power to do things, but you are also right to say that when the Executive and the Assembly are not sitting, nothing gets done and bad situations get worse. Those two things are absolutely, unquestionably correct. If the doing of the brave and the bold—which is required for taking difficult choices—runs the risk of collapsing Stormont because one party or another thinks it is the wrong thing to do, picks up their ball and goes home, that continuation of the loop of no modernisation, efficiency or change is seen.

We can either comment as semi-detached observers and say, “Oh, isn't this a frightful shame?” or somebody surely has to take the reins and try to change the direction, or at least try to forge, foster and instigate a professional, respectful debate and conversation about what it should look like as an institution in order to better face into meeting the challenges of the next five, 10, 15 or 20 years.

Unless or until either your office or somebody else steps into that space to do that, I am rather afraid we are going to be sitting here for the next 20 or 25 years, coming to exactly the same conclusions, with no progress being made. As we all recognise the seriousness of the situation, what is it that is preventing your office from being more energetic in this space?

Hilary Benn: In the end, we have to find changes that are capable of commanding a consensus. I think all of us know that.

Q145 Simon Hoare: But the question is who finds them, and how?

Hilary Benn: As I have just indicated, I have talked about this in my most recent discussions with a number of the party leaders, because I am very aware of the challenge that you raised and the part that the Secretary of State may be able to play; but it also requires partners on the other side of the conversation. Part of the process is to understand whether there are changes on which we would be more likely to find some common ground, as opposed to others.

I am very conscious of the point that you raise, Mr Hoare, because I do not want whoever is sitting here in 20 years' time asking the same



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questions of my successor plus whatever, because I do want to make progress.

I would also say that if there were to be another collapse, then I think we really are in a different situation, because we are not doing this again and we are not going back to direct rule. I hope parties are aware of that. I see no evidence at the moment that anyone has any intention of collapsing the Executive, because parties understand the responsibility that they have. If we seek office, including seeking office in Northern Ireland, we have a responsibility, and it is to serve the public. It is not to walk off the job, which has happened far too often.

I accept that the power-sharing mechanisms permit that to happen, but that is a function of the Good Friday agreement, which has brought so many—so many—benefits to Northern Ireland. We cannot lose sight of that but, as time passes and things evolve, I hope there will be more conversations—I am certainly up for those—about how the institutions themselves can be reformed.

There is the Assembly Committee that is looking at this, and it continues to take evidence. I don't know when it is planning to produce some proposals—Ms Hanna just referred to the letter I got following the motion that was passed. What part will it play in this? I do not actually know; has it taken evidence from the parties, as parties, in that Committee?

Claire Hanna: It has commenced that, but it is slow walking it—nothing is coming out of that process.

Hilary Benn: Well, I look forward to seeing the result of that, too.

Q146 **Sorcha Eastwood:** Good morning, everybody. Colleagues have very helpfully largely covered the ground of my question, so I am going to discuss the same issue but in a slightly different way.

A few weeks ago, I led a debate in Westminster Hall about reform of the institutions, and all political parties from Northern Ireland that take their seats here attended. I was really worried about it, because I did the same debate a year ago, and did a half-hour slot, because I was petrified of causing a row, or someone saying something. But this time I thought, "No, I think I'm brave enough to have this conversation," and I am really glad that I did. Colleagues from across every single party in Northern Ireland said something positive. Actually, the longer the discussion went on, the more people all agreed, in different ways, that something needed to change.

I am going to try and take a slightly different approach to the conversation about reform. We are talking about transforming public services in Northern Ireland for the better for everybody. Clearly, it would be dishonest for us to say that things are perfect as they are, and that we are doing well with the money that we have. Evidently that is not the case.

But there is an issue in that the big issues that we have—like mental health, housing, violence against women, family breakdown—do not sit neatly within one Department. They are across Departments. Our system



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of government does not incentivise cross-departmental working. Not only does it not incentivise it, but it actually throws up barriers.

Also, a particular political point is that Unionist colleagues—I take their opinion very seriously—expressed concerns about the debate we are having around reform of the institutions. I think that that is completely legitimate, needs to be discussed and needs to be listened to. By the end of that debate, even Unionist colleagues were saying, “I may not agree with everything you say, but actually this has to change.”

There is clearly a frustration from people around the table about the role of both Governments, UK and Irish, because they are both guarantors of the Good Friday agreement. There is clearly a frustration: people are going, “But who is responsible for this?” Back in 2019, before we re-established the institutions, we were told that we could not discuss reform then because the time was not right. If the time is not right now to help the Northern Irish political parties have those discussions among ourselves, and carve out the space, when is going to be the right time?

Matthew Patrick: I think the Secretary of State set out that he had a meeting recently with party leaders to hear those ideas. You will know that I was at the debate in Westminster Hall. That was a fruitful, interesting debate, and people had different ideas.

I think you are right that there was an appetite for doing something, but there were very different ideas about what that might look like. As the Secretary of State has said, any proposals that come forward have to be able to command the confidence of the people, and that is really important. As these conversations continue—we are discussing it here, we have discussed it in debates and we have discussed it in meetings—that should be at the forefront of our minds.

Also central to the point you were making, Ms Eastwood, is the importance of improving public services. You can have a debate about reform—I think it is fair to say that the institutions have not stood still since the Good Friday agreement—but there is also, as we all understand, an imperative to do things now to support people who are being failed by public services that are, frankly, not working as well as they should. That is where our focus, and certainly my focus, is. Yes, we can point to the record settlement and the additional money that has been shared.

Work like that of the transformation board can also really help. If we look at the investment that has gone into multidisciplinary teams and think about what that means for someone in Northern Ireland who is going to their GP, it means not being passed from pillar to post; it means a quicker diagnosis and faster support. It gets you healthier, quicker, back doing what you love or back into the workforce. That is good for the economy and good for society. Investment has come in from the transformation board to achieve that. Prior to this money, about 8% of GPs had this type of facility, and it is now in excess of 60%. That is a really positive thing.

In saying this, I am not denying that there are real and serious issues, but I point to it because it shows me that there is truly a way of transforming public services; it just requires everybody to come together to drive that



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forward. I think there is the will. I have spoken to the Executive Ministers, and they want to see better public services—that really matters to them.

Q147 **Sorcha Eastwood:** For me, the issue of reform is very much linked to the following. I am very passionate about Northern Ireland. I am proud to be Northern Irish. I am also proud to be British and Irish. But if we do not show people that we are capable of operating a durable system that does not inherently allow for these very natural differences of opinion to derail the whole process, I worry that those who do not wish Northern Ireland to operate successfully—who do not want to see Northern Ireland be a success—have carte blanche and a blank cheque of excuses as to why Northern Ireland is a failed state. I do not agree with that. I agree that we have different opinions for our future.

Do you see where colleagues are coming from whenever we say that if we do not change the system, we are almost giving licence to people who never want Northern Ireland to work to prove their argument?

Matthew Patrick: I hear that, but any of those people who do not want Northern Ireland to work have a whole room of opponents here. That is why we are here. We are here to find out what is not working and how we change that. We are here to find out what is working well and work out how we accelerate that.

Part of my job—whether it is meeting Executive Ministers and those working on the ground in Northern Ireland or meeting Ministers in the UK Government—is to try to identify how we might help accelerate the positives and tackle some of the issues that exist. That is our main focus.

Hilary Benn: If I may add one point, there is an example of the issue you alluded to at the beginning of your question, Ms Eastwood, about the different Government Departments. The report by the inquiry on how covid was dealt with and what Lady Justice Hallett had to say had lessons for all parts of the United Kingdom—all.

But I think it is fair to say that it was quite clear that the system in Northern Ireland did not work as it should have in dealing with a public health emergency, because to be able to bring people together, resources together and co-ordinate—that is a really good example of why the way the system works at the moment did not serve everyone as well as it should have done. It is now, of course, for the Executive to look at what Lady Justice Hallett had to say, as all Governments in all parts of the United Kingdom are having to do, to work out how we can do things better in future.

Q148 **Robin Swann:** Secretary of State, I think you should look at all of Baroness Hallett's comments with regard to the functionality of the Executive during the pandemic, because she did pick out good examples of working as well.

Hilary Benn: Absolutely.

Q149 **Robin Swann:** There were specific parties that she criticised, rather than the overall working of the entire Executive, so I would add a note of caution about picking out certain parts of that report.



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I want to take you back to the answer you gave to Ms Hanna with regard to Northern Ireland's £1.97 billion underspend. You said it was a matter of technicalities. The equivalents were £2.1 billion in Scotland and £0.9 billion in Wales. As a percentage of the available revenues—the book revenues—that is quite a significant sum that the Northern Ireland Office was not able to either give to the Northern Ireland Executive or permit them to draw down. Why do you think that variance is so great compared with the budget allocation?

Hilary Benn: As I was trying to explain to the Committee, it is not a budget allocation. There are two separate things here. There is the budget, which is set in the spending reviews and the figures are published, and what is called the cash requirement, which is the money that is actually transferred to the account. Someone listening might think that there was extra money that the Executive could have drawn upon. There is not. If there was, of course the Executive would draw upon it, but that is not available to them.

Ruth Sloan: It is quite standard, in terms of cash drawdown, to have these sorts of underspends across Government and other bits of public service. I think last year the underspend was £3 billion. My understanding is that it more reflects the fact that invoices have not been paid, and things like that, rather than anything very unusual or concerning.

Q150 **Robin Swann:** Going back to Ms Murray's original question about the open-book exercise, you said that Treasury officials will be going into each Department. Can you confirm that it is in fact Treasury officials that will go into each Department? When the original announcement was made, it was either Treasury officials or independent organisations that would be doing the open-book exercise in each Department. Is it actually Treasury officials who will be doing it?

Hilary Benn: It is Treasury officials.

Q151 **Robin Swann:** Into all Departments?

Hilary Benn: To look at the books relating to all areas of Northern Ireland Executive expenditure.

Q152 **Robin Swann:** When that report comes out, who will take action on the findings or recommendations? Will it be solely up to the Ministers on the Northern Ireland Executive, or will the Treasury at that point be able to step in and challenge, reprimand or advise on better ways of spending—or will it be up to yourself?

Hilary Benn: I definitely wouldn't use the word reprimand. The answer is that it depends on what the open-book exercise identifies. We will need to let the process take its course. I very much welcome it, because we hear people say, "Well, I've got all these pressures," and, as I indicated in answer to the previous question, what exactly is the nature of that pressure? Does it come from people feeling, "This is something I'd like to do, and I'd like to put it into my budget but I don't currently have enough money to do it," or is it inescapable because it comes from statutory obligations?



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It is a chance to inform the future conversations between the Northern Ireland Executive and the Government, and it will feed into the future fiscal framework discussions. We will see what the report says and, depending on to whom any recommendations or options are directed, we will then decide who should do what. It is a very important process, precisely because it has never happened before. I hope everyone involved will welcome it.

Q153 Robin Swann: With regard to the working of that group with the Fiscal Council, is it complementary? Is it additional?

Hilary Benn: The Fiscal Council has a different role; it is not undertaking the open-book exercise, because that is done by Treasury officials. The Fiscal Council has recently produced a report on the current state of the finances, and I look forward to meeting Sir Robert Chote again soon. It has a job to advise if it is requested to do particular bits of work, but this exercise is separate from that; it is the Treasury that is leading it. *[Interruption.]*

Chair: Secretary of State, I apologise for the noise in the atrium. It is due to an event.

Hilary Benn: How very exciting for them. They are clearly enjoying themselves!

Sorcha Eastwood: It's "Strictly Come Dancing"!

Simon Hoare: Is your dance card full, Chairman? I think the Secretary of State and you could do a rumba up and down the room.

Chair: We will move on, Mr Hoare, but I am aware that it is a little noisy.

Sorcha Eastwood: We might even do a sidestep—get it?

Chair: Nice try.

Hilary Benn: I am not joining in with this one.

Simon Hoare: It takes two to tango, Secretary of State.

Chair: I am sorry to have lowered the tone, Secretary of State.

Hilary Benn: Not at all. It was a welcome diversion.

Chair: If Members can behave themselves, that would be lovely. Carry on, Mr Swann.

Q154 Robin Swann: Well, you have been sidestepping this one, Secretary of State. With regard to the local growth fund, there are organisations back home that are now left with a number of days before we will see 400 people paid off and 11,000 system users who are getting economic inactivity support will see their programmes come to an end. The 70:30 capital-to-revenue split has had a significant impact, and I know that organisations have been reaching out to you to step in.



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Your responses so far have been to indicate other funding programmes, such as PEACEPLUS and Pride in Place. Organisations are basically saying, "That's fine—there's a funding stream for specific projects, but they don't pick up on 31 March or 1 April to carry on these programmes and support those people." What else are you prepared to do, or is the answer to those organisations simply, "That's it"?

Hilary Benn: Matthew is going to respond and then I will come in.

Matthew Patrick: First, I acknowledge the difficulty that this has caused to the voluntary and community sector. I have heard that in representations from people around this room and I have heard it in meetings directly with them; I have seen it quite clearly. I know it is not an easy period.

I can talk through the local growth fund and the reasons for it separately if that is what you want, but you have asked, essentially, the question that is on our mind: we are in this place, so, practically, how do we move forward and what can we do positively? If there is a way of identifying funding opportunities that can continue these important services, then we would like to do that.

You mentioned the PEACEPLUS programme, where there is €30 million unspent. We are convening a meeting tomorrow with the body responsible for that and some community and voluntary groups to discuss what might be the art of the possible. I have heard from people concerned that it takes too long—you essentially referenced that as well. Part of the conversation tomorrow should be, "How can this practically work for some of these groups, and if there are requirements that are too burdensome, what conversations can we have about that?"

I do not think that is the only route. As the Secretary of State mentioned earlier, yesterday there was an announcement of additional Barnettts, which for next year amount to £228 million. When there is a shortfall of about £25 million—that is the figure mentioned—it looks like there are routes available, and that is what we want to pursue practically. That is what we think is important here.

Q155 **Chair:** Minister Patrick, on that point, I do not understand why it is so binary, 70:30, with no movement. Where does the issue lie? It is so frustrating. This is an issue across the UK, but it is much worse in Northern Ireland. They do not need buildings; they need to employ people. Those other routes that have been suggested are not going to provide the stability of being able to keep people employed and delivering those services. It will directly impact community policing, because the organisations will be unable to support these young people or whoever is benefiting from them.

I find it absolutely unbelievable that we cannot move back. Who makes the decision—I have spoken to the Secretary of State for MHCLG, who says that responsibility lies in the Treasury, and there is also the NIO—that it is so binary, 70:30? It is totally unacceptable, and it is particularly highlighted in Northern Ireland.



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Sorry to get so passionate about it, but you have met these people; it is not right that the Government are doing this. What can we do, and what can you, as Secretary of State and Minister for Northern Ireland, do? It is intolerable. I just hope that you can push the right buttons to make this change, because I do not see how else we can turn it around in the short time that these charities and third-sector people have. Sorry.

Matthew Patrick: No, don't apologise—I hear it. I have heard and felt the same passion from the groups I have met on the ground in Northern Ireland, and I have heard it from colleagues around this table and other Northern Irish MPs. I really hear it. That is why we want to work as practically as we can to identify a way of funding that.

The hard bit about the 70:30 is that we believe that there is a real opportunity to use the capital money to drive local growth, which is what the fund is there to do—it is separate from the previous one. It is planned, but if money could be put into the North Belfast Business Development Project to help create a hub where people come together to share ideas, and where and entrepreneurs come together, there is a real opportunity for businesses to thrive, grow, employ people, pay more money and put more money into public services. There is a real positive opportunity to drive growth with the local growth fund.

For me, there is a separate concern, which I totally understand and you have articulated really clearly, which is that there are groups doing important work now, representing sometimes really vulnerable people and supporting them in difficult circumstances. I am asking myself what role we can play in helping them, and the Secretary of State is doing the same.

Q156 **Chair:** It is time-limited.

Matthew Patrick: That is why we are meeting with the PEACEPLUS body tomorrow to see what can be done, how we can be creative and how we can support that. I am sure the Executive will be asking themselves the same questions now after yesterday's announcement of £225 million. On the principle here, devolution is really important.

We have given a record settlement, and it is a good thing that decisions about what should be funded sit with Northern Ireland. That is what we want to pursue, but where we can bring to bear any support and influence to drive that and help these groups, we are doing that.

Q157 **Robin Swann:** With regard to the timeline that you raised and the pressure on these organisations—we hear it said, "We've listened; we're hearing"—these organisations have been raising alarm bells since December, really seriously, at the highest level they can, and you are meeting them tomorrow?

Hilary Benn: We have met them already. We are meeting them again tomorrow.

Q158 **Robin Swann:** The PEACEPLUS funding has come out as an option for funding them. Why did you not meet them long before? Why not at the start of last year, when they were raising these alarm bells, rather than



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saying, "You've got £230 million now coming in Barnett consequential and there are PEACEPLUS opportunities as well."

These organisations have already put people on protective redundancy notices because of the timeline. As for your example of the north Belfast building and applying for capital, organisations are saying, "We have to apply for this money. We don't really want to. We'd rather have a revenue stream than a capital stream, but we're not going to lose the opportunity." That is where the 70:30 split is really damaging to organisations that need to employ people rather than build buildings.

Matthew Patrick: On a point of correction, tomorrow's meeting is not the first meeting. I want to be really clear about that. I met them last month and have had conversations going back some months. We made sure that as soon as there was something clearly to communicate about what the local growth fund split looked like—that was in November—that was done. I appreciate that that is short comfort for the people receiving that news and having to deal with it, but I do not want the Committee to think that we are only turning to this tomorrow. We have both been focused on this issue.

Hilary Benn: Look, we have a problem, and the question is, what are we going to do about the problem? I must be frank with the Committee: the 70:30 split is not going to change. As you would expect, as Ministers representing the interests of Northern Ireland, we have done our job. It not going to change.

Q159 **Chair:** Where does it lie? In the Treasury?

Hilary Benn: Well, there was the spending review settlement. The funding for the local growth funds came out of MHCLG's pot. That is what happened. If you look at the rest of the United Kingdom, a lot of money is going into Pride in Place. We had to negotiate to say that, "We don't want Pride in Place in Northern Ireland; we want to be able to spend the money in a different way."

We then had to discuss with the Executive, "Of the resource that is available, how would you like it to be divvied up?" The Executive said, "We'd like to put £3 million of that into Go Succeed," another Executive programme that they are very keen to continue with, which, from memory, leaves about £9 million available currently to the economic inactivity programme.

We listened to what the Executive had to say about how to split the money that is available, but we remain with a problem. In the end, it does not really matter where funding comes from. If we all agree that the continuation of these programmes is important, there is a means of doing that.

As we have pointed out in trying to answer your questions, we identified the unspent money in PEACEPLUS. That is why I took the initiative to convene the meeting tomorrow with the representatives of the voluntary sector, and why it is perfectly fair and reasonable to point out that if the



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Executive are concerned about this and the Executive have raised the issue with us, they have the extra money that we gave them yesterday—yesterday—which they were not expecting, and they could put some of that into helping these programmes to continue.

The other practical question to discuss tomorrow—Mr Swann, you are right about the shortness of the time—is whether there is a way, if this funding from PEACEPLUS can be accessed, to have an umbrella bid on behalf of all the organisations. I take the point entirely that the individual voluntary organisations will say, “If we’re going to be asked to fill in a load of forms and the other organisations have to do the same, that isn’t really going to work, so can we have an umbrella bid?” That is one of the questions that I will ask PEACEPLUS tomorrow. Could the Executive bridge finance the economic inactivity programmes until such time as PEACEPLUS funding can come onstream?

We get entirely that this is an urgent and difficult problem, but given that we are where we are, as practical politicians—all of us—what do we do now to solve the problem? That is what we are working on. It seems to me that if the Executive plays a part and we are putting money in—recognising that the local growth fund is a very different entity from the UK shared prosperity fund, which it replaces—and if PEACEPLUS can come through, maybe we will be able to find a way forward. That is what I am putting my time and energy into, because I recognise absolutely the frustration that you, Chair, and other members of the Committee express about the situation that those voluntary organisations find themselves in.

Chair: I find it unbelievable that the Government did not see this coming and thought it was not going to be an issue. As you said, the local growth fund is a completely different entity, so I find it quite challenging that we did not look at what that entity was going to look like and the impact it would have, which we see sharply in Northern Ireland. I appreciate fully the efforts that you are making, especially on an umbrella bid, which sounds like a way forward. Thank you for being practical and looking for solutions to what is a real big problem for Northern Ireland.

Q160 Gavin Robinson: Good morning to you all. Secretary of State, there is a north Belfast MLA in the room who will be quite pleased to hear the comments about a north Belfast business centre. Aside from that, is it not completely disingenuous to recognise that the Northern Ireland Executive has an overspend beyond £400 million this year, has had to draw on a reserve claim for £400 million and is going through a Treasury open-book process, but not that they will overspend next year as well? They will overspend to a degree that far exceeds the £230 million that was allocated yesterday.

You said that politics is about making choices, but the Government chose to completely strip vital community services of money that previously had been made available directly by Government. You chose, and your colleagues chose, to change the profile of that money from 70% resource to 70% capital, knowing the consequences that that would have.



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Yesterday's announcement was great, but £230 million will not even cover the reserve claim of this year, never mind deal with the projected overspend next year. Is it not totally disingenuous to take a decision to strip vital community services of direct Government funding and then suggest, "Sure, the guys that are already overstretched can pick up the tab"?

Hilary Benn: The decision was taken for the reasons that I have identified. I add that when the spending review settlement came through for MHCLG, we managed to get out of it for Northern Ireland the continuation in cash terms of the funding that was available previously. Whereas MHCLG saw a reduction, Northern Ireland, Scotland and Wales did better than England did in this process. In the light of that, MHCLG wanted to have more resource than capital, but we are where we are.

I do not think it is disingenuous to say, "The decision has been taken over here, because it is a different fund and there is a different split." We can continue to spend time going back and forth saying, "Isn't it awful? It's truly awful for the voluntary sector organisations involved," but the question is, what are we going to do about it now?

The fact remains that if the Executive think that these programmes are really important—they clearly do, because of the representations we are having—it is open to the Executive to put some money in, alongside the money that the Government are putting in, which is £12 million—£3 million for Go Succeed and £9 million for continuation of the economic inactivity programmes. The Executive could put some more money in and, as I indicated earlier, that could be some bridging finance unless and until, if it proves to be the case, PEACEPLUS funding can come through. That is trying to find a practical answer to a practical problem.

Q161 **Gavin Robinson:** With truly awful consequences for community services as a direct result of choices made by you and your Government.

Hilary Benn: The choice of the Executive if they decide not to put any more money into the economic inactivity programmes would be their choice. It is not just down to the Government.

Q162 **Gavin Robinson:** That is the disingenuous part of it, Secretary of State. You have just facilitated a £400 million reserve claim. The idea that there is cash swashing around is not true, but you have also accepted—

Hilary Benn: I did not say that.

Q163 **Gavin Robinson:** You have accepted our request for an open-book process. Will that open-book process conclude within the next two weeks?

Hilary Benn: The aim is to try to conclude it by the end of this month, but we will have to see how it goes.

Q164 **Gavin Robinson:** How do you envisage that the Northern Ireland Executive will be able to settle a budget in the absence of any of that information?



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Hilary Benn: I am not sure that I quite understand the question because this is about sharing—

Q165 **Gavin Robinson:** Secretary of State, we understand that there has been a £400 million overspend this year; a reserve claim, at least—the overspend is still to be determined. It has come down considerably, but it is still much too high. You facilitated a reserve claim. Nothing has changed substantively in the nature of how Government spending is planned, so there is a projected overspend next year, which will be in excess of £400 million.

You are asking for and pushing for a three-year budget. That is what you would like to see, but if you recognise the importance of the open-book process that you have now engaged in, which I pushed for and I welcome, is it not best to try and financially plan on the basis of evidence and need?

Hilary Benn: The information that will come out of the open-book exercise is information that the Government and the Treasury will have that we do not have currently. None of it should come as any surprise to the Executive; it is the Executive's information. It is the information about the budgets that are held in the different Departments.

My point is that there is absolutely nothing to stop the Executive making a decision to try and reach a budget, and there is nothing in there that should come as a surprise to the Executive at all. The open-book exercise and its completion, it seems to me, cannot be suggested as a necessary step to provide information to the Executive that, somehow, they do not have already. They have all the information now.

Q166 **Gavin Robinson:** We need a budget—there is no doubt about that. But the material benefit of the process that we are now embarked upon will provide real information that will have a material impact on that budget, on public spending and on how we deliver public services.

As one example, I have asked you to make sure that the terms of reference include an analysis of staff within the public sector. In England, 17% of employees are public sector workers; in Northern Ireland, 26% of employees are public sector workers. No matter which way you cut it, every year there will be pay awards in England that we will never have the finance to match in Northern Ireland. That busts our budget. That is not new; in 2023, we said it was likely to happen and now we live in the consequences of that.

There are material, significant decisions and information that will arise as a consequence of the open-book process, which simply will not be concluded within the next two weeks. Is that right?

Hilary Benn: I am not sure that I accept the premise of the question because the source of the information that the open-book exercise will be looking at is held by the Northern Ireland Executive today and was held by them last week and last year.

There is nothing in there that should come as a surprise to the Executive. I do not accept the argument that, somehow, the Executive cannot set a

budget until the open-book exercise has been completed—indeed, people may say, “Isn’t this an exercise that the Executive should have done quite some time ago?”

Q167 Gavin Robinson: Again, that is disingenuous, Secretary of State because you know—

Hilary Benn: I do not accept that argument.

Q168 Gavin Robinson: You know that in 2023 we said that there was no point giving £600 million for public sector pay when the money is not there for subsequent years. We said that very clearly. The response from the Government—admittedly not you, but your predecessor—was, “Use the transformation money we give you. Use the stabilisation money for years two and three.” So, what happens? We are sitting now in year 4 and there is no money. There is an overspend.

It is not the same as saying, “The Executive can look at this. They should know.” They do know, and we have been saying it to successive Governments and the Treasury for years. So this is good. We are now in a place where you are going to systemically look at and test our statutory functions’ statutory functions and whether the pressures are inescapable or not. Is there a need for us to have a public sector that is 26% of the Northern Ireland workforce, when England has 17%? If we do not have the answers to those questions, then you cannot plan to deliver good public services.

You know that there is a willingness on our part, but this blanket “You should know and you should make the decisions” does not actually make the fundamental changes required to balance our books. I have not heard one mention yet of criticism of those in the public service in Northern Ireland who flatly refuse to engage in this process.

You know that I have challenged you on this before. You talk about wonderful words spoken by others in Northern Ireland, yet when the rubber hits the road there is an inability to make the decisions necessary to deliver good public services. My question to you is: are you prepared to assist in that process, or are you going to continue to be a bystander?

Hilary Benn: I do not think that is a fair characterisation at all of what the Government have been doing. I set out in answer to the first question put to me today the steps the Government have taken to assist in terms of resources. But nothing—nothing—takes away from the responsibility that the Northern Ireland Executive have with the resources available to them and any resources that they choose to raise. Like all Governments, Northern Ireland is not in a separate or special place in respect of that. Choices have to be made. It is for the Northern Ireland Executive to make those decisions.

The thing I would say about a multi-year budget is that I think the last time one was set was more than a decade ago. I said at the beginning that it is about each of us playing our part. The Government have opened up the possibility of a multi-year budget by identifying funding over three



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years. That is what we have done. That is us doing our bit. It is, in the end, for the Executive to decide whether they feel able to set one.

I am afraid that describing what we all know is the case is not the answer to doing something about it. I am doing my bit. I am not a bystander. I have been very actively involved, including in the discussions and negotiations about the reserve claim, because my job is to provide assistance. Other parties—and the one that you lead—came and said, “We need some help here,” and we have given some help, but we also need the Executive to help themselves.

Gavin Robinson: I have no doubt we will pick this up again.

Hilary Benn: I am sure we will.

Q169 **Gavin Robinson:** Minister, a couple of quick questions. When did you last meet the transformation board?

Matthew Patrick: I have not met directly with the transformation board, but we have a representative from the Northern Ireland Office on it. I have met representatives on it. I met one of the independent experts who has been appointed and we had a very enthusiastic conversation about the prospect that AI could help transform public services as well. I thought it was a really positive conversation. We are also seeing, in tranche 1 of the board’s work, some of the activities that have been funded come to fruition. That is really positive, and I am excited about what might come out of tranche 2.

Q170 **Gavin Robinson:** When you say you have been working with the Northern Ireland Executive on transformation—and you have more work to do—you have not actually been. Your officials have. Is that right?

Matthew Patrick: No—I have as well, absolutely. In fact, I have met each of the Executive Ministers, some several times. I have also asked our officials to help clear some blockages where they appear. I have also met Ministers here to understand what better information-sharing expertise could be offered to support—

Gavin Robinson: Meeting with Ministers is not the same thing as delivering on public sector reform. I am interested in what specifically you have been doing.

Matthew Patrick: I think, actually, it is, because the conversations we are having are about how some of the learnings and lessons from transforming public services in UK Government could be realised in the Northern Ireland Executive. I have also sat down with Ministers in the Northern Ireland Executive to understand more about their plans.

Q171 **Gavin Robinson:** What specifically have you shared with them from UK Government on civil service reform, for example?

Matthew Patrick: On civil service reform, I know that there is a conversation happening. I have not had that directly with a Minister there.



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In terms of what I have done directly, we have spoken with Minister Nesbitt about how his reset plan could dovetail in with the work of the Health Secretary here. I was with Minister Givan just recently. I think this is a real opportunity: he has just launched quite an exciting, important plan in respect of supporting children with special educational needs. We had a discussion about that just last week. The UK Government have also just announced similar plans—not identical, but similar.

I want to understand this: where metrics are being captured about what works and what does not, are they in a place so that we can overlap quite quickly and see, “This thing here in the Northern Ireland Executive’s plan works really well” so that could be lessons learnt here, or the equivalent—“The UK Government’s plan works really well”? That is some of the practical work that we have been doing.

Q172 Gavin Robinson: When do you think the second tranche of funding on transformation will be announced?

Matthew Patrick: Soon, I hope. I know that the board has now got its recommendations. I think the next stage is for the Executive to bring that recommendation to Government, and will it be for us to then make a swift decision.

Q173 Gavin Robinson: So the transformation board has not delivered to Government its plan for the second tranche at this stage?

Matthew Patrick: I believe that is sitting with the Northern Ireland Executive at this stage.

Gavin Robinson: So it hasn’t been transferred to NIO?

Matthew Patrick: That is my understanding.

Q174 Gavin Robinson: Are your officials on the transformation board aware of the content of it?

Matthew Patrick: Yes, because they sit on the transformation board, so they will absolutely be aware.

Gavin Robinson: And you’re not?

Matthew Patrick: That recommendation has gone straight to the Executive, as per the function. I think that is what happened in the first tranche as well.

Q175 Gavin Robinson: Will it be this financial year or next?

Matthew Patrick: There is a process to be followed, but I hope that that process is concluded quite quickly, so that we can make a decision and get money out to these important projects. You can see that in tranche 1, as I set out with the multidisciplinary teams, but there are others as well. If we can progress this swiftly, the people who will benefit fundamentally are those in Northern Ireland who want better public services, and that is what we are here to deliver.



Q176 Simon Hoare: Secretary of State, your party waited 14 long years to be in government. You are now in the driving seat. You have overlapping matrices, strategies, boards, plans, and turf warfare between Westminster Departments and the Treasury, and between Westminster Departments and the NIO.

Do you share a growing concern that it is the poor bloody infantry stuck in the middle—namely, the citizens of this country—who are saying, “We are fed up of strategies, plans and overlapping matrices and so on. We just want to see some action. We want to see some things delivered that make a measurable and tangible beneficial difference to people’s daily lives”?

Forgive me if I am missing it, but in your very detailed answers to Mr Robinson and others, I am just not picking up an energetic appetite to pick up balls, run with them and get them over the line—to deliver. Rather than having an appetite to enmesh oneself in the network of cosy conversations, meetings and officials doing this and so on and so forth, just lance the boil—get on and do something.

The importance of, for example, the voluntary sector in building greater cross-community trust, co-operation and cohesion in Northern Ireland is absolutely pivotal. If we do not start seeing some delivery, let us not be at all surprised if more and more people, month in and month out, just opt out of engaging in the democratic process, because they just do not see it as working for them any more. This is now crunch point. Forgive me if I am wrong in my assessment, but I am not picking up any energy or urgency.

Matthew Patrick: I do apologise if I have not demonstrated sufficient—

Simon Hoare: It wasn’t a personal criticism of you, Matthew.

Matthew Patrick: I am energetic. I am determined. I wake up each and every day thinking, “How do we make life better for people?” In my job, I think about the Matthew living in Northern Ireland who wants a GP service that works for him, a school that works for his children, a hospital that can look after his family, and sufficient housing and energy. These things matter to me, and that is what I am focused on, whether it is public services—we have spoken about some of the work there—and helping GPs have different staff.

The practical example is that you go in, speak to your doctor and try and get a diagnosis, but what you actually need is a physiotherapist. There being one next door is so much better than the experience I have had for too long; this is not just Northern Ireland-specific. I have had this for too long: “We will need to refer you for that”. Then you get a letter in the post six weeks later and you get an appointment in 10 months’ time. I think problems have been brewing for some time in public services, and we can debate why that has been the case. Austerity really has not helped, but if we can transform those public services, I am totally focused on that.

But it is not just that. I am sure we will come on to it, but we tried to sit down very deliberately to understand these problems with all sorts of groups. The work we have done with business groups, the FSB and the



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CBI informed the work we did to get the budget settlement that we did—the £16.6 million to support UK internal market trade. That is really important.

I am doing work now on the defence growth deal. I am sitting down with small businesses, large businesses, representative bodies and universities in Northern Ireland. You are right that it does not make sense to have a strategy that means nothing to the people it is going to impact. I am determined and driven to ensure that I speak to the experts. When I am in those meetings, I say to them, "At the end of this process, there will be a strategy. You might not love everything that is in that strategy, but I want you to see that it is in this direction because of the conversations we have here." If I have not projected the energy that—

Q177 **Simon Hoare:** You have now.

Matthew Patrick: Good. Well, let me maintain that.

Q178 **Simon Hoare:** I am absorbing by osmosis your energy.

Hilary Benn: Matthew brings energy to the task every single day. I got the impression, though, Mr Hoare, that you were talking about the Government of the United Kingdom as a whole, not just in relation to Northern Ireland. I would not accept what you have just said. I suppose my theme for the day is about each of us doing our bit. What have the Government brought to the economy? Stability after, let's be frank, a period of very considerable chaos. There have now been six interest rate cuts. Inflation is down. That is important because it has an impact on the Northern Ireland economy.

Q179 **Simon Hoare:** Secretary of State, let us not rehearse the damp squib of yesterday's spring statement. If anybody thinks that there is stability in the UK economy, they are living in cloud cuckoo land.

Hilary Benn: On that, you and I will probably disagree. The point I was making is that if you look at the Northern Ireland economy, which is the foundation of the prosperity, it is one of the strongest parts of the UK economy. As you know, economic activity was up 2.9% over the year to quarter three. It has the lowest unemployment. It saw an increase in payrolled employees last year. Output in the service sector saw a new UK high.

There are a number of indicators of how the economy in Northern Ireland is going well. We are all aware of the large number of companies, big and small, who are the foundation, the engine, of the improvement that we see in Northern Ireland. There is a lot of activity from Government that, as you know, goes on behind the scenes and then produces results.

I accept the point that we are living in a very challenging time for democracy. I do accept that, because there are those who feel disillusioned. There are those who go around encouraging citizens. There are malign actors who spend their time doing that, and that is a threat to the operation of our democracy, whatever our differing views on the spring forecast.

Simon Hoare: We agree on that.

Chair: Let's move on. Adam Jogee is next.

Q180 Adam Jogee: Good morning, all. Secretary of State, you know that this Committee is conducting an inquiry into economic growth in Northern Ireland; this will follow on very well from your previous answer. In much of our engagement, we have heard about opportunities and also some of the challenges, from infrastructure and productivity to economic inactivity and skill shortages. You just touched on those briefly. Your Department has an objective to "Develop a targeted UK Government approach to delivering economic growth in Northern Ireland". How is that going?

Hilary Benn: I will kick off. The stability, notwithstanding the difference of view a moment ago, is an important foundation. I have just given some of the statistics for how the economy in Northern Ireland is faring, which is certainly encouraging.

On the funding that I identified in answer to the first question put to me, I should say that the city deals that are progressing well. The local innovation partnership fund is being developed. I hope we will be able to make an announcement on the enhanced investment zone in the next few months. And there is the internal market package in relation to the Windsor framework and the defence growth deal.

Infrastructure is the responsibility of the Northern Ireland Executive. On the water and sewerage system, all of us are well aware that there are plans for economic development, new sites and housing that currently cannot progress because the question of the water infrastructure system in Northern Ireland has not been addressed by the Executive for a long time.

Q181 Adam Jogee: Thank you. In your answer to my written question of 20 February—thank you for all your answers to my written questions—you said that you had recently met the chair of Intertrade UK, Baroness Foster. She was appointed as chair 18 months ago; she gave evidence to the Committee recently. What do you think that organisation has achieved in the 18 months since her appointment?

Hilary Benn: It has raised the profile of the opportunities for trade right across the UK as a whole. It was the implementation of a commitment arising from "Safeguarding the Union". We have now provided some funding to Intertrade UK so it can take its work forward. It is planning to run a series of events.

Some people look at trade between Northern Ireland and the rest of the United Kingdom and think, "It is a bit complicated and difficult." We are doing a lot of work on that—that is what the internal market package was about. That also came out of the Budget, because we want to be able to bring sources of information for people who are thinking of selling goods in the Northern Ireland market so that they can understand what they have to do. There are certain requirements because of the Windsor framework, for reasons that we have discussed with the Committee before.



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We are taking a very practical approach so that information can be tailored to an individual question—for example, if someone says, “I want to sell second-hand garden machinery in Northern Ireland. What is it I need to do?” We want people to get the answers. There are plenty of people trading and lots of goods moving, but we want to make it easier by providing more information. That is something that Intertrade UK and the Federation of Small Businesses have raised, and it has come out of various Select Committee reports.

Q182 Adam Jogee: Baroness Foster confirmed, as you have just done, Secretary of State, that budget lines have recently been agreed to allow Intertrade UK to do its work. Baroness Foster was appointed 18 months ago. What took so long?

Hilary Benn: Sometimes, the wheels of government take time to churn. Especially when it comes to funding, there are particular fiscal events—to use the jargon—when you have an opportunity. We were successful in putting in a bid, which resulted in the £16.5 million.

Matthew Patrick: When I met Baroness Foster, prior to the budget of £2.25 million being secured, I had this conversation with her. I asked her, “If there is no budget, what are you able to do?” She was confident that really good work could still be done. I know she has written letters to the Department about issues that are impacting businesses and how we can tackle them to improve trade. I think she is a staunch advocate for businesses, as is the entire Intertrade UK team.

Now that there is money sitting behind that, it will address one of the issues that comes up in my engagement with businesses. Lots of businesses in Northern Ireland say to me—and you can see it—that the talent and creativity is there, and the services and products are high quality, but it is about getting in front of people. I think she will be fantastic at helping businesses get in front of potential purchasers and suppliers, and people who will help them grow.

Q183 Adam Jogee: Just to be clear, all of us around the table wish Intertrade UK to do well. We just want to make sure that we do not waste time and miss the opportunity to do all the things that you have just set out, Minister. I have a question on the Northern Ireland growth co-ordination group. I am advised it is regularly convened and chaired by the permanent secretary. I accept that Ms Harrison is not here, but I am interested to know, Secretary of State, how you think that group is going.

Hilary Benn: I will have to write to you about that, because I am not represented on it. I cannot recall having seen something about it, but can I provide you with some further information? The perm sec is otherwise engaged today given current events, but otherwise she would be able to answer your question. I am sorry.

Adam Jogee: That’s fine. If you could add in how many times it has met and some of the outcomes, that would be helpful for the Committee to know.

Hilary Benn: Of course, gladly.

Q184 **Adam Jogee:** Those are my questions on economic growth, but you are stuck with me for another round, Secretary of State—I am sorry. I want to take you to policing. It is obviously devolved, but there are a number of elements of reserved matters when it comes to keeping the people of Northern Ireland safe. The PSNI receives £37.8 million a year in the current spending review in additional security funding from the UK Government. How is that level of funding is determined by the UK Government?

Hilary Benn: It is in recognition of the security situation in Northern Ireland. It has been provided over a number of years. It was higher in the past. It was then at £32 million from 2015-16 through to 2024-25. When this Government were elected, we took the decision to increase the amount, which is why it is at £37.8 million now.

If you look at the chart for terrorist incidents, they are obviously going down, but there is still a risk. We have had a period since the terrible shooting of John Caldwell, but we know that a risk remains. That has gone down. If you look at the seizures of firearms, explosives and ammunition, they too have gone down.

The risk is different compared to what it was before, but we have said to the PSNI that there are other threats emerging, such as Islamic terrorism and extreme right-wing terrorism, which is seen in Northern Ireland as it is across the rest of the United Kingdom. It is for the PSNI to determine how it chooses to spend that money, but it is in recognition of the additional challenges they have faced historically because of Northern Ireland-related terrorism.

Q185 **Adam Jogee:** Sir George Hamilton, the former chief constable, described the current set-up with additional security funding as “disjointed” and “untidy”. Originally, as you touched on, it made up for an executive shortfall, but it is very concerning that we are in a situation with no guarantee that that funding will be continued. How would you respond to Sir George’s comments?

Hilary Benn: I have not seen the detail. What did he say was disjointed?

Adam Jogee: The reliance on ASF to keep the PSNI going.

Hilary Benn: I don’t think one is relying on the additional security funding to keep the PSNI going. It spends that money on a number of things, including operational capability, in some cases closed protection, site security, specialist capabilities and terrorist investigations—the kind of things you would expect it to be using that additional funding for. The increase was clearly welcome because it had been static for a whole decade. We thought it was important to increase the amount, and that is what the Government did.

Q186 **Gavin Robinson:** Secretary of State, do you know what the criteria are for ASF?

Hilary Benn: The criteria for what?

Gavin Robinson: For setting the amount.

Hilary Benn: It is a very fair question. It was £32 million for a whole load of years, so I do not know what criteria that revealed. All I know is that, when I came into this job, it had been stuck there for a long time, and we have given the PSNI an increase. That is the criterion—I thought it should have more money and we managed to secure it.

Q187 **Gavin Robinson:** We are asking the question because we don't believe there are any. We don't believe that there are criteria upon which that figure is set.

Hilary Benn: Do you mean a way of calculating it?

Q188 **Gavin Robinson:** Yes. Do you know how much money is available for counter-terrorism policing activities in England and Wales?

Hilary Benn: Is that the £1.2 billion?

Q189 **Gavin Robinson:** That is right—£1.2 billion. Do you know how much Northern Ireland avails of that?

Hilary Benn: I think it is covered by the ASF.

Q190 **Gavin Robinson:** That is correct—nothing. Do you know what a Barnett of £1.2 billion would be?

Q191 **Hilary Benn:** I hope my maths was right—I did the calculation the other day, where I took the £37.8 million and divided it by the population of Northern Ireland, and I took the £1.2 billion and divided it by the population of England and Wales, and the funding per head came out as basically the same.

Gavin Robinson: Roughly the same, but not with the £1.24 billion uplift on need. I think it would be worth factoring that into your calculations—

Hilary Benn: But it comes out at around £19 per head.

Gavin Robinson: You are right about that—

Hilary Benn: I am right.

Q192 **Gavin Robinson:** It is roughly the same, though it is calculated entirely separately.

The point that the Committee is trying to drive home is that Northern Ireland has some unique issues and challenges that it has to deal with that are funded through ASF. There are now new and emerging threats associated, as you rightly say, with extreme right-wing terrorism and Islamic terrorism, and some of those broader issues. You know that not only is there still a substantial threat from dissident republicans within Northern Ireland, but one of the primary targets they have are members of the PSNI—you know that; it is not news to anyone. Those threats have not gone away.



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Our police officers are routinely armed, given additional money to accept the security threat that they are under and so on—we know all of that. That is what ASF is for. Yet, with these new and emerging threats from extreme right-wing and Islamic terrorism, there is nothing.

The point that the Committee is trying to get to is to recognise that there is a need not just for the uplift, welcome as it was—I was involved in discussions around getting an uplift on ASF two years ago, and appreciate it—but that actually, they are two separate things. To simply have a conversation with PSNI about how they better use that £38 million, or how they stretch it more, does not account for the fact that every other police service in the whole of the UK is getting counter-terrorism money, and Northern Ireland is not.

Hilary Benn: It is getting money for counter-terrorism, but it comes via a different route, which is the additional security funding.

Q193 **Gavin Robinson:** Which is for an additional thing. The point I think the Committee is trying to get to is that we are not entitled to a penny of counter-terrorism money under the £1.2 billion. Yet, we get a proportional share, which the Government tell us is for Northern Ireland-related activities, but they cannot tell us the criteria it is predicated upon, though it is roughly the same as Barnett and pre-exists the counter-terrorism budget that was given to every other police force in the rest of the United Kingdom.

Every other police force in the rest of the United Kingdom was given an additional uplift to deal with an emerging terrorist threat. Northern Ireland still has the budget that it had for dealing with the current, existing threat, but nothing on top of that. I would ask you to consider that; I do not need a full response today. It is not a combative question. It is something to recognise that they are broadly similar and that there are no criteria.

We had ASF, and we now have an existing national fund, which is available nationally and is saved for Northern Ireland, yet there are new and additional challenges in that space around extreme right-wing terrorism and Islamic terrorism. Northern Ireland's police service could do with additional recognition of that need, given the burden and threats that they already face personally as police staff, and the continuing existence of dissident republicans who try to destroy Northern Ireland's place within the United Kingdom.

Hilary Benn: Perhaps I could take this opportunity to praise the courage, dedication and service of those who serve in the PSNI. I have had the privilege of meeting a number of officers, sadly mainly in circumstances where they have been on the receiving end of petrol bombs, or sticks and stones in dealing with some of the disorder. We have sadly seen that in Northern Ireland in the past couple of years.

If the funding per head were different—if it was not roughly £19 per head, according to my calculation from the £1.2 billion and the additional security fund—that would of course be a source of concern. But I would also say that there are additional challenges being faced by police forces in



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the rest of the United Kingdom. There is the emergence of extreme right-wing terrorism, and Islamist terrorism has been around for, sadly, quite some time.

Q194 Gavin Robinson: Yes, but, Secretary of State, they are not direct threats. Police officers throughout the rest of the United Kingdom are not personally being threatened. They are not routinely driven in armoured cars or routinely armed. It is different. Comparable funding—

Hilary Benn: I was going to come on to make that point. I do accept that point. There is a need to ensure that officers in Northern Ireland are armed because of the nature of the historic threat and the fact that there are still those who would wish to do them very serious harm.

The fact that it is now three years since there was last a successful attack shows that we have to be ever vigilant. But there is no doubt that, if you look at the direction of travel of the threat, seizures and so on, which I referred to earlier, it is on a downward trend. That is a sign of the success of the huge efforts of the PSNI, the security services and others who work day in, day out to try to keep the people of Northern Ireland safe, and I applaud them for everything they are doing.

Chair: Hear, hear.

Q195 Mike Kane: May I associate myself with the remarks of the Secretary of State in paying tribute to the Police Service of Northern Ireland, who police in extraordinarily complex circumstances? They are targeted by terrorists, but our police forces here are also targeted by terrorists. As a Mancunian, I remember PC Stephen Oake, who was murdered in 2003.

On our recent visit, we had the huge honour of spending time with the chief constable and the senior leadership team at the PSNI in Belfast, and we then spent time with the command and the community support officers in Derry/Londonderry following that, with two very in-depth sessions. They still have the scourge of paramilitarism and organised crime.

We know that the current Executive scheme that looks into that in Northern Ireland ends in March next year, but the funding from the UK Government continues to 2030, so have there been any discussions about what may replace that scheme next year? Do you have a view of what that could look like in the future?

Hilary Benn: There have indeed been discussions, and I have discussed it on a number of occasions when all those concerned with security and reducing harm to the public meet together in Northern Ireland. The Justice Minister and I rotate the chairing of that.

The Government have found £8 million to fund the last year of the EPPOC programme. We have also, through the spending review process, identified a further £8 million for two subsequent years to fund whatever replaces it. At the moment, the EPPOC scheme is due to come to an end in the early part of 2027. We are currently waiting for the Executive to come forward with their proposals for what might replace it and what form it might take.



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There are a number of different strands to this. One is the work that the EPPOC programme has done to try to divert people away from paramilitarism. We know the impact it has on communities right across Northern Ireland, and the way in which paramilitaries, to a considerable degree, have just turned to gangsterism, crime, extortion, coercive control, punishment beatings and all those things. There is no place for any of that in Northern Ireland. The criminal justice system and the police continue to do their best to bear down on that, to arrest people and, if there is evidence, to prosecute them. So there is not just one approach to try to deal with this.

The other part of the process is the independent expert, Fleur Ravensbergen, who we appointed together with the Irish Government. That arises—we may come on to this—out of the IRC recommendation. I know that it was not a popular decision with everybody, but we talked about it in the Select Committee previously. It may produce something, or it may not—I do not know. But I came to the conclusion that we should make every single effort to do what we can, and I therefore thought that it was a step worth taking.

I have met Fleur Ravensbergen, and she has an extremely impressive CV and is engaging with the huge task she has been given. She is due to report back to us in August about whether there might be any merit in a process. That has not been determined; this is an exploratory process to try to answer that question.

She is talking to a very wide range of people, both those in communities that are particularly impacted by the scourge of paramilitarism, and those involved in organisations where there is an appetite—one hears some people saying, “Yes, we’d be happy to disband.” Well, there is nothing to stop people disbanding if they want to, but what might be done to facilitate such a process? I do not know what the outcome will be, but it remains a big problem. The paramilitary should have deserted the state a very long time ago, and sadly we know that a lot of them have not.

Q196 Mike Kane: So you see a way forward in terms of the timescale, with the Ravensbergen report in August?

Hilary Benn: She will report in August, and then the two Governments will have to consider that when we know what she has reported on and what recommendations she has brought forward—I will look at those extremely seriously.

Q197 Mike Kane: Secretary of State, you mentioned the pressures that all police forces face in the United Kingdom. The UK Government is setting up a new national police service, and I want to get your view on how that would impact the chain of command with the Police Service of Northern Ireland and the National Crime Agency there? How will they interact, and who will be in charge?

Hilary Benn: It is not really going to impact the way in which the PSNI operates. It is bringing together functions in a new body to more effectively deal with the challenges that policing faces right across the



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country, but it will not impact the way in which the PSNI, security agencies and others deal with the terrorist threat in Northern Ireland.

The Government hope that this will lead to a more effective system. I have not been made aware of any concern that it would have any adverse impact; that is not the intention, and it is certainly not the way in which the Government intend to take this forward.

Q198 Mike Kane: So there will be co-operation rather than a chain of command. Could budgets go up and down depending on who takes responsibility?

Hilary Benn: There is always co-operation, because the key to being successful in countering terrorist and criminal threats, organised crime groups and paramilitarism is that all of the agencies have a part to play—all of them work together and exchange information so that they can be the most effective in trying to deal with all of those. This is an engineering change to make the system more effective, but it is about supporting those who are doing the work on the ground and that is not going to change.

Q199 Gavin Robinson: Secretary of State, I have three quick questions on the Northern Ireland Troubles Bill. Will we have concluded Committee stage by three weeks today?

Hilary Benn: No.

Q200 Gavin Robinson: So it is not scheduled for Tuesday 24 March?

Hilary Benn: That is subject to programming by the usual channels.

Q201 Gavin Robinson: Would you be surprised if it were not completed by three weeks today?

Hilary Benn: You mean Committee stage, not Report stage—sorry. That remains to be seen, depending on how scheduling decisions are made.

Q202 Gavin Robinson: I'll take that as a yes. In advance of Committee stage, you will be considering amendments, not from just me and colleagues around this table, and you will be trying—I presume, hope and trust—to reach consensus. Have you given any further thought to how the chief executive officer of the legacy commission can sit on the legacy commission's oversight body, and how the chief executive officer can be a full member of a board that she is going to give oversight to when she is overseeing it?

Hilary Benn: We will give careful consideration to the amendments that many Members have put down to the Bill. The Government, as the Prime Minister and I have indicated, is considering its own amendments, which will appear in due course and in time for Committee, particularly relating to veterans and providing further reassurance.

When it comes to the new board, what we are seeking to do is to make it look more like an ordinary board compared with the slightly unusual arrangement—if I can put it like that—that the legacy Act put in place,



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because there does need to be a distinction between oversight and operational decision making. Clearly, the chief executive officer is a bridge between the two things. Do you have a particular suggestion in mind? The legislation sets out what the current arrangement is.

Q203 Gavin Robinson: With the Equality Commission or the Northern Ireland Human Rights Commission, for example, the chief executive officer will sit on the board, but they are not a member of that board, and they are not responsible for overseeing themselves. If the purpose of your oversight board is to instil confidence, how can it be that a CEO is overseeing their own work?

Hilary Benn: The CEO will be there to report to the board.

Gavin Robinson: No, in the legislation they are a full member of the board with voting rights.

Hilary Benn: They will report to the board on the work that they are undertaking. That is what is set out at the moment. Are there amendments proposing to change that?

Gavin Robinson: Yes.

Hilary Benn: There are. Okay.

Q204 Gavin Robinson: In terms of conflicts of interest, the Government's note to us indicates that the Secretary of State will have no role in determining conflicts of interest, yet paragraph 9 of schedule 1 of the Bill states that, "A person may not be appointed as a Commissioner if...the Secretary of State considers that there is a matter which...would give rise to a conflict of interest". I am asking you about that disparity: the legislation says that you will deal with conflicts of interest, yet your letter to us indicates that you will not.

Hilary Benn: I think we are talking about two separate and distinct things here. One is about appointments, and appointments to the board fall to the Secretary of State. I think, for public confidence, it will be important that nobody is appointed to the board where anyone perceives there is a conflict of interest. When it comes to operational decisions about investigations, that is not a matter for the Secretary of State; that is matter for the co-directors.

As you will know, first, we have put provisions relating to conflicts of interest in the Bill, and secondly, we have created two co-directors of investigations as a means—a slightly unusual means—of enabling any conflicts, or perceived conflicts, of interest to be addressed by a case led by one co-director as opposed to another. I do not see a conflict between that and making sure that no one is appointed to the oversight board—

Q205 Gavin Robinson: I am suggesting, Secretary of State, that you take a look at clauses 44 to 47 and paragraph 9 of schedule 1. Then you will be able to consider more fully whether there is a conflict between the notion that you have a role in determining conflicts of interest and the notion that

you do not.

Hilary Benn: Well, I hope I have set out to the Committee's satisfaction where the distinction lies.

Q206 **Gavin Robinson:** Yes. I am asking if you just have a look—

Hilary Benn: I spend a lot of time reading and re-reading the clauses of the Bill, and I will continue to do so, if I may give you that assurance.

Q207 **David Smith:** Good morning, Secretary of State and Minister of State. Good to see you. We have spent a lot of time this morning quite rightly talking about the financial settlement for Northern Ireland. We have also talked about structural issues, for example around Stormont and the devolution settlement and how that operates. Secretary of State, you said—rightly, in my opinion—that all Governments need to manage their own budgets and make their own priorities. I think that is correct, and that is also correct for the Northern Ireland Executive.

I would like to turn to the question of legacy. We have had a lot of representations to this Committee from the ICRIR, the Policing Board, victims' groups and so on. As you know, we did an inquiry into legacy and then provided a report that the NIO responded to. I suppose the proposition I would like to hear your response to is that, of course, day to day, with business as usual, Governments are responsible for what they prioritise and how they spend their budgets, but surely, if anything in the United Kingdom—certainly in Northern Ireland—is in a different category all of its own, it is the question of legacy. We are talking about decades of violence and troubles—actually, we are talking about hundreds of years, depending on how far back you want to go.

Is there a case, first of all, for the £250 million that was initially set aside for the legacy process to be increased? Is it enough? What analysis have you done of that? Secondly, shouldn't legacy funding in general be treated differently from all other types of funding? We have had a conversation about security funding and funding for the police, which is obviously an adjacent or linked issue, but what do you think about the proposition that funding for legacy, and what will come out of the Northern Ireland Troubles Bill now, should be treated separately—not expected to come out of revenue budgets—and allocated in a different way?

Hilary Benn: Are you referring in that latter question to the issue of disclosure?

Q208 **David Smith:** I am referring to the whole package. We initially put in £250 million to deliver the new legacy framework. But at present we know that when it comes to the inquiries and the process of dealing with legacy—the new legacy commission—that often comes out of existing budgets. Should dealing with legacy ultimately come out of revenue budgets, or should it be treated separately?

Hilary Benn: Let's take the component parts of this. There are public inquiries, which the Government fund. However, I have made it clear on a number of occasions that we will not address the question of legacy



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through a whole series of public inquiries. That is why I am currently seeking leave to appeal the decision of the Northern Ireland Court of Appeal in the Sean Brown case. That is not because I do not want there to be a full, thorough and independent investigation into the appalling murder of Sean Brown—I do—but because there is a bigger principle there.

This is the first time that the courts have ordered a Government to hold a public inquiry. The long-established process is that the courts determine whether an investigation has or has not met the required standard, in particular the ECHR. It is then for the Government to determine what it is going to do about that. I am still waiting for the Supreme Court to make a decision on that.

Secondly, there is the funding—the £250 million you rightly identified—that is going into the cost of the commission. The commission is picking up its work. It now has over 100 investigations, over 200 inquiries and some very significant cases: the M62 bombing; Warrenpoint; the Guildford pub bombing; and the Kingsmill massacre. I am encouraged by the fact that people see that the changes we propose to make to the commission have the purpose of enabling the commission to have more confidence on the part of all communities in Northern Ireland, because in the end what we need to do together is to create a mechanism that can be used to address all these cases.

That funding is supporting the work of the commission—to state the obvious—depending on the number of cases that it eventually ends up with. No doubt there will be further discussions between myself and the Chief Secretary to the Treasury about the funding of the commission going forward.

When it comes to disclosure, because that is a particular issue that has been raised by the Chief Constable with me and others, I will just make this point. At the establishment of the commission, the PSNI had about 1,000 troubles cases on its books. It no longer has to deal with those cases, because they now come within the purview of the commission if families choose to refer them to the commission, or if I or others refer them; under the Bill, we are increasing the list of people who will be able to refer cases to the commission. That is the first point.

Secondly, to the extent that inquests—the cost of inquests, of course, is borne in Northern Ireland by the Department of Justice—go into the commission as part of the inquisitorial procedure, the cost of doing that will transfer from the Northern Ireland budget to the Government's budget, which is the budget for the commission.

I would make a third point, which is that whatever mechanisms you have in place, these cases would need to be investigated in one form or another.

Now, there is phasing of things. If you look at the way in which inquests in Northern Ireland operate, they obviously require quite a lot of resource.



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Some people may look at inquests in Northern Ireland and say, "How come there is only now an inquest, or another inquest, into something that happened 20, 30 or 40 years ago?" That would not really be the case in the way in which I thought of inquests before I took up this post, but obviously there are particular factors here. So you need to phase what you do in terms of the work programme of the commission and the inquests that do continue. There are the nine that I have said will restart, because they were stopped by the legacy Act.

Then there is the sifting process that the Solicitor General will undertake under the Bill. The Solicitor General will have three criteria to consider, and this does impact on your point about cost. There will be a presumption that a case will go to the commission if it involves sensitive information. Why is that the case? Because we have seen that inquests have come to a halt because the coroner said, "I've seen the PII applications. I accept that this information cannot see the light of day. Therefore, I cannot take this forward." Some have attempted to carry on, so there has been differing practice. That is the first requirement, and the two other considerations will be relative speed and the view of those who are parties to the inquest.

The Solicitor General will do the sifting process and decide whether those 24 remaining cases will continue as inquests or will go into the commission. If they go to the commission, the Government is picking it up; it is not an issue then for the PSNI and their budget. Sorry, it will not then be an issue for the Department of Justice, and of the cost of the inquest. But whether it is an inquest or it is being looked at in the commission, there will be a disclosure burden. My point is, it will have to be investigated either way. I am sorry: that was a rather full answer, but it is an important point.

Q209 Mr Kohler: Thank you, Secretary of State and Minister. It is good to see you both. On the position of veterans, the Government accepts that the six protections are not sufficient. Where are we on your discussions with veterans' associations, and when will we see the proposed Government amendments to improve those protections?

Hilary Benn: As soon as we have a Committee stage date confirmed, the amendments will be published, in line with the normal requirements, a week before. The Secretary of State for Defence, the Armed Forces Minister and I have continued to engage with veterans' organisations, and we recognise that veterans are looking for greater reassurance. I hope very much that when the Government amendments are published, those organisations will see that we have listened and come forward.

We have already announced protections, and they are not inconsiderable: not having to travel to Northern Ireland to give evidence; having regard to the age and welfare of witnesses; the right to seek anonymity; no cold calling; and the requirement that, to avoid repeat investigations, the commission has to be of the view that it is essential that an investigation takes place—of course, it is for them to make that judgment; it is an independent body. Those are not inconsiderable protections that the



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Government are already putting in place, but we will introduce further proposals, and they will be seen when those amendments are published.

Q210 **Mr Kohler:** Are those discussions with veterans' associations still ongoing?

Hilary Benn: I have had a number of meetings myself, as have the Secretary of State for Defence and the Armed Forces Minister. There continues to be correspondence and meetings. A lot of work has gone into that over the course of the summer and the autumn.

Q211 **Mr Kohler:** Are you still liaising with the Ministry of Defence?

Hilary Benn: Yes, on a very close basis.

Q212 **Mr Kohler:** The line I heard from them was, "The NIO is leading this. We are very much secondary." Do you recognise that?

Hilary Benn: I would not recognise that at all. We are working really closely. I am working closely with John Healey to make sure we get this right.

Q213 **Mr Kohler:** I recently met Joe McVey, the Commissioner for Victims and Survivors. He lamented the fact that the debate is collapsing into a binary "veterans versus victims". I think we saw that with the politicisation of the vote on the remedial order. What do you say to that, and how are we going to address that?

Hilary Benn: I am concerned about that, and I share the concerns that he has expressed, because 1,100 members of the security forces—the Army, the RUC, the UDR and others—were killed during the troubles. They were victims, along with all the other victims. But the 90% of families in Northern Ireland whose loved ones were killed by the UVF, the IRA, the INLA or the UDA must look at our debates in Parliament and think, "Why is our experience, what happened to our loved one, not figuring?" It is important that their voices are heard in our debates, as I have discussed with organisations I have met in Northern Ireland.

In all honesty, I think there has been a terrible lack of trust, and the legacy Act was, if you like, the final straw when it came to a lack of trust. When we published the framework, and Simon Harris and I met the Victims and Survivors Forum, people looked at it and said, "That looks okay, but what is the legislation going to say?" Then we published the legislation in October.

To reflect on some of the comments, some people said, "It's better than what we've got now." Well, if it was not better than what we have now, I would not have been doing my job. Some said, "This is better than we expected." The Northern Ireland Human Rights Commission has commented really quite favourably on what we have done to fix the incompatibilities.

If we do not fix the incompatibilities, then—coming back to Mr Smith's question—you run a greater risk of public inquiries, at a cost that has to be paid for by the Government. I am not going to say that this is the last

opportunity, but this is a very significant opportunity to create something that people can have confidence in as enabling them to find the answers they are still looking for. That is what this is all about.

We have a shared responsibility, whatever our differences of view on some of the detail of the legislation, to bring this through. It is important that all the voices representing those who lost loved ones, our forces and others are heard in this debate and in the debate in the House of Commons.

Q214 Mr Kohler: You recognise that your amendments are critical in creating this trust. The amendments are what we are waiting for.

Hilary Benn: In relation to veterans, I would accept that, yes. We have done a number of things, and I have given a number of commitments from the Dispatch Box, but I do recognise that. The other families, victims and survivors will of course have views about the way in which the commission is being reformed, but to the extent that they think this is good legislation, is a considerable improvement and will result in something that is ECHR compliant, it is very important that they give voice to that, so that Members of Parliament on all sides hear it.

In the end, we are going to have to produce something that will not necessarily give everybody everything they want, but we have to strike a balance here. It is about finding the right balance. We have all worked with the wonderful team that supports me on this and all the other matters we have discussed today. We have worked really hard to produce something that we think is fair, balanced, proportionate and reasonable and that has the capacity to help people to find those answers.

Chair: I am going to bring in Robin Swann and then we will have to finish.

Q215 Robin Swann: Secretary of State, the Irish Government have yet to produce anything on what they going to do regarding legislation in regard to the Troubles. You mentioned to Mr Kohler about finding a balance. You also mentioned your memorandum of understanding with the Irish Government over this.

When the Government bring forward amendments to address the concerns and issues that Members of the House, including members of this Committee, have, and that the veterans community has, is there a risk that the Irish Government will not take any action to introduce their own legislation? What conversations are you having on that?

Hilary Benn: The framework consists of commitments that the UK Government and Irish Government have made. We came together to express those in a single document as a sign of our determination to try to move forward.

I was in Dublin last week to discuss this with Helen McEntee and Jim O'Callaghan, and the Irish Government have been very clear that, first, they will introduce legislation. They have already agreed the memorandum of understanding with the Omagh bombing inquiry on the provision of information, which is unprecedented, and they will introduce legislation to enable witnesses to give evidence.



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Secondly, a little later this year, we will see the heads of terms, which is an expression in the Irish legislative system—

Ruth Sloan: It is the heads of Bill.

Hilary Benn: I have been advised that it is the heads of Bill. We will see the heads of Bill, which will set out how the Irish Government are going to implement in legislation their commitment to giving the fullest possible co-operation to the commission, as they promised to do in the framework.

Thirdly, the Irish Government have now set up the Garda unit, as they promised to do by the end of the year. I will make sure that we fulfil our commitments, subject to decisions made by Parliament, and I am confident that the Irish Government will do the same.

Chair: We have many other questions that we would like you to answer, Secretary of State, but we have to bring this session to an end now.