

The budget for the Northern Ireland Office will be £1.2 billion in 2007-08. Taking into account the efficiency gains identified in the Efficiency Review, equivalent to at least £90 million per year by 2007-08, the 2004 Spending Review will enable the Northern Ireland Office to build on the progress achieved in previous Spending Reviews. In particular, it will enable the department to:

- take forward key reforms in the police service, criminal justice system and prison service;
- strengthen front-line delivery and reduce crime rates; and
- make continued progress in delivering the department's objectives and performance targets, including promoting the peace process.

PEACE AND SECURITY FOR ALL IN NORTHERN IRELAND

20.1 The aim of the Northern Ireland Office is to secure a lasting peace in Northern Ireland, based on the Good Friday Agreement, in which the rights and identities of all the people in Northern Ireland are fully respected and safeguarded and where a safe, just and tolerant society can thrive and prosper. Over the 2004 Spending Review period, the Northern Ireland Office will continue its work to consolidate the political settlement in the Good Friday agreement, and to bring about the restoration of devolution.

20.2 The Northern Ireland Office will continue to encourage political development by building on its relations with the Northern Ireland Assembly, when devolution is restored, and with the Irish Government. It will also continue its contributions to the cross-border bodies. It will continue its work in cooperation with external stakeholders to build confidence in the efficiency and effectiveness of the police service, to reduce crime and ensure crimes are brought to justice, to ensure the effectiveness and good management of the criminal justice system, and to bring about value for money in the prison service.

Reform of the criminal justice system

20.3 The department will pursue its reform programme within the areas of policing, criminal justice and the prison service, and ensure all parts of each service attain the standards of the best. For the Police Service of Northern Ireland, these reforms involve a major change in composition and investment in infrastructure, including implementation of the reforms recommended in the Patten report¹. Priority will be attached to, among other things, combating serious and organised crime and narrowing the justice gap by increasing the number of people brought to justice.

20.4 A central part of the reform of the criminal justice system is the establishment of a single independent Public Prosecution Service. Reform of the Northern Ireland Prison Service, aimed at a return to normalisation, will need to take account of the recommendations of the Steele Review², which require additional staff to maintain safety within a separated regime, and the provision of new accommodation where necessary to cater for a rising prison population. The department will implement a strategic review to ensure a modern, cost-effective prison service.

¹ *A New Beginning: Policing in Northern Ireland*, Northern Ireland Office, September 1999.

² *Review of safety at HMP Maghaberry*, Northern Ireland Office, August 2003.

20.5 The department will ensure that the public inquiries announced in April 2004 are effectively implemented. The department will continue work to tackle the causes of crime, with the new community safety partnerships the lynchpin of the strategy to reduce crime. The Criminal Justice Inspectorate and Law Commission will be established to ensure improvements in the standards and transparency of the criminal justice system and boost public confidence alongside the recently established Justice Oversight Commissioner.

20.6 In addition to their role in countering terrorism relating to Northern Ireland, the Northern Ireland Office and Police Service for Northern Ireland also make an important contribution to countering the wider terrorist threat to the UK and overseas. The department keeps security policy under continuous review in the light of changes in the level of threat from terrorism, with the aim of returning to normal security arrangements as soon as the threat level allows. There has been a significant reduction in the degree of public disorder. A substantial number of army bases and installations have been closed as part of the commitment to return to normal security arrangements.

Public Service Agreement **20.7** The Northern Ireland Office's Public Service Agreement for the 2004 Spending Review period sets out the results and reforms that the department plans to deliver with the resources it has been allocated.

Box 20.1: Key Public Service Agreement (PSA) targets

The Northern Ireland Office's Public Service Agreement includes targets to:

- increase public confidence in the police in Northern Ireland by 3 per cent by April 2008, and increase Catholic representation in the police service to 30 per cent by December 2010;
- increase confidence in the criminal justice system in Northern Ireland by 3 per cent by April 2008;
- reduce specific types of crime including domestic burglary and vehicle crime; and reduce the rate of reconviction; and
- ensure that the cost per prisoner place falls to £82,500 in 2007-08.

Box 20.2: Efficiency

Agreed target

NIO will realise total annual efficiency gains of at least £90 million by 2007-08, of which at least half will be cashable, releasing resources for front-line activities.

Implementation plan

As part of this programme of efficiency gains the department plans, by 2007-08, to:

- achieve a total reduction of 128 civil service posts in the core department and its agencies, as well as a total reduction of 1,446 public sector posts, and relocate 8 posts out of London and the South East by 2007-08;
- rationalise back office functions, including human resources, ICT, office services, policy and corporate services in the core departments and all the bodies that it funds, and restructure and streamline its headquarters' directorates, contributing in total £12 million of efficiency gains;
- deliver around £12 million of efficiencies through improved procurement, including a coordinated approach to procurement across the NIO and other Northern Ireland departments;
- improve working practices in the prison service, reducing the cost per prisoner place and more generally reduce sickness absence and release resources to the front line;
- invest in core ICT infrastructure and in *Causeway*, a joint undertaking by six criminal justice organisations in Northern Ireland to improve performance by sharing information electronically, leading to faster justice; and
- increase front-line time of the police as a percentage of police time by over 15 per cent.

Table 20.1: Key figures

	£ million			
	2004-05 ¹	2005-06	2006-07	2007-08
Northern Ireland Office				
Resource Budget	1,151	1,191	1,141	1,131
<i>Of which Administration Budget</i>	<i>176</i>	<i>193</i>	<i>188</i>	<i>186</i>
Capital Budget	57	72	72	72
Total Departmental Expenditure Limit²	1,159	1,214	1,164	1,154

¹ 2004-05 includes spending on the Bloody Sunday Inquiry and other programmes on a declining profile, such as compensation.

² Full resource budgeting basis, net of depreciation.

