

## Comments from Stephen Brimstone - 13 April 2015

Dr Kevin Pelan  
Committee Clerk  
Committee for Social Development  
Room 284  
Parliament Buildings  
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13 April 2015

Dear Kevin

### **SDC INQUIRY – PHASE 3 DRAFT REPORT**

I refer to your letter dated 27 March 2015 enclosing the draft report in relation to Phase 3 of the Committee's Inquiry and seeking any comments I may have on the content. Having considered the draft report in detail, my comments are as follows:

I believe it is important to clarify my role as a Special Adviser which the Code of Conduct acknowledges adds a political dimension to the advice available to Ministers and also provides Ministers with the direct advice of experts in their professional field, while reinforcing the political neutrality of the permanent Civil Service by distinguishing the source of political advice and support.

My role as a Special Adviser is to help the Minister on matters where the work of the Department and the Minister's party responsibilities overlap and it would be inappropriate for permanent civil servants to become involved. I provide advice from a standpoint that is more politically committed and politically aware than would be available to the Minister from the Civil Service. Part of my role also involves "devilling" for the Minister from a party political viewpoint and includes liaising with the Minister's party to ensure that the Department's own policy reviews and analysis take full advantage of ideas from the party.

However, in considering now the content of this draft report, I do not believe that this has been taken into account or considered in relation to the comments, conclusions and recommendations of this draft report.

In relation to the references in the draft report to my phone call to Councillor Palmer in July 2011, I have already advised the Committee in my evidence of the context of the phone which was:

*"The Minister became aware that a party councillor was one of the four political appointees on the Housing Executive Board, and that was Councillor Palmer. It was discussed and the Minister felt that it would be useful for me to contact Councillor Palmer to ensure that she was fully aware of his concerns, ahead of the special board meeting on 5 July, and that she could ensure that his concerns were accurately reflected to the wider board at the meeting on the following Tuesday. I undertook to*

*contact Councillor Palmer.”*

Further, in relation to the Committee’s comments on my “*proclaimed inability to recollect details of this phone call*” I provided as full an account as possible of this phone call bearing in mind this happened some years ago in July 2011. I stand by the consistent evidence I have given to the Committee in this regard. Hansard records my detailed recollection as:

*“I called Councillor Allan Ewart, who sat on Lisburn City Council with Councillor Palmer, on the Friday morning before the Tuesday board meeting, to ask for contact details for Councillor Palmer. He happened to be at an event with Councillor Palmer and suggested that I could speak to her there and then. I had no issue, and he passed the phone to Councillor Palmer. I introduced myself and explained my role in the Department with Nelson McCausland. I had never met Councillor Palmer and assumed that she did not know anything about me either. I outlined the issue regarding the Red Sky contract, including some of the allegations that had been made publicly. In light of the special board meeting in the next week, which we had been made aware of, at which the board would vote on terminating the Red Sky contract, I said that the Minister wanted me to brief her on his concerns and ask if she would reflect those concerns to the board in an accurate fashion.*

*The Minister did not have confidence in the then chairman to accurately reflect his position — his concerns about the handling of contracts by senior management and the chairman of the board — to the wider board. He believed that he had received no convincing assurance from the chairman that the Red Sky issues were not prevalent among other contractors, particularly adjacent contractors who would automatically get the Red Sky contracts post-termination, if the board voted that way. My recollection is that I outlined how the Minister wanted a clear and transparent tendering exercise, as had been indicated in writing to the chairman, which would also allow time to get assurances that the same Red Sky issues were not happening with other contractors as well. There was no issue with terminating the Red Sky contract early, due to the issues identified, but the Minister wanted the termination to take place when there could be some degree of assurance that the new contracts could be properly delivered. To date, he had not been given any evidentially based assurance by the then chairman. Councillor Palmer, from my recollection, became very defensive regarding the then chairman and strongly contested any suggestion that he was not carrying out his duties appropriately. Councillor Palmer went on to tell me about her role on the board’s audit subcommittee and said that, in her view, all of the fault lay with Red Sky, the issues were solely limited to Red Sky and the management of the Northern Ireland Housing Executive was appropriately managing the response maintenance contract.*

*I responded by asking about Leeway Maintain, another response maintenance contractor in Belfast about which the housing Executive internal audit department was raising concerns regarding overcharging etc — the same issues as with Red Sky. Councillor Palmer refused to accept that. I again asked that she reflect the Minister’s concerns to the board. She said she could not do that. I believe that the phone call ended after this point, and I did not pursue the issue with Councillor Palmer any further.”*

In relation to the Committee’s conclusion “*that, in calling Councillor Palmer, Mr Brimstone was attempting to influence the board’s discussions*” I fail to see how the

Committee came to that conclusion when the evidence provided demonstrated that Councillor Palmer was only one member on a Board of ten members, of which eight members attended the Board meeting on 5 July 2011.

I also refute the Committee's comments in relation to my evidence in that I was deliberately evasive to the point of obstructing the Committee. I would remind the Committee that I have given evidence voluntarily on five occasions in relation to this Inquiry and the report itself acknowledges that I was formally advised by the Chairperson that it was within my rights not to answer any question.

Finally, as Special Adviser to the Minister for Social Development I am mindful that, whilst the Housing Executive, as a Non Departmental Public Body, operates with some independence under its Board, the Minister is nevertheless, ultimately accountable to the Assembly for the Housing Executive's efficiency, effectiveness, activities and performance.

Yours sincerely

**Stephen Brimstone**