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Your Ref: Our Ref:

Date: 5 April 2012

Dear Gregg

Thank you for your email of 21 March in relation to correspondence you have recently received from

As requested, please find attached Lines to Take and Background information in relation to this matter.

I trust this is helpful.

Yours sincerely

JULIE THOMPSON

Senior Finance Director/Deputy Secretary Resource & Performance Management Group

## **BACKGROUND**

1.	has been representing a number of suppliers regarding claims for compensation against Health and Social Care Trusts for the late payment of invoices. He has also sought compensation from other government departments in Northern Ireland.
2.	For this particular case, he has been employed by to seek compensation from the Southern HSC Trust.
3.	regular correspondence with DHSSPS regarding this matter. They have also extensively engaged with elected officials in Northern Ireland, including MLAs, MPs and MEPs.
4.	The Southern HSC Trust has referred the matter to its legal advisers, who have advised the Trust to direct all further communication to them. Continues to correspond with the Trust's legal advisers, on an ongoing basis.
5.	late payment claims are being refuted in their entirety on the basis that has not suffered any actual financial loss in terms of either interest or debt recovery costs.
6.	In accordance with legal advice from the Departmental Solicitor's Office, DHSSPS maintains that this matter relates to the commercial relationship between and the Southern HSC Trust and that it is therefore appropriate that any engagement and resolution must therefore be between these parties.

## LINES TO TAKE

- Implementation of the UK Government's prompt payment policy in Northern Ireland is the responsibility of the Northern Ireland Executive.
- This particular dispute concerns a public sector body within Northern Ireland. It would therefore not be appropriate for the Department of Business, Innovation and Skills to intervene in a devolved matter.
- In line with the UK Government's commitment to ensuring that the public sector is a
  payment exemplar, the Minister for Health, Social Services and Public Safety is
  committed to improving the prompt payment performance of Health and Social Care
  organisations to ensure that businesses in Northern Ireland are paid as promptly as
  possible.



