COMMITTEE FOR FINANCE

MINUTES OF PROCEEDINGS

WEDNESDAY, 3 MARCH 2021

Senate Chamber, Parliament Buildings, Belfast

Present: Dr Steve Aiken OBE MLA (Chairperson)

Mr Paul Frew MLA (Deputy Chairperson)

Mr Jim Allister MLA Mr Pat Catney MLA

Mr Matthew O'Toole MLA

Mr Jim Wells MLA

Present by Video-conference:

Ms Jemma Dolan MLA Mr Philip McGuigan MLA Mr Maolíosa McHugh MLA

Apologies: None

In Attendance: Mr Peter McCallion (Assembly Clerk)

Mr Phil Pateman (Senior Assistant Assembly Clerk) Ms Kate McCullough (Assistant Assembly Clerk)

Mr Neil Sedgewick (Clerical Supervisor) Ms Heather Graham (Clerical Officer)

Mr Colin Pidgeon (Research Officer, RaISe) – agenda item 6 only Mr Aidan Stennett (Researcher Officer, RaISe) – agenda item 7 only

The meeting commenced in open session at 2:02pm with the Deputy Chairperson assuming the role of acting Chairperson.

1. Apologies

Apologies were as indicated above.

The Committee noted that notice had been received from Jemma Dolan MLA to delegate authority to Maolíosa McHugh MLA to vote on her behalf under Temporary Standing Order 115(6) on any issue in the event of her not being present for all or part of the proceedings.

No other notices were received from Members to delegate their vote to another Member.

2. Declaration of Interests

There were no declarations of interest.

3. Chairperson's Business

3.1 Northern Ireland Affairs Committee

The acting Chairperson informed Members that the Committee Chairperson had participated in an informal meeting with the Northern Ireland Affairs Committee on Tuesday 2 March 2021 in order to discuss matters relating to the Northern Ireland Protocol. Members noted that a note of the proceedings would be circulated in due course.

3.2 Supply Resolution and Budget Bill Debates

The acting Chairperson thanked Members for their contributions to the Supply Resolution and 2nd Stage Budget Bill debates. Members were reminded that the Chairperson would speak on behalf of the Committee at the Final Stage of the Bill scheduled for 9 March 2021.

4. Draft Minutes

Agreed: The Committee agreed the minutes of the meeting held on Wednesday 24 February 2021.

5. Matters Arising

Mr O'Toole left the meeting at 2:07pm.

5.1 Oral Evidence - Budget Bill and Spring Supplementary Estimates (SSEs) The Committee noted correspondence from the Department of Finance clarifying that the provision of £430 million contained in the SSEs for the Executive Office related to a liability associated with survivors of Historical Institutional Abuse and not as stated with

the Victims' Pension Scheme.

Mr O'Toole rejoined the meeting at 2:09pm.

5.2 Budget Bill (NI) 2021

The Committee noted correspondence from the Speaker of the Assembly to the Minister of Finance in respect of the introduction of the Budget Bill (NI) 2021 on 1 March 2021.

Mr Wells expressed his dissatisfaction relating to the circumstances surrounding the granting of accelerated passage for the Budget Bill.

Mr McHugh disagreed and recorded that he was not dissatisfied in respect of the granting of accelerated passage for the Budget Bill.

Dr Aiken and Mr Allister joined the meeting at 2:10pm. Dr Aiken reassumed the role of Chairperson at 2:13pm.

The Chairperson extended his apologies for his late arrival. The Chairperson highlighted the recent Budget statement by the Chancellor of the Exchequer which indicated a reported additional £400m allocation for Northern Ireland departments and other matters relating to freeports, Value Added Tax (VAT) and Corporation Tax.

6. RaISe Oral Briefing – draft Budget 2021-22

An Assembly Research Officer joined the meeting at 2:14pm:

Colin Pidgeon

The Committee noted the briefing paper from the Research and Information Service (RaISe) on the draft Budget 2021-22 and a response from the Department of Finance providing a more detailed explanation of spending under sole authority of the Budget Act.

Mr McGuigan left the meeting at 2:25pm. Mr Catney joined the meeting at 2:31pm.

7. RaISe Oral Briefing – Public Procurement Common Framework

An Assembly Research Officer joined the meeting at 2:49pm:

Aidan Stennett

The Committee noted the briefing paper from RaISe on the Public Procurement Common Framework.

Mr Wells left the meeting at 2:56pm.

Mr McGuigan rejoined the meeting at 3:04pm.

Agreed: The Committee agreed to write to the Department of Finance to seek a response to the questions contained within the research paper including particularly in respect of the impact of the green paper on transforming procurement.

Agreed: The Committee agreed to commission RaISe to provide a further written and oral briefing including analysis of the relationship between the UK Internal Market Act 2020 and the Northern Ireland Protocol.

8. Oral Evidence - Construction Employers' Federation - Public Procurement Common Framework

The witnesses joined the meeting at 3:09pm.

Mark Spence, Managing Director, Construction Employers' Federation

David Fry, Director of External Affairs, Construction Employers' Federation

Mr Wells rejoined the meeting at 3:09pm.

The Committee noted the submission on the Public Procurement Common Framework from the Construction Employers' Federation and a response from the Department of Finance in respect of 'under threshold' opportunities and access for Northern Ireland based contractors to tender opportunities in the Republic of Ireland.

Ms Dolan left the meeting at 3:25pm. Mr Catney left the meeting at 3:39pm.

The Chairperson thanked the witnesses for their evidence.

Agreed: The Committee agreed to write to the Department of Finance to call for fair access to all procurement opportunities for Northern Ireland firms and to seek clarity on the implications arising from: a public procurement note issued by the Cabinet Office on access to tender opportunities in Great Britain (GB); and a note on access to procurement in the Republic of Ireland produced by Arthur Cox LLP.

9. SL1 The Energy Performance of Buildings (Certificates and Inspections) (Amendment) Regulations (Northern Ireland) 2021

Departmental officials joined the meeting at 3:45pm.

Billy Black, Head of Building Standards Branch, Principal Professional Technical Officer, Department of Finance

John Saulters, Head of Legislation and Energy Unit, Building Standards Branch, Department of Finance

The oral evidence session was reported by Hansard.

Mr Catney rejoined the meeting at 3:47pm.

The Committee noted the SL1 for the proposed statutory rule which refers to Energy Performance Certificates for domestic and non-domestic properties as well as Display Energy Certificates and Air Conditioning Inspection Reports.

Mr Wells declared an interest stating that he was currently purchasing a new home.

Agreed: The Committee agreed that it had considered the Department of Finance's proposal for subordinate legislation: The Energy Performance of Buildings (Certificates and Inspections) (Amendment) Regulations (Northern Ireland) 2021 and that it had no objection to the policy and that it was content for the Department to lay the rule.

10. Correspondence

- 10.1 The Committee noted the correspondence index.
- 10.2. The Committee noted a response from the Department of Finance in respect of the timing of secondary legislation to fully establish the role and functions of the

- Legal Services Oversight Commissioner arising from the Legal Complaints and Regulations (NI) Act 2016.
- 10.3. The Committee noted a response from the Department of Finance regarding engagement with the banking sector and other financial institutions and advising that the Department's work was largely in relation to EU Exit.

Agreed: The Committee agreed to write again to the Department of Finance to seek clarity on the specific issues being discussed with the banking sector and the concerns highlighted in response to the UK's exit from the European Union.

Agreed: The Committee agreed to write to the Department of Finance to ascertain detail of a reported allocation of £400m associated with the Northern Ireland Protocol and announced on 10 December 2020.

10.4. The Committee considered a response from the Minister of Finance regarding a building cladding intervention and levy scheme in Great Britain (GB). The Committee noted that the Minister was to submit a paper to the Executive recommending a Building Safety programme and supporting fund. The Committee also noted that the Department had appeared to advise that changes to building regulations in respect of cladding would not be brought forward in this mandate.

Agreed: The Committee agreed to ask the Department for further details on the new Building Safety Programme and an explanation as to the delay in the amendments to building regulations.

Agreed: The Committee also agreed to write to the Minister of Finance to ascertain whether he would be minded to support a levy on new building developments, as is the case in GB.

10.5. The Committee considered a response from Building Control NI regarding suggested changes to building control legislation or statutory guidance in order to improve compliance with fire safety regulations.

Agreed: The Committee agreed to forward the response from Building Control NI to the Department for commentary of the issues raised.

- 10.6 The Committee noted a response from the Department of Finance in respect of the commissioning of the Ulster University Economic Policy Unit to give further consideration to covid-19 business support schemes.
- 10.7 The Committee noted a response from the Minister of Finance in respect of cooperation with the Minister for the Economy on covid-19 business support schemes.
- 10.8 The Committee considered a response from the Minister for the Economy setting out the covid-19 business support schemes which her Department has supported.

Agreed: The Committee agreed to forward the response setting out the covid-19 business support schemes to all statutory committees, for their information.

Agreed: The Committee agreed to write to the Minister for the Economy to seek an update on the covid-19 business support schemes including their uptake and the level of financial support provided and to request that these schemes are disaggregated in order to highlight open access grants and spending awards.

- 10.9 The Committee noted correspondence from the Committee for the Economy indicating its views on co-operation between Executive Ministers in respect of covid-19 business support schemes.
- 10.10 The Committee noted a response from the Minister of Finance to the Committee for Communities regarding support for sports clubs including the ongoing reconsideration process for unsuccessful applicants to the Local Restrictions Support Scheme.
- 10.11 The Committee noted an update on the establishment of the Fiscal Council and Fiscal Commission from the Minister of Finance.
- 10.12 The Committee noted an invitation from the Department of Finance to MLAs regarding an information session on the Census 2021.
- 10.13 The Committee considered correspondence from the Department of Finance regarding changes to the Public Service Pensions Policy and a related Legislative Consent Motion.

Agreed: The Committee agreed to commission RaISe to produce a briefing note on the McCloud judgement and the LCM.

Mr Wells declared an interest stating that he is the Chairperson of the Northern Ireland Assembly Members' Pension Fund.

Agreed: The Committee agreed to seek an oral and written briefing from the Northern Ireland Public Service Alliance (NIPSA) and the Irish Congress of Trade Unions (ICTU) on the LCM and written evidence from the teaching and health unions and the Police Federation for Northern Ireland.

- 10.14 The Committee agreed to note a call for evidence from the Committee for Justice in relation to the Protection from Stalking Bill.
- 10.15 The Committee noted the monthly outturn and forecast outturn information for January 2021 from the Department of Finance.

Agreed: The Committee agreed to forward the monthly outturn and forecast outturn information to RaISe for analysis.

Agreed: The Committee agreed to write to the Department of Finance to seek clarity on yearend capital surges.

- 10.16 The Committee noted a short report from the Audit Committee to the Minister of Finance regarding draft Budgets 2021-22 for NIAO, NIPSO and the Assembly Commission.
- 10.17 The Committee noted correspondence from the Committee for the Economy sent to the Department of Finance regarding the NICS Apprenticeship Scheme.

Agreed: The Committee agreed to ask the Department of Finance for a copy of the response to the Committee for the Economy on the Northern Ireland Civil Service (NICS) Apprenticeship Scheme.

10.18 The Committee considered correspondence from Unissu regarding the reported cancellation of the Jobstart Scheme.

Agreed: The Committee agreed to write to the Minister of Finance to indicate support for the scheme and to seek clarity on support for other labour market intervention schemes in order to support the post-covid recovery.

10.19 The Committee considered the composite information request.

Agreed: The Committee agreed that the composite information request was an accurate and complete record of information sought by the Committee.

11. Forward Work Programme

The Committee considered its draft Forward Work Programme.

Agreed: The Committee agreed the Forward Work Programme, as amended.

12. Any Other Business

Agreed: The Committee agreed to commission RaISe to provide an analysis of the impact of the Chancellor of the Exchequer's Budget statement on allocations for Executive departments for the 2021-22 financial year.

13. Date, Time and Place of the next meeting

The next meeting of the Committee will be held on Wednesday, 10 March 2021 at 2:00pm in the Senate Chamber and on Starleaf.

The meeting moved into closed session at 4:35pm.

14. RHI Disciplinary Process

The Committee noted further restricted correspondence from the Minister of Finance in respect of the disciplinary process arising from the Renewable Heat Incentive (RHI) inquiry.

Agreed: The Committee agreed to write to the Minister of Finance to seek clarity upon some of the issues contained in the response and to also call on the Minister to make a related oral statement as soon as was practicable.

The meeting was adjourned at 4:38pm.

Dr Steve Aiken MLA Chairperson, Committee for Finance 10 March, 2021