

COMMITTEE FOR FINANCE

MINUTES OF PROCEEDINGS

WEDNESDAY, 23 JUNE 2021

Senate Chamber, Parliament Buildings, Belfast

Present: Dr Steve Aiken OBE MLA (Chairperson)
Mr Keith Buchanan MLA (Deputy Chairperson)
Mr Matthew O'Toole MLA

Present by Video-conference:
Mr Jim Allister MLA
Mr Pat Catney MLA
Ms Jemma Dolan MLA
Mr Maolíosa McHugh MLA

Apologies: Mr Philip McGuigan MLA
Mr Jim Wells MLA

In Attendance: Mr Peter McCallion (Assembly Clerk)
Ms Angela McParland (Assistant Assembly Clerk)
Mr Stephen Magee (Clerical Supervisor)
Ms Heather Graham (Clerical Officer)

The meeting commenced in open session at 2:03pm.

1. Apologies

Apologies were as indicated above.

Mr Philip McGuigan delegated authority to vote to Mr Maoliososa McHugh, under Temporary Standing Order 115(6).

No other Members delegated authority to vote under Temporary Standing Order 115(6).

2. Declaration of Interests

The Chairperson declared an interest as a member of the Committee on Standards and Privileges in regards to Departmental correspondence in Agenda Items 7.4 and 7.5 on investigating breaches of the Ministerial Code.

There were no other declarations of interest made at this time.

3. Chairperson's Business

3.1 Best Wishes

The Chairperson gave his best wishes to Mr McGuigan and wished him a speedy recovery.

3.2 Welcome to Deputy Chairperson

The Chairperson welcomed Deputy Chairperson Mr Keith Buchanan to the Committee.

Mr Matthew O'Toole declared an interest as part of a Party delegation that had submitted evidence to the House of Lords Protocol on Ireland/Northern Ireland Sub-Committee

3.3 House of Lords Protocol on Ireland/Northern Ireland Sub-Committee

The Chairperson advised Members that, as previously agreed, he met with Lord Jay of Ewelme, Chairperson of the House of Lords Protocol on Ireland/Northern Ireland Sub-Committee, on behalf of the Committee for Finance. The Chairperson informed Members that the introductory meeting, held on Friday 11 June 2021, was quite wide-ranging and included issues previously highlighted, including the absence of a locus for MLAs.

3.4 June Monitoring

The Chairperson acknowledged media reports on the possibility of a period of instability for Executive institutions. The Chairperson advised Members that it is understood that the Executive is to meet shortly to consider, among other things, the outcome of June Monitoring. The Chairperson reminded Members that the Minister had previously advised, of sums in excess of £700m which were to be allocated for covid and other purposes and which appeared to be awaiting formal Executive sign-off as part of June Monitoring.

Agreed: The Committee agreed to write to the Department seeking: confirmation that June Monitoring is to be considered by the Executive imminently; clarification as to the allocations that are awaiting Executive sign-off; and if and how these allocations can be made if the Executive does not meet for a period.

4. Draft Minutes

Agreed: The Committee agreed the minutes of the meeting held on Wednesday 9 June 2021.

Agreed: The Committee agreed the minutes of the concurrent meeting held on 16 June 2021.

5. Matters Arising

There were no matters arising.

6. Oral Evidence: Ulster University Economic Policy Centre — Covid Recovery and Business Rates Reform

The following witnesses joined the meeting at 2.07pm.

Gareth Hetherington, Director, UUEPC; and
Dr Eoin Magennis, Senior Economist, UUEPC.

The Committee noted a briefing paper from UUEPC and a Departmental response on the 2019 rates review.

The oral evidence session was reported by Hansard.

Mr Keith Buchanan joined the meeting at 2:12pm

Mr Jim Allister joined the meeting at 2:30pm

Mr Matthew O'Toole declared an interest as a sponsor of an amendment to the Licensing and Registration of Clubs (Amendment) Bill which is to introduce a requirement for a review of the surrender principal

The Chairperson thanked the witnesses for their evidence.

The Committee adopted a revised order of agenda items

7. Correspondence

7.1 The Committee noted an index of incoming correspondence.

Mr Matthew O'Toole declared an interest as a member of the Public Accounts Committee

7.2 The Committee noted correspondence from the Public Accounts Committee on the publication of Ministerial Directions on the Department's website.

7.3 The Committee considered correspondence from the Department regarding Ministerial Directions indicating that directions relating to Managing Public Money will be published on the Department's website after discussion with the Public Accounts Committee.

Agreed: The Committee agreed to copy the correspondence to the Public Accounts Committee and to write to the Department seeking an explanation of the nature of other directions including legislative and Executive directions, and clarification on whether these other forms of directions will be published at all and how.

The Chairperson again declared an interest as a member of the Committee on Standards and Privileges

7.4 The Committee noted identical correspondence from the Department to the Committee for Finance and the Committee on Standards and Privileges regarding provision in the Main Estimates for Commissioners of Ministerial Standards. The Department explained that although the function of investigating breaches of the

Ministerial Code is to transfer to the Commissioner of Standards, The Executive Office sought to maintain these limited funds as headroom.

7.5 The Committee noted a Direction from the Committee on Standards and Privileges to the Commissioner of Standards applying to all complaints regarding the Ministerial Code from 22 March 2021.

7.6 The Committee noted copies of an exchange of correspondence between the Department and the Committee for the Economy regarding a proposal for a study into the decarbonisation of agriculture.

7.7 The Committee considered an Assembly Research publication into gender inequality and gender budgeting in education forwarded by the Assembly Women's Caucus.

Agreed: The Committee agreed to write to the Department and ask whether gender budgeting is under consideration or if existing Section 75 protections preclude the need for gender budgeting.

7.8 The Committee considered correspondence from the Northern Ireland Public Service Alliance (NIPSA) on the Northern Ireland Civil Service pay deal.

Agreed: The Committee agreed to write to NIPSA inviting it set out its concerns regarding the pay awards process.

7.9 The Committee considered a Departmental response regarding partial retirement in the Northern Ireland Civil Service (NICS) indicating that around 1500 civil servants are partially retired and yet claiming their pensions. The Committee noted: most seemed to be at junior grades – EOI to SO with a small number of grade 7/6s and above. The Department advised that no analysis has been undertaken on the consequent impact on full retirements and promotions. The Department also advised that the Minister has asked NICS Human Resources to review this policy across the whole of NICS.

Agreed: The Committee agreed to write to the Department to seek comparisons with other jurisdictions in respect of partial retirements in the public sector.

7.10 The Committee noted a Departmental response regarding the Presbyterian Mutual Society advising that the Minister for the Economy is considering a related paper which is to be issued shortly.

7.11 The Committee noted correspondence from the Committee for the Economy providing a copy of a Department for the Economy June Monitoring Round paper.

Mr Pat Catney made a declaration of interest as the owner of a private pleasure craft moored in the Republic of Ireland

7.12 The Committee noted a Departmental response regarding use of red diesel in pleasure craft. The Committee noted that the Department advised that HMRC's assertion that 40% of diesel use is for non-propulsion underpins a planned related deduction on duty for private pleasure craft users in Northern Ireland.

7.13 The Committee considered a response from the Northern Ireland Office indicating a range of unique circumstances activities identified in New Decade New Approach which is to be covered by £40m and that the breakdown of related allocations had been agreed by FM and dFM in January 2021.

Agreed: The Committee agreed to write to The Executive Office seeking a breakdown of the unique circumstances schemes that the £40m is to cover.

7.14 The Committee noted a Departmental response on the Main Estimates.

7.15 The Committee considered a Departmental response on the Financial Reporting (Departments and Public Bodies) Bill (NI).

Agreed: The Committee agreed to:

- share the delegated powers memorandum with the Examiner of Statutory Rules;
- publish all related written correspondence on the Committee Bill web page;
- write to all statutory committees, the Public Accounts Committee and the Audit Committee and all bodies to be included in the Designation Order seeking their views on the Bill as part of the Committee's call for evidence; and
- the recording by the Chairperson of a promotional video for the Committee's call for evidence which is to appear on the Committee's Twitter feed.

7.16 The Committee considered further correspondence from the Department regarding a consultation which it may launch during the summer in respect of Building Regulations (Northern Ireland) 2012 - Amendments to Technical Booklet Guidance to Part F (Conservation of fuel and power).

Agreed: The Committee agreed to receive an oral briefing and summary of responses following the consultation.

7.17 The Committee noted correspondence from the Minister congratulating Keith Buchanan MLA on his appointment as Deputy Chairperson of this Committee.

7.18 The Committee considered the composite information request.

Agreed: The Committee agreed that, notwithstanding recently received responses, the composite request was an accurate and complete record of the Committee's outstanding information requests.

8. Oral Evidence: Northern Ireland Protocol - Expert Advice

The following witnesses joined the meeting at 3.15pm.

Dr Graham Gudgin, Honorary Research Associate, University of Cambridge;
Professor Ronan McCrea, Professor of Constitutional and European Law,
University College London; and
Professor David Phinnemore, Professor of European Politics, Queen's
University Belfast.

The Committee noted: briefing papers from each of the witnesses; a response from the Department for the Economy regarding the Protocol and its interaction with the UK Internal Markets Act; correspondence from the Cabinet Office on Common Frameworks; and information from the Assembly European Union Affairs office on the UK Internal Markets Office consultation.

The oral evidence session was reported by Hansard.

Mr Pat Catney left the meeting at 4:35pm

The Chairperson made a declaration of interest in regards to being part of a Party delegation that is currently seeking clarity from the European Union on its treatment of the import of medicines to Northern Ireland

The Chairperson thanked the witnesses for their evidence.

Agreed: The Committee agreed to copy the response from the Department for the Economy regarding the Protocol and its interaction with the UK Internal Markets Act to the Committee for the Economy and the Committee for the Executive Office.

Proceedings went into closed session at 5.10pm in order to consider the Committee report on a Fiscal Council for Northern Ireland

9. Committee Deliberations: A Fiscal Council for Northern Ireland

The Committee noted tabled correspondence from the Minister, the Committee for the Economy, and the Scottish Fiscal Commission.

The Committee considered its draft report on the Fiscal Council.

Agreed: The Committee agreed that Members would write to the Clerk with suggested amendments to the draft report before close of play on 24 June 2021 and the Committee would then consider the revised report at its next meeting.

Agreed: The Committee agreed that the Clerk would informally share the draft report with the Northern Ireland Audit Office under the strict understanding that the report is in draft form only.

Agreed: The Committee agreed to write to the Northern Ireland Fiscal Council and the Northern Ireland Fiscal Commission seeking an update on their work programmes.

The Committee returned to open session at 5:16pm

10. Forward Work Programme

The Committee considered a draft of its forward work programme.

The Committee noted that the Committee Stage of the Financial Reporting (Departments and Public Bodies) Bill is set to conclude on 20 September 2021.

Agreed: The Committee therefore agreed to put down the following plenary motion:

“That, in accordance with Standing Order 33(4), the period referred to in Standing Order 33(2) be extended to 17 December 2021, in relation to the Committee Stage of the Financial Reporting (Departments and Public Bodies) Bill (NIA Bill 21/17-22)”

Agreed: The Committee agreed its forward work programme.

11. Any Other Business

There was no other business.

12. Date, Time and Place of the Next Meeting

The next meeting of the Committee for Finance will be on Wednesday 30 June at 2:00pm in the Senate Chamber and on Starleaf.

The meeting was adjourned at 5.19pm.

Dr Steve Aiken MLA
Chairperson, Committee for Finance
30 June 2021