

## COMMITTEE FOR FINANCE

### MINUTES OF PROCEEDINGS

WEDNESDAY, 9 JUNE 2021

Senate Chamber, Parliament Buildings, Belfast

Present: Dr Steve Aiken OBE MLA (Chairperson)  
Mr Jim Wells MLA

Present by Video-conference:

Mr Paul Frew MLA (Deputy Chairperson)  
Mr Jim Allister MLA  
Mr Pat Catney MLA  
Ms Jemma Dolan MLA  
Mr Maolíosa McHugh MLA  
Mr Matthew O'Toole MLA

Apologies: Mr Philip McGuigan 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 2:00pm.*

#### **1. Apologies**

Apologies were as indicated above.

Notice was received from Mr Philip McGuigan to delegate authority to Mr Maolíosa McHugh to vote on his behalf under Temporary Standing Order 115(6).

There was no other notice received from any other Member to delegate authority to vote under Temporary Standing Order 115(6).

#### **2. Declaration of Interests**

The Chairperson declared an interest in regards to correspondence item 10.16, as he is currently assisting in a campaign to prevent the closure of Straid Primary school.

#### **3. Chairperson's Business**

### 3.1 Congratulations

The Chairperson advised Members on Mr Paul Frew's reported impending departure from the Committee in order to take up the position of Minister for the Economy with Mr Keith Buchanan expected to join the Committee from next week.

*Agreed:* The Committee agreed to offer its congratulations to Mr Frew and to welcome Mr Buchanan.

*Mr Matthew O'Toole joined the meeting at 2:02pm*

### 3.2 Voting on Capital

The Chairperson reminded Members that the Minister had indicated in plenary that the Main Estimates include a Resource to Cash Reconciliation which sets out planned expenditure capital by Department. The Supply Resolution and schedule 1 of the Budget (No.2) Bill include a revised cash balance figure which has the capital figures (from the above Reconciliation) folded in. Thus, votes for the Supply Resolution and the Budget Bill do indeed provide authority for capital expenditure although Members do not vote explicitly for individual items within departmental capital allocations.

*Agreed:* The Committee agreed to write to the Department seeking clarity in respect of accruing resources which exceed the figures given in the relevant schedule of the Budget Bill.

## 4. Draft Minutes

*Agreed:* The Committee agreed the minutes of the meeting held on Wednesday 2 June 2021.

## 5. Matters Arising

There were no matters arising.

## 6. Oral Evidence: Office for Budget Responsibility (OBR) — A Fiscal Council for Northern Ireland

The following witness joined the meeting at 2:04pm.

Richard Hughes, Chairperson, OBR.

*Mr Maoliosa McHugh joined the meeting at 2.05pm*

The Committee noted: extracts from the Budget Responsibility and National Audit Act 2011; copies of the OBR charter and HM Treasury framework document; an extract from the 2020 OECD review of the OBR; copies of the OBR Memorandum of Understanding, Terms of Reference and financial framework document with the Welsh Government; and a copy of the 2020 OBR report on Welsh Government tax revenues.

The oral evidence session was reported by Hansard.

*Mr Paul Frew joined the meeting at 2.17pm*

The Chairperson thanked the witness for his evidence.

*Agreed:* The Committee agreed to write to the OBR suggesting continued engagement as the Committee develops its understanding of issues relating to the Fiscal Council for Northern Ireland.

## **7. Oral Evidence: Northern Ireland Fiscal Council (NIFC) – A Fiscal Council for Northern Ireland**

The following witnesses joined the meeting at 3.04pm.

Sir Robert Chote, Chairperson, NIFC;  
Professor Alan Barrett, Council Member, NIFC;  
Maureen O'Reilly, Council Member, NIFC; and  
Dr Esmond Birnie, Council Member, NIFC.

The Committee noted a NIFC briefing paper.

The oral evidence session was reported by Hansard.

Dr Esmond Birnie left the meeting at 3.46pm.

The Chairperson thanked the witnesses for their evidence.

*The Committee went into closed session at 4.14pm in order to consider written and oral submissions on a Fiscal Council for Northern Ireland and to consider some other business.*

## **8. Committee Deliberations: A Fiscal Council for Northern Ireland**

The Committee noted correspondence from the Committee for Agriculture, Environment and Rural Affairs; the Committee for Infrastructure; the Committee for Communities; and the Committee for the Economy.

The Committee also noted a tabled report on a Fiscal Council for Northern Ireland commissioned by the Department and produced by the Fraser of Allander Institute of the University of Strathclyde.

*Mr Matthew O'Toole left the meeting at 4:26pm*

*Agreed:* The Committee informally indicated its views on a Fiscal Council for Northern Ireland and agreed that the Clerk should draft a related report.

*The Committee adopted a revised order of agenda items*

## **9. Any Other Business**

The Committee noted tabled restricted Departmental correspondence regarding the Renewable Heat Incentive (RHI) disciplinary process.

*Agreed:* The Committee agreed to receive a Departmental briefing on the RHI disciplinary process in closed session.

*The Committee returned to open session at 4:41pm*

There was no other business.

## **10. Correspondence**

10.1 The Committee noted an index of incoming correspondence.

10.2 The Committee considered a response on the Cross-Departmental Group on Building Safety and noted that the Department had not responded to the Committee's queries in respect of the Northern Ireland Housing Executive Tower Block Action Plan etc.

*Agreed:* The Committee agreed to write to The Executive Office seeking an update on the Cross-Departmental Group and the Department for Communities in respect of the Northern Ireland Housing Executive Tower Block Action Plan.

10.3 The Committee considered a Departmental response regarding the Reform of the Property Management (RPM) Programme indicating that hard-charging of building costs is not to be applied to departments. The Committee noted that this was contrary to the Northern Ireland Audit Office's (NIAO) report where the Department had indicated that the principle of hard-charging for office accommodation had been accepted and agreed by the Northern Ireland Civil Service Board and that the RPM Programme was planning the roll out of hard charging by April 2019.

*Agreed:* The Committee agreed to write to the Department asking why the previous undertaking to the NIAO regarding hard-charging had not been taken forward and copying in the NIAO and the Public Accounts Committee.

10.4 The Committee noted the Investment Strategy Northern Ireland Investing Activity Report for the Department of Finance for May 2021.

10.5 The Committee considered a Departmental response to Committee queries regarding recruitment competitions for the positions of Administration Officer, Staff Officer and Deputy Principal. The Committee noted that the Department had declined to provide a breakdown of the successful applicants indicating that these recruitments have remained open – apparently for several years. The Committee also noted the response shows that the majority of applicants to the Deputy Principal competition were internal and for the Administration Officer competition were largely external.

*Agreed:* The Committee agreed to write to the Department on the matter again and reiterate that it expects the Department to provide the information originally sought.

10.6 The Committee considered a Departmental response to the Committee explaining that the Forest Service was added to the Whole of Government Accounts (WGA) designated bodies as it had been reclassified from an Agency to a Public Corporation.

*Agreed:* The Committee agreed to write to the Department seeking information on the designation of all Arm's Length Bodies.

10.7 The Committee noted a follow up from the Department to the briefing by officials on Budget (No.2) Bill and Main Estimates providing information on Northern Ireland Protocol funding; the Executive covid taskforce; and the TEO budget changes.

10.8 The Committee considered a tabled response from the First Minister and deputy First Minister to Committee correspondence regarding the funding for the Victims' Pension Scheme.

*Agreed:* The Committee agreed to write to the Department seeking information on the Victims' Pension Scheme's business case and an explanation for the related high administration costs.

10.9 The Committee noted tabled correspondence from the Minister in respect of the payment of covid supports to businesses, as circulated to Members earlier in the week.

10.10 The Committee noted correspondence from the Department including its final submission on the June Monitoring Round in compliance with Section 13(1) of the Functioning of Government (Miscellaneous Provisions) (NI) Act 2021.

10.11 The Committee noted a response from the Committee for Agriculture, Environment and Rural Affairs on budget 2021-22.

10.12 The Committee noted a response from the Committee for Infrastructure on the budget and the need for support for public transport providers.

10.13 The Committee considered a response from the Northern Ireland Office (NIO) regarding the allocation of New Deal for Northern Ireland funding and indicating that decision-making sits with the Northern Ireland Secretary of State. The Committee noted that the NIO had declined to answer any of the Committee's queries in respect of how funding decisions are determined.

*Agreed:* The Committee agreed to write again to the NIO stating that further explanation is required in respect of New Deal for Northern Ireland funding decisions.

10.14 The Committee noted correspondence from the Department regarding an error relating to the May Civil Service pensioner pay run, as was previously circulated to Members.

10.15 The Committee noted a response from the Comptroller and Auditor General (CAG) in regards to surplus land sales. The CAG advised that the NIAO is currently carrying out a review of the sale of Portavoe reservoir and hopes to be in a position to publish

a report on this in the near future. The CAG also advised that he will consider the need for a further review of the sale of surplus lands.

*The Deputy Chairperson assumed the chairpersonship of the meeting, as the Chairperson had declared an interest in respect of item 10.16.*

10.16 The Committee considered correspondence from a member of the public stating their objection to the proposed closure of Straid Primary School.

*Agreed:* The Committee agreed to forward the correspondence to the Committee for Education.

*The Chairperson re-assumed the chairpersonship of the meeting.*

10.17 The Committee noted correspondence from the Department providing an update on the Northern Ireland Civil Service pay award, effective from 1 August 2021.

10.18 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.

*Mr Jim Allister left the meeting at 4.52pm*

## **11. Forward Work Programme**

The Committee considered a draft of the forward work programme.

The Committee noted the recent introduction of the Defamation Bill.

*Agreed:* The Committee agreed that if the Second Stage of the Bill is scheduled before summer recess, it will seek a related briefing from Assembly Research and Information Services (RaISe) and the Bill sponsor on 23 June 2021, resulting in a deferment of the briefing on business rates by the Ulster University.

*Agreed:* The Committee agreed to write to the Member sponsoring the Defamation Bill regarding anticipated timings in the event of the referral of the Bill to the Committee for its Committee Stage in the autumn.

The Committee noted a RaISe paper on High Street task forces forwarded by the Committee for Communities.

*Agreed:* The Committee agreed that Members would advise the Clerk at their earliest convenience regarding their intention to attend next week's concurrent meeting in person.

*Agreed:* The Committee agreed its forward work programme, as amended.

The Committee noted that the Examiner of Statutory Rules had reported on SR 119/2021 and SR 127/2021 and had not drawn either rule to the attention of the Committee.

## **12. Date, Time and Place of the Next Meeting**

There will be a concurrent meeting with the Committee for the Executive Office and the Committee for the Economy on Wednesday 16 June 2021 at 2:00pm in the Assembly Chamber and on Starleaf.

The next meeting of the Committee for Finance will be on Wednesday 23 June at 2:00pm in the Senate Chamber and on Starleaf.

*The meeting was adjourned at 4.56pm.*

**Dr Steve Aiken MLA**  
**Chairperson, Committee for Finance**  
**23 June 2021**