



## COMMITTEE FOR FINANCE

### MINUTES OF PROCEEDINGS

WEDNESDAY, 20 JANUARY 2021

Senate Chamber, Parliament Buildings, Belfast

- Present: Dr Steve Aiken OBE MLA (Chairperson)  
Mr Paul Frew (Deputy Chairperson)  
Mr Jim Allister MLA  
Mr Pat Catney MLA  
Mr Matthew O'Toole MLA  
Mr Jim Wells MLA
- Video-conference: Ms Jemma Dolan MLA  
Mr Philip McGuigan MLA
- Apologies: Mr Maolíosa McHugh MLA
- In Attendance: Mr Peter McCallion (Assembly Clerk)  
Mr Phil Pateman (Assistant Assembly Clerk)  
Ms Kate McCullough (Assistant Assembly Clerk)  
Mr Neil Sedgewick (Clerical Supervisor)  
Ms Heather Graham (Clerical Officer)  
Mr Dan Hull (Senior Researcher, RaISe) - Agenda Item 6 only

*The meeting commenced at 2:08pm in public session.*

The Committee noted the recent death of Mr Maolíosa McHugh's mother.

*Agreed:* The Committee agreed to write to Mr McHugh in order to express its condolences.

#### **1. Apologies**

Apologies were as indicated above.

No valid notice was received from any Members to delegate authority to vote under Temporary Standing Order 115(6) on any issue.

## **2. Declaration of Interests**

There were no declarations of interest.

## **3. Draft Minutes**

The Committee considered the minutes of the meeting held on Wednesday, 13 January 2021.

*Agreed:* The Committee agreed, subject to the amendment of a typographical error, the minutes of the meeting held on Wednesday, 13 January 2021.

## **4. Matters Arising**

There were no matters arising.

## **5. Oral Evidence Session – 2021-22 Draft Budget – Department of Finance**

*The following officials joined the meeting at 2:10pm.*

- Joanne McBurney – Budget Director, Public Spending Directorate, Department of Finance; and
- Jeff McGuinness – Head of Central Expenditure Division, Department of Finance.

The oral evidence session was recorded by Hansard.

The Committee noted the Draft Budget consultation document and tabled correspondence from the Department of Finance setting out the Draft Budget process.

The Committee explored a range of matters: including the absence of provision for a Victims' Pension Scheme; the anticipated additional resources arising from the New Decade New Approach (NDNA) agreement and the Confidence and Supply agreement etc.; and the levels of carryover into 2021-22 of both conventional and Covid related resource.

*Agreed:* The Committee agreed to write to The Executive Office – copying the correspondence to the Minister of Finance, the Committee for The Executive Office and the Committee for Justice – in order to seek clarity as to: the funding for the Victims' Pension Scheme including the level of resource which was sought; why the resource pressure or bid was made by The Executive Office rather than the Department of Justice; and why related resources were not included in the Draft Budget.

*Agreed:* The Committee agreed to write to the Department seeking clarification: on the quantum of the loss of EU Structural Funding for Invest NI; and the extent to which the budget will address Health Service pay pressures including those designed to be met by the Agenda for Change pay arrangements; and the amount of NDNA funding which may be needed to supplement the funding of this pressure.

*Agreed:* The Committee agreed to schedule oral evidence from the Department of Finance in respect of its own allocations under the Draft Budget 2021-22.

*Agreed:* The Committee agreed to commission Assembly Research to provide an analysis of the Draft Budget 2021-22.

*Agreed:* The Committee agreed to write to the Assembly's statutory committees requesting that they review the impact of the Draft Budget 2021-22 in respect of their departments and seeking formal written responses by mid-February.

*Agreed:* The Committee agreed to write to the Economic Policy Centre, Ulster University; Confederation of British Industry; Construction Employers' Federation; Federation of Small Business; Hospitality Ulster; Retail NI; First Division Association; Irish Congress of Trade Unions; Northern Ireland Council for Voluntary Action (NICVA); WAVE Trauma Centre; Pivotal; and the Northern Ireland Chamber of Commerce to invite them to provide written evidence on the Draft Budget 2021-22

## **6. Oral Briefing from RaISe - Building Regulations**

*The Senior Researcher joined the meeting at 3:36pm.*

- Dan Hull, Senior Researcher, RaISe

The Committee considered the briefing paper provided by RaISe.

*Agreed:* The Committee agree to commission RaISe to revise the briefing paper in order to include consideration of relevant developments in the Republic of Ireland including progress arising from the work of the Fire Safety Taskforce and comparative revisions to equivalent building regulations in that jurisdiction (if any).

## **7. Oral Briefing from RaISe - Freeports**

The Committee noted the briefing paper provided by RaISe.

*Agreed:* The Committee agreed to commission RaISe to revise the freeports paper in order to include further reference to the impact of the anticipated new State Aid restrictions associated with the Northern Ireland Protocol and to defer the oral briefing to a later date.

## **8. Oral Briefing from Solace NI and the Northern Ireland Local Government Association (NILGA) – EU Successor Funding in Northern Ireland**

*The following witnesses joined the meeting at 3:54pm.*

- Councillor Martin Kearney, Mid-Ulster District Council and Vice President, NILGA;
- Lisa O’Kane, Head of Performance and Partnerships, NILGA; and
- John Tully, Director of City and Organisational Strategy, Belfast City Council and representing SOLACE NI

The Committee noted a paper on EU Successor Funding prepared by Ekosgen on behalf of Solace NI and NILGA.

*Agreed:* The Committee agreed to write to both Solace NI and NILGA to request further detail on the projected losses for district councils resulting from the loss of EU Structural Funds in 2021-22 and their assessment of the anticipated funding that would have been received for the 2021-27 EU Structural Funds programme.

**9. SL1 – The Rates (Coronavirus) (Emergency Relief) (No.2) (Amendment) Regulations (Northern Ireland) 2021**

The Committee noted relevant papers provided by the Department on the proposed rule including the SL1.

*Agreed:* The Committee considered Department’s proposal for subordinate legislation: The Rates (Coronavirus) (Emergency Relief) (No.2) (Amendment) Regulations (Northern Ireland) 2021 and had no objection to the related policy and agreed that it was content for the Department to make the rule.

**10. SL1 – The Rates (Coronavirus: Making of District Rates) Regulations (Northern Ireland) 2021**

The Committee noted relevant papers provided by the Department on the proposed rule including the SL1.

*Agreed:* The Committee considered the Department’s proposal for subordinate legislation: The Rates (Coronavirus: Making of District Rates) Regulations (Northern Ireland) 2021 and had no objection to the related policy and agreed that it was content for the Department to make the rule.

**11. SL1 – The Superannuation (Commissioner for Survivors of Institutional Childhood Abuse) Order (Northern Ireland) 2021**

The Committee noted relevant papers provided by the Department on the proposed rule including the SL1.

*Agreed:* The Committee considered the Department's proposal for subordinate legislation: The Superannuation (Commissioner for Survivors of Institutional Childhood Abuse) Order (Northern Ireland) 2021 and had no objection to the related policy and agreed that it was content for the Department to make the rule.

## **12. Chairperson's Business**

12.1 The Chairperson informed the Committee that he had met informally with the Minister on 18 January 2021 in order to discuss the oral statement on the 2021-22 Draft Budget.

12.2 The Committee discussed correspondence from Mr Alex Maskey MLA, Speaker to the Assembly in respect of the management of Assembly business during the current phase of the pandemic.

*Agreed:* The Committee agreed to give further consideration to the use of the available videoconferencing facilities for witnesses and Members where practicable.

## **13. Correspondence**

13.1 The Committee noted an index of incoming correspondence.

13.2 The Committee noted a response from the Department of Health regarding VAT paid on Personal Protective Equipment (PPE).

13.3 The Committee noted a response from the Department of Finance on reclaiming VAT on PPE and HM Treasury's decision to discontinue the VAT relief on PPE from November 2020.

13.4 The Committee noted correspondence from the Committee for The Executive Office including the response from the Rt. Hon. Michael Gove MP regarding governance of the Withdrawal Agreement and Common Frameworks.

*Agreed:* The Committee agreed to write to the Committee for the Executive Office noting the dearth of information relating to the Terms of Reference, memberships and meeting frequency for the Joint Committee, the Partnership Council and the Arbitrations Panel and seeking clarity as to how these will inter-relate with the role of the Executive and the Assembly and to propose that both committees give consideration to commissioning external research on the NI Protocol and the roles and relationships of these bodies.

13.5 The Committee noted the Minister's response to the Committee for Justice regarding the Criminal Justice (Committal Reform) Bill.

13.6 The Committee considered correspondence from the Welsh Parliament Finance Committee regarding the role and remits of independent Fiscal Institutions.

The Chairperson recorded his concerns in respect of the absence of detail on the establishment of the Fiscal Council and the detrimental impact this would have on scrutiny of the Draft Budget given the uncertainty regarding the relatively high level of unallocated funding.

*Agreed:* The Committee agreed to forward the Welsh Parliament Finance Committee's response to RaISe for information.

*Agreed:* The Committee agreed to seek an update from the Department on the role and effectiveness of the Procurement Board.

13.7 The Committee noted the list of amendments from the Department to the Further Consideration Stage of the Functioning of Government (Miscellaneous Provisions) Bill.

13.8 The Committee noted correspondence from the Committee for the Economy to the Minister for the Economy regarding difficulties relating to the application process for Covid Restrictions Business Support Schemes.

*Agreed:* The Committee agreed to write to the Department of Finance and the Department for the Economy to seek clarity on Covid support schemes for: businesses with rateable values over £50,000; company directors with no rateable premises; £9,000 of covid money for businesses mentioned in the Chancellor of the Exchequer's recent statement; and to request a summary table setting out each business support scheme, how much has been allocated to each scheme, how much has been paid out and the end date for the scheme.

*Mr Catney declared an interest stating that a family member operates a licensed premises operating within the Hospitality sector.*

13.9 The Committee considered correspondence from the Committee for the Economy to the Minister of Finance regarding the voucher scheme and seeking clarity on restrictions on the use of Covid support.

*Agreed:* The Committee agreed to continue to monitor any developments relating to the development of a mechanism to allow enhanced carry-over of funding into the 2021-22 financial year.

13.10 The Committee noted correspondence from the Committee for the Economy to the Minister of Finance relating to bars in membership clubs and their ineligibility for Localised Restrictions Support Scheme funding.

*Mr O'Toole left the meeting at 5:02pm.*

13.11 The Committee noted the Pivotal Report - New Decade New Approach: One Year On.

13.12 The Committee noted the weekly composite information request to the Department.

#### **14. Forward Work Programme**

The Committee considered the Forward Work Programme.

*Agreed:* The Committee agreed to: receive a briefing from the Department of Finance on the outcome of the January Monitoring Round at its meeting on 27 January; consider legal advice on the budget process 3 February; and consider oral evidence from the Department on its own budget position for the 2021-22 financial year on 10 February 2021.

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

#### **15. Any Other Business**

There was no other business.

#### **16. Date, time and place of next meeting**

The next meeting of the Committee will be held on **Wednesday, 27 January 2021** at **2:00pm** in the **Senate Chamber**.

*The meeting was adjourned at 5:05pm*

**Dr Steve Aiken OBE MLA**  
**Chairperson**  
**Committee for Finance**  
**27 January 2021**