



Northern Ireland
Assembly

Committee for Finance

Minutes of Proceedings

10 November 2021

Meeting Location: The Senate Chamber, Parliament Buildings

Present: Dr Steve Aiken OBE MLA (Chairperson)
Mr Keith Buchanan MLA (Deputy Chairperson)
Mr Jim Allister MLA
Mr Pat Catney MLA
Mr Philip McGuigan MLA
Mr Matthew O'Toole MLA
Mr Jim Wells MLA

Present by Video or Teleconference:
Ms Jemma Dolan MLA

Apologies: Mr Maolíosa McHugh MLA

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



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Proceedings commenced at 2:01pm in public session.

1. Apologies

Apologies were as indicated above.

Maoliosa McHugh delegated authority to vote on his behalf to Philip McGuigan under Temporary Standing Order 115(6).

Jemma Dolan joined the meeting at 2:02pm.

2. Declaration of Interests

There were no declarations of interest.

3. Chairperson's Business

3.1 Passing of Austin Currie

The Chairperson acknowledged the recent passing of Austin Currie.

Agreed: The Committee agreed to write expressing its condolences to the family of Austin Currie.

3.2 Department of Finance – 2020-21 Annual Report and Accounts

The Chairperson noted that as indicated in the Department of Finance 2020-21 Annual Report and Accounts, the Northern Ireland Audit Office had qualified its opinion in regards to: the lack of information relating to the receipt of covid support by ineligible businesses; Localised Restrictions Support Scheme payments made in error; and the classification of £47.68m of grant expenditure as an accrual.

The Chairperson also advised the Committee that related correspondence had lately been received from the Minister.



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Agreed: The Committee agreed to give further consideration to the qualification of the Department's Annual Report and Accounts at next week's meeting.

Agreed: The Committee also agreed to write to the Minister requesting that the Committee for Finance be advised promptly when accounts are qualified and to seek clarity as to how often departmental accounts have been qualified in recent years.

3.3 Head of Civil Service Appointment

The Chairperson noted press commentary relating to the appointment of the former interim Head of the Civil Service and the "cooling-off period" that is generally required between the cessation of public sector appointments and the uptake of private sector roles, in this case to the board of Firmus Energy.

Matthew O'Toole declared an interest as the Chairperson of the All Party Group on Press Freedom and Media Sustainability.

Agreed: The Committee agreed to write to the Minister, given his responsibility for the RHI Action Plan and the restoration of public confidence in the Northern Ireland Civil Service, seeking clarity as to whether: the relevant cooling-off period had indeed been by-passed; the previous interim Head of the Civil Service had been exempt from the NI Civil Service disciplinary code or Cabinet Office investigations and sanctions, owing to her status; the previous interim Head of the Civil Service was able to act as the accounting officer for the Executive Office, despite her status; and the current Head of the Civil Service is a civil servant.

4. Draft Minutes

Agreed: The Committee agreed the minutes of the meeting held on Wednesday 3 November 2021.

5. Matters Arising

There were no matters arising.



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Owing to technical difficulties, the Committee adopted a revised order of proceedings.

Proceedings continued in closed session from 2:14pm.

6. Financial Reporting (Departments and Public Bodies) Bill – Formal Clause by Clause Scrutiny – Procedural Advice

The Committee noted procedural advice from the Clerk.

Proceedings continued in open session from 2:27pm.

7. Financial Reporting (Departments and Public Bodies) Bill – formal Clause by Clause scrutiny

Departmental officials joined the meeting at 2:27pm.

Jeff McGuinness, Head of Central Expenditure Division, Department of Finance.

Barry Armstrong, Head of Supply Division, Department of Finance.

The Committee noted a response from the Northern Ireland Fiscal Council and further information from the Department in respect of how the Bill may affect Further Education Colleges.

The Committee also noted advice from the Examiner of Statutory Rules in respect of the delegated powers associated with the Bill.

The session was reported by Hansard.

The Committee commenced its formal clause by clause consideration of the Financial Reporting (Departments and Public Bodies) Bill.

Clause 1 - Estimates: Inclusion of resources used by designated bodies

The Committee considered proposed amendments to Clause 1.



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The Committee noted Departmental assurances relating to the format of the Estimates and the Minute of accruing resources. In particular, Members noted Departmental assurances that part 1 of the Estimates will in future clearly set out types and levels of accruing resources. The Committee also noted Departmental assurances that it would provide clear information in future in the Estimates in respect of sole authority and EU funding.

Agreed: The Committee therefore agreed to give no further consideration to related amendments.

The Committee considered an amendment relating to the production of Estimates Memoranda as follows:

Page 2, line 11

At end insert—

‘Estimates: preparation and submission of estimates memorandum

8AA. — (1) Any estimate for a Northern Ireland department, as provided for under section 8A, must be accompanied by an estimates memorandum which departments must share with the relevant statutory committee of the Assembly at the time of the publication of the estimate.

(2) The estimates memorandum must set out each budget line showing the actual or expected expenditure for the previous three years with a granularity of £1 million.

(3) The estimates memorandum must identify and explain expenditure for which the authority is provided solely by the Budget Act.

(4) An estimates memorandum must be prepared in accordance with the format as the Department may by regulations specify.

(5) The regulations provided for under this section must be laid annually.



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(6) Regulations under this section are subject to negative resolution.'

Agreed: The Committee agreed to seek Ministerial assurances in respect of the production of Estimates Memoranda and to consequently give no further consideration to the related amendment.

The Committee noted Departmental assurances in respect of the sharing of information by the Department with the Northern Ireland Fiscal Council

Agreed: The Committee therefore agreed to not pursue related amendments but instead to seek an update on the development of the Terms of References and the drafting of the related NI Fiscal Council legislation.

The Committee considered a Departmental amendment relating to the treatment of the Northern Ireland Public Services Ombudsman as follows:

Clause 1, Page 1, Line 3 Leave out 'follows' and insert 'mentioned in subsections (2) to (4)'

Clause 1, Page 2, Line 34 At end insert

— '(5) In consequence of subsection (2), in section 2(2) of the Public Services Ombudsman Act (Northern Ireland) 2016 (list of powers exercisable in relation to the Ombudsman),

after paragraph (c) insert

— "(d) the power of the Department of Finance under sections 8A and 8B of the Government Resources and Accounts Act (Northern Ireland) 2001 to issue directions in relation to estimates for the Ombudsman."

Agreed: The Committee noted Departmental assurances that the amendment would not adversely impact the independence of NIPSO or the related work of the Audit Committee and therefore agreed that it was content to support the Departmental amendment.

Agreed: The Committee agreed that it was content with Clause 1, as amended.

Clause 2 – Definition of "the Department"



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The Committee considered Clause 2 as drafted.

Agreed: The Committee agreed that it was content with Clause 2, as drafted.

Clause 3 - Commencement

The Committee considered Clause 3 as drafted.

Agreed: The Committee agreed that it was content with Clause 3, as drafted.

The Committee noted previous Departmental assurances relating to the status of: the Office of the Attorney General for NI, NI Water, Translink, NI Assembly Commission and relating to the treatment of North South bodies.

The committee also noted Departmental explanations regarding the extra costs of the Bill for Further Education (FE) colleges.

The Committee also noted the relevant Departmental assurances relating to the designation of bodies that receive funding from more than 1 consolidated fund.

Agreed: The Committee consequently agreed that it would not pursue amendments relating to: the status of NDPBs; the costs for FE colleges; or in respect of bodies receiving funding from more than 1 consolidated fund.

Short Title

The Committee considered the Short Title as drafted.

Agreed: The Committee agreed that it was content with the Short Title as drafted.

Long Title

The Committee considered the Long Title as drafted.

Agreed: The Committee agreed that it was content with the Long Title as drafted.

The Chairperson advised Members that the formal clause by clause scrutiny of the Financial Reporting (Departments and Public Bodies) Bill had concluded.



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Agreed: The Committee agreed to instruct the Clerk to draft a report on the Committee Stage of the Bill, for its consideration.

8. Written Briefing – SL1: General Register Office (Fees) Amendment Order (NI) 2021

The Committee considered a proposal by the Department of Finance to make a Statutory Rule: General Register Office (Fees) Amendment Order (NI) 2021.

The question was put that the Committee is content for the Department to make the Rule.

The Committee divided: Ayes 6; Noes 2; Abstain 1

AYES

Steve Aiken

Pat Catney

Jemma Dolan

Philip McGuigan

Maolíosa McHugh

Matthew O'Toole

NOES

Jim Allister

Jim Wells

ABSTAIN

Keith Buchanan

The motion was agreed.

The Committee also noted the Examiner of Statutory Rules 5th Report including reference to SR 2021/252: The Financial Assistance (Aluminium Composite Material (ACM) Remediation Fund) (Private Residential Properties over 18m) Regulations (Northern Ireland) 2021.



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9. Oral Evidence – October Monitoring Round – Department of Finance

Departmental officials joined the meeting at 3:09pm.

Joanne McBurney, Budget Director, Department of Finance.

Jeff McGuinness, Head of Central Expenditure Division, Department of Finance.

Anne Scott, Public Spending Directorate, Department of Finance.

The Committee noted tabled Ministerial correspondence relating to NI Water electricity costs.

The evidence session was reported by Hansard.

Members exchanged views in respect of the capacity of the Minister to agree a budget over-commitment relating to maintaining a Universal Credit uplift.

The Chairperson thanked the officials for their briefing.

Agreed: The Committee agreed to write to the Department seeking: sight of the Unique Circumstance bids from other departments; information on Financial Transaction Capital allocations and spending; and information on Barnett Health consequentials and Executive expenditure.

10. Oral Evidence – Defamation Bill – Committee Stage – Department of Finance

Departmental officials joined the meeting at 3:44pm.

Michael Foster, Head of Civil Law Reform Division, Department of Finance.

Martin Tyrell, Principal Legal Officer, Civil Law Reform Division, Department of Finance.

The Committee noted Departmental papers and an extract from the Gillen Review of Civil Justice 2017.

The oral evidence session was reported by Hansard.

The Chairperson thanked the officials for their evidence.

Jim Allister left the meeting at 4:37pm.



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Agreed: The Committee agreed to write to the Department suggesting that it puts down amendments to the Bill in order to correct what it believes to be errors and seeking its views in respect of: discretionary powers for judges; mandatory mediation; higher thresholds for public corporations; and summaries of scientific reports in other journals.

11. Correspondence

11.1 The Committee noted an index of incoming correspondence.

11.2 The Committee noted a response from the Minister of Finance in relation to the Non-Domestic Rates Revaluation (Coronavirus) Bill.

Agreed: The Committee agreed to write to the Department of Finance seeking sight of the impact screening documentation for the Bill. The Committee also agreed to give further consideration to this matter at its next meeting.

11.3 The Committee noted a response from the Minister of Finance in relation to the NICS Injury Benefit Scheme indicating that PTSD claims may be time limited in respect of the date of diagnosis or when the condition impacted on the ability to work.

Agreed: The Committee agreed to write to the Department of Finance seeking an explanation as to why PTSD claims may be limited to the date of diagnosis rather than when the condition impacts on ability to work, and to request further information on the advice and guidance that had been sought by the Department in relation to this issue.

11.4 The Committee noted correspondence from the Department of Finance providing clarification on surplus funds invested by Debt Management Office.

11.5 The Committee noted a Department for the Economy response confirming that negative capital spending in 2020-21 was owing to repayments associated with the Presbyterian Mutual Scheme.



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Agreed: The Committee agreed that the Clerk would recirculate previous Department for the Economy correspondence on this issue.

11.6 The Committee noted the Investment Strategy NI Investing Activity Report for October 2021.

11.7 The Committee noted correspondence from the Committee for the Economy to the Minister of Finance regarding an energy efficient building system.

11.8 The Committee considered the composite information request.

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

12. Forward Work Programme

The Committee considered a draft of its Forward Work Programme.

Agreed: The Committee agreed to revise its agenda for the meeting on 17 November 2021 to accommodate the Minister who is attending an Executive meeting on that day.

Agreed: The Committee agreed to schedule a number of Defamation Bill oral evidence sessions before Christmas Recess.

Agreed: The Committee agreed to schedule oral briefings from the Fiscal Council and the Fiscal Commission on their reports

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

13. Any Other Business

There was no other business.



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14. Date, Time and Place of the next meeting

The next meeting of the Committee for Finance will be at 2pm on Wednesday 17 November 2021 in the Senate and on Starleaf.

The meeting was adjourned at 4:56pm.

Dr Steve Aiken MLA
Chairperson, Committee for Finance
17 November 2021