

# COMMITTEE FOR FINANCE AND PERSONNEL

## MINUTES OF PROCEEDINGS

**WEDNESDAY, 17 JUNE 2015**  
**ROOM 30, PARLIAMENT BUILDINGS**

Present: Mr Daithí McKay MLA (Chairperson)  
Mr Dominic Bradley MLA  
M Michaela Boyle MLA  
Mr Leslie Cree MBE, MLA  
Mr Paul Girvan MLA  
Mr John McCallister MLA  
Mr Ian McCrea MLA  
Mr Máirtín Ó Muilleoir MLA  
Mr Jim Wells MLA

In Attendance: Mr Shane McAteer (Assembly Clerk)  
Mr Phil Pateman (Assistant Assembly Clerk)  
Mrs Clairita Frazer (Assistant Assembly Clerk)  
Miss Heather Graham (Clerical Officer)

Apologies: Mrs Judith Cochrane MLA  
Mr Adrian McQuillan MLA

*The meeting commenced at 10:00am in public session.*

*Agreed:* that agenda item 3 is covered by Hansard and the Official Report published on the Assembly's website.

### **1. Apologies**

Apologies are detailed above.

## **2. Draft Minutes of Proceedings of 10 June 2015**

*Agreed:* that the minutes are published on the Assembly website.

*Agreed:* due to the Minister's availability, to consider the following agenda item next:  
Ministerial briefing on the Main Estimates and Budget (No.2) Bill 2015.

## **3. Ministerial Briefing on Main Estimates and Budget (No.2) Bill 2015**

The Committee received a briefing on the Main Estimates and Budget (No.2) Bill 2015 from the following representatives from the Department of Finance and Personnel (DFP):

- Arlene Foster, Minister of Finance and Personnel;
- Mike Brennan, Budget Director, Public Spending Directorate;
- Emer Morelli, Head of Supply, Public Spending Directorate;
- Joanne McBurney, Head of Central Expenditure Division, Public Spending Directorate;
- and
- Peter Jakobsen, Supply Officer, Public Spending Directorate, DFP.

*This session was recorded by Hansard.*

*John McCallister joined the meeting at 10:01am*

*Jim Wells joined the meeting at 10:05am*

*Máirtín Ó Muilleoir joined the meeting at 10:15am*

*Dominic Bradley left the meeting at 11:01am*

*Paul Girvan left the meeting at 11:09am*

*Máirtín Ó Muilleoir left the meeting at 11:09am*

*Máirtín Ó Muilleoir re-joined the meeting at 11:09am*

*Dominic Bradley re-joined the meeting at 11:13am*

*Agreed:* to write to DFP seeking detail on the cost and resource implications of gaining accreditation for the Net Fiscal Balance Report, which contains public expenditure statistics.

*Agreed:* to write to DFP requesting a breakdown by department of the detail of the projected savings within departmental budgets for 2015-16 arising from the voluntary exit schemes.

*Agreed:* that the Chairperson will write to his counterparts in the finance committees of the Scottish Parliament and Welsh Assembly to establish what consideration they and their respective devolved governments have been giving to the potential for the UK Government's austerity policy having a disproportionate impact upon their regional economies.

*Agreed:* that the Committee is satisfied that there has been appropriate consultation with it on the public expenditure proposals contained in the Budget (No. 2) Bill (NI) 2015 and is content to grant accelerated passage to the Bill in accordance with Standing Order 42(2).

*Agreed:* that a letter will be sent to the Speaker reflecting the Committee's decision to grant accelerated passage.

#### **4. Matters Arising**

##### Cerberus European Capital Advisors

Members noted correspondence from Cerberus European Capital Advisors, proposing alternative dates for a briefing following the Committee's request.

*Agreed:* to schedule the briefing in the Committee's work programme for one of the dates in September proposed by Cerberus.

*Agreed:* to also invite Ulster Bank to provide a briefing on the related issue of business loans which have been sold to Cerberus.

*Agreed:* to write to Ulster Bank seeking further detail on the impact on customers of the further computer glitches being reported by the media.

##### Table of requests for information from DFP

The Committee noted the summary table of requests for information from DFP which provided an update on any matters arising not covered elsewhere on the agenda.

*In line with normal protocol for the consideration of draft Committee reports, the Committee moved to closed session at 11:18am*

*Paul Girvan re-joined the meeting at 11:18am*

*Michaela Boyle re-joined the meeting at 11:19am*

#### **5. Review of the Operation of the Barnett Formula – Final Consideration of Draft Report (Closed Session)**

Members considered the final working draft of the Committee report on the Review of the Operation of the Barnett Formula.

*Agreed:* that paragraphs 1 - 5 stand part of the Report;

*Agreed:* that paragraph 6, as amended, stands part of the Report;

*Agreed:* that paragraphs 7 - 16 stand part of the Report;

*Agreed:* that paragraphs 17 - 30 stand part of the Report;

*Agreed:* that paragraphs 31 - 53 stand part of the Report;

*Agreed:* that paragraphs 54 - 67 stand part of the Report;

*Agreed:* that paragraphs 68 - 74 stand part of the report;

*Agreed:* that paragraph 75, as amended, stands part of the Report;

*Agreed:* that paragraphs 76 - 80 stand part of the Report;

*Agreed:* that paragraph 81, as amended, stands part of the Report; and

*Agreed:* that paragraphs 82 - 83 stand part of the report.

*Agreed:* that the report be the 14<sup>th</sup> report of the Committee for Finance and Personnel to the Assembly 2011-16.

*Agreed:* that the Committee report on the Review of the Operation of the Barnett Formula, as amended, be published online.

Members noted that, in line with normal protocol, a typescript copy of the Report will be issued to DFP and that two typescript copies will be laid in the Business Office within 24 hours.

Members further noted that embargoed copies of the printed Report will be made available to all MLAs in advance of the plenary debate in the Assembly on 23 June 2015. Copies will also be sent to selected media outlets on an embargoed basis.

*Agreed:* that a draft press release will be issued to members separately for clearance given that the plenary debate will now take place on 23 June 2015.

*The Committee returned to open session at 11:42am for the remainder of the meeting.*

*Máirtín Ó Muilleoir left the meeting at 11:42am*

## **6. Central Procurement Directorate: Performance against Business Plan Targets – Briefing from DFP**

The Committee received a briefing on Central Procurement Directorate's Performance against Business Plan Targets, from the following departmental officials:

- Des Armstrong, Director of Central Procurement Directorate (CPD), DFP; and
- Gareth Johnston, Head of Policy and Performance Division, DFP.

*Ian McCrea left the meeting at 11:45am*

*Máirtín Ó Muilleoir re-joined the meeting at 11:47am*

*Agreed:* that, given that no briefing paper was provided for the session, the briefing will be rescheduled to the Committee's meeting on 1 July.

*Agreed:* that the departmental officials will work with the Centres of Procurement Expertise to establish how previous subcontracting experience of tenderers can be taken into account when setting the criteria for public procurement opportunities relating to main contractors.

## **7. Implementation of the NICS People Strategy - Written Briefing from DFP**

The Committee considered a written brief from DFP on the Implementation of the NICS People Strategy.

*Agreed:* to write the department for further detail on a number of issues in advance of an oral briefing on this subject.

## **8. Correspondence**

Members noted the following items of correspondence:

- DFP – Air Passenger Duty – Highlands and Islands Exemptions;
- DFP – Business Plan 2015-16;  
*Agreed:* to schedule a briefing from the Permanent Secretary on departmental performance against business plan targets early after the summer recess;
- Office of the First Minister and Deputy First Minister – Joint Ministerial Committee on the European Union – March 2015;
- Carnegie UK – Press Release;
- Press Article – Financial Times report ‘IMF warns of damage caused by needless austerity policies’.

Máirtín Ó Muilleoir drew the Committee’s attention to this recent press article.

*Agreed:* that the research paper by the International Monetary Fund will be circulated to members for information.

*Ian McCrea re-joined the meeting at 12:05pm*

## **9. Committee Work Programme**

Members considered a draft of the Committee work programme.

### Legal Complaints and Regulation Bill

*Agreed:* to publish all relevant papers in relation to the Committee Stage of the Legal Complaints and Regulation Bill on the Committee webpages.

*Agreed:* that the Committee work programme will be updated to reflect decisions taken today and is published on the Committee's website.

**10. Any other business**

There was no other business.

**11. Date, Time and Place of Next Meeting**

The next scheduled meeting of the Finance and Personnel Committee will be held on Wednesday, 24 June 2015 at 10:00am, Room 30, Parliament Buildings.

*The Chairperson adjourned the meeting at 12:05 pm.*

**Mr Leslie Cree, MBE MLA  
Chairperson  
Committee for Finance and Personnel  
1 July 2015**