

COMMITTEE FOR FINANCE

MINUTES OF PROCEEDINGS

WEDNESDAY, 14 APRIL 2021

Senate Chamber, Parliament Buildings, Belfast

Present: Dr Steve Aiken OBE MLA (Chairperson)
Mr Paul Frew MLA (Deputy Chairperson)
Mr Jim Allister MLA
Mr Pat Catney MLA
Mr Matthew O'Toole MLA
Mr Jim Wells MLA

Present by Video-conference:
Ms Jemma Dolan MLA
Mr Philip McGuigan MLA
Mr Maolíosa McHugh MLA

Apologies: None

In Attendance: Mr Peter McCallion (Assembly Clerk)
Mr Phil Pateman (Senior Assistant Assembly Clerk)
Ms Kate McCullough (Assistant Assembly Clerk)
Ms Angela McParland (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Heather Graham (Clerical Officer)

The meeting commenced in open session at 2:00pm.

1. Apologies

Apologies were as indicated above.

The Committee noted that no notice had been received from any Member to delegate authority to vote under Temporary Standing Order 115(6) on any issue in the event of them not being present for all or part of the proceedings.

Ms Jemma Dolan joined the meeting at 2.01pm.

2. Declaration of Interests

The Chairperson declared an interest in respect of Agenda Item 18.33 on the Northern Ireland Civil Service (NICS) Human Resources (HR) Grievance Policy due to work he previously carried out on behalf of the correspondent.

Ms Jemma Dolan declared an interest as she is currently seeking planning permission for a new house, in respect of Agenda Item 8, Departmental oral briefing on Nearly Zero Energy Buildings (NZEBS) and Energy Performance Building Regulations, and Agenda Item 9, Statutory Rule (SR) 2021/72 The Energy Performance of Buildings (Certificates and Inspections) (Amendment) Regulations (Northern Ireland 2021).

3. Chairperson's Business

3.1 Duke of Edinburgh

On behalf of the Committee, the Chairperson indicated that the Duke of Edinburgh's recent passing was a shared moment of sadness and reflection and paid tribute to the thoughtful and respectful commentary in the Assembly.

3.2 Fiscal Commission

The Chairperson updated the Committee on his agreed informal meeting with the chairperson of the Fiscal Commission, on 30 March 2021. The Chairperson informed Members that it is anticipated that the Commission may engage formally with the Committee within the next few months and that the Commission's report is expected to be produced in February 2022.

Mr Maoliosa McHugh joined the meeting at 2.05pm.

3.3 Northern Ireland Affairs Committee

The Chairperson reminded the Committee that it had previously agreed to his attendance at a meeting with the Northern Ireland Affairs Committee and other Assembly statutory committee chairpersons, to be held tomorrow, 15 April 2021, in respect of the Northern Ireland Protocol. As both the Chairperson and Deputy Chairperson are unable to attend, the Chairperson asked Members if the Clerk should attend on behalf of the Committee.

Agreed: The Committee agreed that the Clerk should attend the meeting with the Northern Ireland Affairs Committee and should provide an update to Members subsequently.

3.4 The Chairperson noted that recent press reports had indicated that the Permanent Secretary for the Department of Finance is to move to a position in the Cabinet Office.

Agreed: The Committee agreed to write to the Department to convey the Committee's best wishes to Ms Gray and to thank her for her considerable contribution to the Northern Ireland Civil Service. The Committee also agreed to seek clarity from the Department as to the timeline for Ms Gray's departure and subsequent replacement, and confirmation as to who the Accounting Officer will be in the interim.

4. Draft Minutes

Agreed: The Committee agreed the minutes of the meeting held on Wednesday 24 March 2021.

5. Matters Arising

There were no matters arising.

6. Oral Briefing: Institute for Government – Public Sector Reform

The witness joined the meeting at 2:05pm.

Alex Thomas, Programme Director, Institute for Government.

The Committee noted a related Institute for Government paper.

Mr Matthew O’Toole joined the meeting at 2.29pm.

The Chairperson thanked the witness for his briefing.

7. Oral Briefing: Pivotal – Public Sector Reform

The witness joined the meeting at 2:57pm.

Ann Watt, Director, Pivotal.

The Committee noted a related paper from Pivotal.

The Chairperson thanked the witness for her briefing.

8. Oral Briefing: Department of Finance – Nearly Zero Energy Buildings and Energy Performance Building Regulations

The officials joined the meeting at 3:37pm.

John Burke, Head of Building Regulations, Department of Finance; and

Billy Black, Acting Head of Building Standards Branch, Department of Finance.

The Committee noted Departmental papers on Nearly Zero Energy Buildings and a proposed uplift to Part F of building regulations in respect of new and existing buildings.

Mr Philip McGuigan declared an interest as a co-sponsor of a Private Members' Bill on climate change.

Mr Jim Allister left the meeting at 4.21pm.

The Chairperson thanked the officials for their briefing.

Agreed: The Committee agreed to write to the Department seeking an estimate of the CO₂ savings associated with the proposed changes to building regulations.

9. Written Briefing: SR 2021/72 The Energy Performance of Buildings (Certificates and Inspections) (Amendment) Regulations (Northern Ireland) 2021

Members noted SR 2021/72 The Energy Performance of Buildings (Certificates and Inspections) (Amendment) Regulations (Northern Ireland) 2021, as affirmed by the Assembly on 10 March 2021.

10. SR 2021/74 The Business Tenancies (Coronavirus) (Restriction on Forfeiture: Relevant Period) (Northern Ireland) Regulations 2021

Officials joined the meeting at 4.35pm to speak to Ministerial correspondence advising in respect of Localised Restrictions Support Scheme (LRSS) over-payments and the complexities associated with changes to lockdown and associated SRs.

Ian Snowden, Chief Executive, Land and Property Services; and

Alan Bronte, Director of Rating Policy Division, Land and Property Services.

The Committee noted the Ministerial correspondence and the papers relating to this subordinate legislation.

The Chairperson thanked the officials for their briefing.

The Committee considered SR 2021/74 The Business Tenancies (Coronavirus) (Restriction on Forfeiture: Relevant Period) (Northern Ireland) Regulations 2021.

Agreed: The Committee agreed that it had considered SR2021/74 The Business Tenancies (Coronavirus) (Restriction on Forfeiture: Relevant Period) (Northern Ireland) Regulations 2021 and, subject to the report of the Examiner of Statutory Rules, had no objection to the rule.

11. SR 2021/86 The Financial Assistance (Coronavirus) (Industrial Business) Regulations (Northern Ireland) 2021

The Committee noted the papers relating to this subordinate legislation.

The Committee considered SR2021/86 The Financial Assistance (Coronavirus) (Industrial Business) Regulations (Northern Ireland) 2021.

Agreed: The Committee agreed that it had considered SR2021/86 The Financial Assistance (Coronavirus) (Industrial Business) Regulations (Northern Ireland) 2021 and, subject to the report of the Examiner of Statutory Rules, had no objection to the rule.

12. SR: 2021/88 The Financial Assistance (Coronavirus) (Large Business) Regulations (Northern Ireland) 2021

The Committee noted the papers relating to this subordinate legislation.

The Committee considered SR2021/88 The Financial Assistance (Coronavirus) (Large Business) Regulations (Northern Ireland) Regulations 2021.

Agreed: The Committee agreed that it had considered SR2021/88 The Financial Assistance (Coronavirus) (Large Business) Regulations (Northern Ireland) Regulations 2021 and, subject to the report of the Examiner of Statutory Rules, had no objection to the rule.

13. SR 2021/87 The Financial Assistance (Coronavirus) (Business Support) Regulations (Northern Ireland) 2021

The Committee noted the papers relating to this subordinate legislation.

The Committee considered SR 2021/87 The Financial Assistance (Coronavirus) (Business Support) Regulations (Northern Ireland) 2021.

Agreed: The Committee agreed that it had considered SR 2021/87 The Financial Assistance (Coronavirus) (Business Support) Regulations (Northern Ireland) 2021 and, subject to the report of the Examiner of Statutory Rules, had no objection to the rule.

14. SR 2021/94 The Financial Assistance (Coronavirus) (No.2) (Amendment) Regulations (Northern Ireland) 2021

The Committee noted the papers relating to this subordinate legislation.

The Committee considered SR 2021/94 The Financial Assistance (Coronavirus) (No.2) (Amendment) Regulations (Northern Ireland) 2021.

Agreed: The Committee agreed that it had considered SR 2021/94 The Financial Assistance (Coronavirus) (No.2) (Amendment) Regulations (Northern Ireland) 2021 and, subject to the report of the Examiner of Statutory Rules, had no objection to the rule.

15. SR 2021/89 The Financial Assistance (Coronavirus) (Soft Play Businesses) Regulations (Northern Ireland) 2021

The Committee noted the papers relating to this subordinate legislation.

The Committee considered SR 2021/89 The Financial Assistance (Coronavirus) (Soft Play Businesses) Regulations (Northern Ireland) 2021.

Agreed: The Committee agreed that it had considered SR 2021/89 The Financial Assistance (Coronavirus) (Soft Play Businesses) Regulations (Northern Ireland) 2021 and, subject to the report of the Examiner of Statutory Rules, had no objection to the rule.

16. SR 2021/90 The Financial Assistance (Airports) (Amendment) Regulations (Northern Ireland) 2021

The Committee noted the papers relating to this subordinate legislation.

The Committee considered SR 2021/90 The Financial Assistance (Airports) (Amendment) Regulations (Northern Ireland) 2021.

Agreed: The Committee agreed that it had considered SR 2021/90 The Financial Assistance (Airports) (Amendment) Regulations (Northern Ireland) 2021 and, subject to the report of the Examiner of Statutory Rules, had no objection to the rule.

17. SR 2021/92: The Pensions Increase (Review) Order (Northern Ireland) 2021 and Guaranteed Minimum Pension (GMP) Indexation Direction

Agreed: The Committee agreed that it was content to note SR 2021/92 The Pensions Increase (Review) Order (Northern Ireland) 2021.

Officials joined the meeting at 4.59pm to speak to correspondence on the indexation of Guaranteed Minimum Pension (GMP).

Blathnaid Smyth, Assistant Director, Public Service Pensions; and

Stephen Ball, Public Service Pensions Policy and Legislation Branch.

Mr Paul Frew left the meeting at 4:59pm.

Mr Matthew O'Toole left the meeting at 5.03pm.

Mr Wells declared an interest as the Chairperson of the Trustees of the Northern Ireland Assembly Members' Pension Scheme

The Chairperson thanked the officials for their briefing.

Agreed: The Committee agreed that it was content to note the GMP Indexation Direction.

18. Correspondence

18.1 The Committee noted an index of incoming correspondence.

18.2 The Committee noted the Department's response to the Committee for Communities regarding legislation planned for the next mandate in respect of shared property management companies.

18.3 The Committee considered a Departmental response in respect of a Building Fire Safety Programme for Northern Ireland.

Agreed: The Committee agreed to consider all of the related correspondence on the Building Fire Safety Programme at its next meeting.

18.4 The Committee noted correspondence from the House of Lords European Union Committee to Westminster departments on EU issues.

18.5 The Committee noted a response from the Northern Ireland Office regarding the £400m New Deal for Northern Ireland package announced by the Secretary of State on 10 Dec 2020.

18.6 The Committee noted that under the Functioning of Government (Miscellaneous Provisions) Act (NI) 2021, the Minister had laid a scheme defining the categories of financial and other interests that are registrable by Ministers and Special Advisers.

18.7 The Committee considered the Departmental response to the Public Accounts Committee (PAC) recommendations on the Northern Ireland Audit Office report entitled: Management of the NI Direct Strategic Partner Project: Helping to Deliver Digital Transformation and the Landweb Project: An Update.

Agreed: The Committee agreed to seek a Departmental oral briefing on its response to the relevant PAC recommendations.

18.8 The Committee noted correspondence from the Committee for the Economy regarding the establishment of the Fiscal Council and Fiscal Commission.

18.9 The Committee noted correspondence from the Department of Finance regarding the establishment of the Fiscal Council and Fiscal Commission.

18.10 The Committee noted a copy of a Northern Ireland Statistics and Research Agency (NISRA) report regarding Sickness and Absence (October –December 2020).

18.11 The Committee noted a response from ShieldUsNI regarding the number of working age Clinically Extremely Vulnerable (CEV) people in Northern Ireland aged between 18 and 65.

18.12 The Committee noted a response from the Minister of Health regarding guidance on the return to work for those in the CEV category.

18.13 The Committee noted a copy of a statement made by the Minister of Finance regarding 2020-21 Public Expenditure Allocations.

18.14 The Committee noted correspondence including some corrections by the Department on headroom reconciliation in the Spring Supplementary Estimates.

18.15 The Committee considered a Departmental Minute setting out the accruing resources for 2020-21.

Agreed: The Committee agreed to write to the Department and ask for a detailed breakdown of the accruing resources with a granularity of at least £1m.

18.16 The Committee noted Ministerial correspondence on an update of the 2021-22 Final Budget.

18.17 The Committee considered correspondence from The Executive Office on funding for the Victims' Pension Scheme and a tabled copy of the Government Actuary's Department (GAD) report on the scheme.

Agreed: The Committee agreed to write to that Department seeking clarity as to how the Victims' Pension Scheme is to be funded from the 2021-22 Budget.

Mr Matthew O'Toole rejoined the meeting at 5.17pm.

18.18 The Committee considered correspondence from the Committee for Justice requesting a copy of the GAD report on the estimated costs of the Victims' Pension Scheme.

Agreed: The Committee agreed to forward the relevant GAD report to the Committee for Justice, for its information.

18.19 The Committee considered a response from the Department regarding the Presbyterian Mutual Society savers' rescue package.

Agreed: The Committee agreed to share the relevant response with the Committee for the Economy, for its information. The Committee agreed to write to both the Department of Finance and the Department for the Economy seeking: an explanation for the shortfall; confirmation of the number of savers affected; and an explanation as to why the loan shortfall was not communicated to the Committee previously. The Committee also agreed to advise the Committee for the Economy and the original correspondent of its action on this matter.

18.20 The Committee considered correspondence from the Department regarding Single Farm Payment disputes and possible historic liabilities

18.21 The Committee noted further correspondence from Jim Shannon MP on Single Farm Payment disputes.

Agreed: The Committee agreed to forward the relevant Departmental response to Jim Shannon MP and the Committee for Agriculture, Environment and Rural Affairs for information.

18.22 The Committee noted correspondence from the Special EU Programmes Body (SEUPB) confirming the briefing scheduled for 26 May 2021 on the Peace Plus consultation.

18.23 The Committee considered Ministerial correspondence including a copy of the Public Procurement Common Framework (PPCF).

Agreed: The Committee agreed to consider all of the related correspondence on the PPCF at its next meeting.

18.24 The Committee noted a response from the Department following the update on the NI Procurement Board and indicating that there had been no adverse commentary on the roll-out of the Open Data Contracting Standard.

18.25 The Committee considered a response from the Department clarifying in respect of Localised Restrictions Support Scheme (LRSS) support for driving schools.

18.26 The Committee noted correspondence from ABBA Driving School confirming anticipated receipt of support from LRSS and thanking the Committee for its work in this regard.

Agreed: The Committee agreed to forward the relevant Departmental response to ABBA Driving School for information.

18.27 The Committee considered a response from the Minister for the Economy regarding Covid-19 business support schemes including details of £500m of schemes developed and delivered by the Department for the Economy.

Agreed: The Committee agreed to share the response with the Committee for the Economy and to write to the Department for the Economy seeking an explanation as to why the Limited Company Directors' and Large Tourism and Hospitality Business Support Schemes have not made any payments.

18.28 The Committee noted a copy of correspondence from the Department of Finance to the Committee for the Economy regarding the NICS Apprenticeship Scheme.

18.29 The Committee noted correspondence from the Welsh Parliament Finance Committee in respect of its Fifth Senedd Legacy Report.

18.30 The Committee noted the ISNI Report for March 2021.

18.31 The Committee noted a call for evidence from the Committee for Health for the Health and Social Care Bill which is to abolish the regional Health and Social Care Board.

18.32 The Committee noted a call for evidence from the Committee for Justice for the Damages (Return on Investment) Bill.

18.33 The Committee considered further responses from a former NICS employee regarding HR issues.

Agreed: The Committee agreed to defer consideration of this correspondence.

18.34 The Committee noted correspondence from a member of the public regarding issues with a mail order company.

18.35 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.

19. Forward Work Programme

The Committee considered the draft Forward Work Programme.

Mr Philip McGuigan left the meeting at 5.30pm.

Agreed: The Committee agreed to write to the US Consul General with a view to obtaining evidence on budget scrutiny and the possible role of the Fiscal Council from the Congressional Budget Office.

Agreed: The Committee agreed to share Departmental correspondence with UK Finance regarding its role as lead liaison with HM Treasury, with a view to UK Finance attending an evidence session with the Committee at a future date.

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

20. Any Other Business

Members discussed the importance of focused questioning of witnesses going forward, given the Committee's extensive Forward Work Programme.

21. Date, Time and Place of the next meeting

The next meeting of the Committee will be held on Wednesday 21 April 2021 at 2:00pm in the Senate Chamber and on Starleaf.

The meeting was adjourned at 5.34pm.

Dr Steve Aiken MLA
Chairperson, Committee for Finance
21 April 2021