

## COMMITTEE FOR FINANCE

### MINUTES OF PROCEEDINGS

WEDNESDAY, 5 MAY 2021

Senate Chamber, Parliament Buildings, Belfast

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

Present by Video-conference:  
Mr Jim Allister MLA  
Ms Jemma Dolan MLA  
Mr Maolíosa McHugh MLA

Apologies: Mr Philip McGuigan MLA

In Attendance: Mr Peter McCallion (Assembly Clerk)  
Ms Angela McParland (Assistant Assembly Clerk)  
Mr Stephen Magee (Clerical Supervisor)  
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.

Mr Philip McGuigan delegated authority to Mr Maolíosa McHugh, under Temporary Standing Order 115(6) to vote on any issue for all of the proceedings.

The Committee noted that no other 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.

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

There were no declarations of interest.

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

#### **3.1 Social Value in Procurement Workshop**

The Chairperson advised Members that, due to diary commitments, he was unable to attend the Department's 'Social Value in Procurement Workshop' which was to be held on 5 May 2021 and that Mr O'Toole, who had attended the morning session in his place, may provide Members with an overview when he joins the meeting.

### **4. Draft Minutes**

*Agreed:* The Committee agreed the minutes of the meeting held on Wednesday 28 April 2021.

### **5. Matters Arising**

The Chairperson reminded Members of the February budget outturn and the March projections, which the Committee had considered at last week's meeting, and suggested sharing these with Assembly Research and Information Service (RaISe) in order to inform its scrutiny of budget matters.

*Agreed:* The Committee agreed to share with RaISe the written submissions from the Department on February budget outturn and the March projections, which it had considered at last week's meeting.

### **6. Oral Evidence: Organisation for Economic Co-operation and Development (OECD) – A Fiscal Council for Northern Ireland**

The witness joined the meeting at 2:02pm.

Scott Cameron, Policy Analyst, OECD

*Mr Jim Allister joined the meeting at 2.03pm*

*The Chairperson declared an interest as leader of the Ulster Unionist Party as that party has, in its current manifesto, indicated its support for an independent Fiscal Council for Northern Ireland*

The Committee noted: a written submission from OECD; the 2019 OECD review of the Scottish Fiscal Commission; and a 2020 OECD briefing note 'Access to information for Independent Fiscal Institutions (IFIs)'.

The oral evidence session was reported by Hansard.

The Chairperson thanked the witness for his evidence.

*Agreed:* The Committee agreed to write to OECD seeking sight of examples of monthly monitoring statements and reports.

**7. Oral Evidence: Institute for Fiscal Studies (IFS) – A Fiscal Council for Northern Ireland**

The witness joined the meeting at 2:40pm.

David Philips, Associate Director, IFS

*Mr Matthew O’Toole joined the meeting at 2.41pm*

*Mr Paul Frew joined the meeting at 2.48pm*

The Committee noted: an excerpt from the IFS paper ‘The New Fiscal Framework: An Assessment’ that includes a discussion on the role of the Office of Budget Responsibility (OBR); and the IFS submission, from 2019, to the Treasury Committee’s Inquiry on ‘The impact of business rates on business’.

The oral evidence session was reported by Hansard.

The Chairperson thanked the witness for his evidence.

**8. Oral Evidence: Carnegie UK Trust - Public Sector Reform**

The witness joined the meeting at 3:18pm.

Jennifer Wallace, Head of Policy, Carnegie UK Trust

The Committee noted a written submission from the Carnegie UK Trust.

The oral evidence session was reported by Hansard.

The Chairperson thanked the witness for her evidence.

**9. Written briefing: Department of Finance - Principal Civil Service Pension Scheme (Amendment) Scheme (NI) 2021**

The Committee considered a written briefing from the Department on the Principal Civil Service Pension Scheme (Amendment) Scheme (NI) 2021, laid in the Assembly on 23 April 2021.

*Agreed:* The Committee agreed to note the Principal Civil Service Pension Scheme (Amendment) Scheme (NI) 2021 on the understanding that it was a technical amendment which would confer no dis-benefit on pensioners.

**10. Subordinate Legislation: SR 2021/111 The Rates (Small Business Hereditament Relief) (Amendment) Regulations (Northern Ireland) 2021**

The Committee noted papers relating to SR 2021/111 The Rates (Small Business Hereditament Relief) (Amendment) Regulations (Northern Ireland) 2021, including a tabled report by the Examiner of Statutory Rules (ESR).

*Agreed:* That the Committee for Finance has considered the statutory rule SR 2021/111 The Rates (Small Business Hereditament Relief) (Amendment) Regulations (Northern Ireland) 2021 and has no objection to the rule.

The Committee noted that the ESR has ruled that the following SRs were laid in breach of the 21-day rule and shared a drafting error. Specifically, each rule failed to indicate that the First Minister and deputy First Minister acted jointly in respect of the Financial Assistance Act (NI) 2009:

- S.R. 2021/86: The Financial Assistance (Coronavirus) (Industrial Business) Regulations (Northern Ireland) 2021;
- S.R. 2021/87: The Financial Assistance (Coronavirus) (Business Support) Regulations (Northern Ireland) 2021;
- S.R. 2021/88: The Financial Assistance (Coronavirus) (Large Business) Regulations (Northern Ireland) 2021; and
- S.R. 2021/89: The Financial Assistance (Coronavirus) (Soft Play Businesses) Regulations (Northern Ireland) 2021.

The Committee noted that the Department has undertaken to amend the drafting error at the earliest opportunity.

## **11. Correspondence**

11.1 The Committee noted an index of incoming correspondence.

11.2 The Committee noted a memo from the Public Accounts Committee advising that it has relinquished primacy over the Northern Ireland Audit Office (NIAO) report 'Managing the Central Government Estate'.

11.3 The Committee noted the April 2021 Investing Activity report for the Department of Finance.

11.4 The Committee noted a copy of a response from the Department to the Committee for Communities indicating that the Department has no way of differentiating the recipients of any covid-19 support grants to identify which are voluntary and community groups.

11.5 The Committee considered a copy of a response from the Department to the Committee for Infrastructure in respect of the sale price for the Portavoe reservoir.

*Agreed:* The Committee agreed to write to the Department to convey the Committee's concerns in respect of the value for money secured for the sale of Portavoe reservoir and to seek further clarity as to: how Land and Property Service (LPS) is able to give assurances that the sale price is appropriate; the estimated value of the land should the reservoir

be drained; and the number of reservoirs sold in recent years including those subsequently drained and developed.

11.6 The Committee noted correspondence from the Department on Nearly Zero Energy Buildings indicating that the proposed uplifts of 25-40% would appear to reduce the extent of new homes' operational emissions by around 1.3-2.0 ktCO<sub>2</sub>e/year for year one, with further annual savings ongoing.

11.7 The Committee noted correspondence from Kingspan Insulation Limited providing the Committee with a copy of its recently published advice note regarding the K15 insulation product.

11.8 The Committee noted a copy of a response from the Minister to the Committee for the Economy indicating his concerns in respect of the Community Renewal Fund (CRF).

11.9 The Committee considered a response from the Department explaining the selection process for an interim Permanent Secretary and advising that Colum Boyle will take up the position and the role of Accounting Officer in May, on a date still to be agreed. This interim temporary promotion arrangement will be in place for three to six months.

*Agreed:* The Committee agreed for the Clerk to liaise with the Department in order to informally ascertain further detail on relevant timescales and processes.

11.10 The Committee considered a further response from the Department on the Chancellor of the Exchequer's recent statement on the use of red diesel for pleasure boats.

*Agreed:* The Committee agreed to write to the Department to seek: further explanation on its reference to non-propulsion use; further detail as to who the UK Government is liaising with on this matter; and a breakdown of the practical impact this measure is likely to have.

11.11 The Committee noted a response from the Committee on Procedures agreeing to consider the Finance Committee's request to amend Standing Orders in order to allow Committees the option to include the sponsor of a Private Members' Bill as an ex-officio member of that committee during the appropriate stages of the passage of the Bill.

11.12 The Committee noted a response from the Minister regarding the £26.9m which has been allocated for labour market interventions and which will allow the Jobstart scheme to proceed.

11.13 The Committee considered a response to a Question for Written Answer (AQW) indicating that members of the NICS classic pension scheme can work past 60 and claim full accrued pension benefits (subject to abatement provisions) if they secure the agreement of their employer to partially retire.

*Agreed:* The Committee agreed to write to the Department seeking clarification on: the abatement provisions; how retirement is defined in respect of the number of hours worked; whether this benefit applies to NICS pension schemes other than classic; and

the number of staff benefiting and which could potentially benefit subject to agreement to partially retire.

11.14: The Committee noted a copy of correspondence from the Secretary of State for Northern Ireland to the House of Lords European Union Committee regarding the PEACE PLUS programme.

11.15 The Committee considered an invitation from the Committee for the Executive Office to a concurrent meeting on the High Street Task Force with the Committee for the Executive Office and the Committee for the Economy, to be held on 16 June 2021.

*Agreed:* The Committee agreed that it will undertake the concurrent meeting on the High Street Task Force, forward work programme permitting.

11.16 The Committee noted a copy of a letter from the Minister to all MLAs providing information on the issuing of rates bills and covid-19 related support for businesses.

11.17 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.

## **12. Any Other Business**

*Agreed:* The Committee agreed to write to the Department to seek an overview of the proceedings of the Department's 'Social Value in Procurement Workshop' including any relevant written materials.

There was no other business.

## **13. Date, Time and Place of the next meeting**

The next meeting of the Committee will be held on Wednesday 12 May 2021 at 2:00pm in the Senate Chamber and on Starleaf.

*The Committee went into closed session at 3.56pm*

## **14. Forward Work Programme**

14.1 Fiscal Council for Northern Ireland

*Agreed:* The Committee agreed to take evidence as planned, engage with the Fiscal Council in June; and seek to agree and publish its findings in respect of an independent Fiscal Council for Northern Ireland at that time.

14.2 Northern Ireland Protocol

The researchers joined the meeting at 4:02pm.

Eileen Regan, Senior Research Officer, RaISe;  
Aiden Stennett, Research Officer, RaISe and  
Emma Dellow-Perry, Research Officer, RaISe

The Committee noted the RaISe paper ‘Protocol on Ireland/Northern Ireland: Potential external experts’ and a supplemental RaISe paper on the interaction of the UK Internal Market Act 2020 with the Protocol in regards to Northern Ireland businesses exporting to non-EU third countries.

The Chairperson thanked the researchers for their evidence.

*Agreed.* The Committee agreed that Members would: give further consideration to the paper on external experts and identify up to three names each from the listed experts for each relevant protocol article; consider all EU exit related matters that may fall under this area of scrutiny; and discuss at next week’s meeting the scheduling of the experts’ evidence for later in June.

*Agreed:* The Committee agreed that section 2 of the RaISe paper on external experts and the RaISe supplementary paper and related presentation should be published by RaISe.

*Agreed:* The Committee agreed to write to all other statutory committees in order to share the RaISe paper on external experts and explain the way forward for this area of scrutiny.

#### 14.3 Forward Work Plan

*Agreed:* The Committee agreed:

- to consider a pre-2<sup>nd</sup> stage brief on the anticipated Financial Reporting (Departments and Public Bodies (NI) Bill 2021 on 19 or 26 May;
- to not receive a briefing from SEUPB on the PEACE PLUS consultation and refer this to the Committee for the Executive Office;
- to defer the brief on the Department’s business plan until September and combine it with a brief on the Departmental annual report and accounts;
- to defer the briefing from NISRA on the census until September; and
- to not, at this time, schedule an additional meeting on 7 July 2021.

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

*The meeting was adjourned at 4.34pm.*

**Dr Steve Aiken MLA**  
**Chairperson, Committee for Finance**  
**12 May 2021**