



Northern Ireland
Assembly

Committee for Finance

Report on the Committee Stage of the Financial Reporting (Departments and Public Bodies) Bill (21/17-22)

Together with the Minutes of Proceedings, Minutes of Evidence and Written
Submissions Relating to the Report

Ordered by the Committee for Finance to be published on 17 November 2021

Mandate 2017-22

4th Report

NIA 129/17-22

Contents

Powers and Membership	3
List of Abbreviations and Acronyms used in the Report	4
Executive Summary	5
Introduction	6
Committee Approach	9
Acknowledgements	10
Committee Deliberations	11
Clause by Clause Scrutiny	19
Appendices	20
- Minutes of Proceedings (extracts)	23
- Minutes of Evidence	40
- Written Submissions	83
- Memoranda and Papers from the Department of Finance	129
- Research Papers	209

Powers and Membership

Powers

The Committee for Finance is a statutory departmental committee established in accordance with paragraphs 8 and 9 of Strand One of the Belfast Agreement and under Assembly Standing Order No 48. The Committee has a scrutiny, policy development and consultation role with respect to the Department of Finance and has a role in the initiation of legislation.

The Committee has power to:

- consider and advise on Departmental budgets and Annual Plans in the context of the overall budget allocation;
- approve relevant secondary legislation and take the Committee Stage of relevant primary legislation;
- call for persons and papers;
- initiate enquiries and make reports; and
- consider and advise on matters brought to the Committee by the Minister of Finance.

Membership

The Committee has 9 members, including a Chairperson and Deputy Chairperson, and a quorum of five members. The membership of the Committee is as follows:

Dr Steve Aiken OBE (Chairperson)	Mr Philip McGuigan ¹
Mr Keith Buchanan (Deputy Chairperson) ²	Mr Maolíosa McHugh
Mr Jim Allister	Mr Matthew O'Toole
Mr Pat Catney	Mr Jim Wells
Ms Jemma Dolan	

¹ Mr Philip McGuigan replaced Mr Seán Lynch with effect from 5 October 2020

² Mr Keith Buchanan replaced Mr Paul Frew as Deputy Chairperson with effect from 15 June 2021

List of Abbreviations and Acronyms used in this Report

AGNI	Attorney General for Northern Ireland
AME	Annually Managed Expenditure
CFP	Committee for Finance and Personnel
DEL	Departmental Expenditure Limit
DPER	Department for Public Expenditure and Reform (in Republic of Ireland)
FnaG	Foras na Gaelige
IFS	Institute for Fiscal Studies
NDPB	Non-Departmental Public Body
NIAO	Northern Ireland Audit Office
NIFC	Northern Ireland Fiscal Council
NILGOSC	Northern Ireland Local Government Officers' Superannuation Committee
NIPSO	Northern Ireland Public Service Ombudsman
OECD	Organisation for Economic Co-operation and Development
RaISe	Assembly Research and Information Services
RfR	Request for Resources
RoFP	Reform of Financial Processes
TEO	The Executive Office
ToRs	Terms of Reference
SEUPB	Special European Union Programmes Body

Executive Summary

The Committee for Finance undertook the Committee Stage of the Financial Reporting (Departments and Public Bodies) Bill.

The Committee generally welcomed the Bill provisions which are designed to enhance transparency in respect of Estimates but recognised that the Bill's tightly drawn scope would likely preclude amendments which might address the wider range of issues associated with budget scrutiny including particularly the engagement of the public through appropriately timed and informed consultation.

The Committee agreed to accept Departmental assurances in respect of: the content of the Estimates including the types, sources and quanta of accruing resources and EU funding; the treatment of North South bodies; the treatment of bodies receiving funding from more than 1 consolidated fund; and the independence of the Northern Ireland Assembly Commission.

The Committee agreed to support a Departmental amendment which would provide for the explicit inclusion of the Northern Ireland Public Services Ombudsman (NIPSO) in the provisions of the Bill. The Committee accepted Departmental assurances in respect of the independence of NIPSO and the related role of the Audit Committee.

The Committee agreed to not bring forward amendments which would require the production of Estimates Memoranda and instead agreed to seek related Ministerial assurances.

The Committee agreed to not pursue amendments relating to an independent Fiscal Council so as to ensure that the necessary governance and powers (which the Committee previously decided needed to be formally enshrined in legislation) are the subject of a dedicated and well-considered Bill.

Introduction

1. In 2012, the then Committee for Finance and Personnel (CFP) considered an Executive review of financial processes (RoFP). CFP made a number of recommendations relating inter alia, to the need for: improvements to the harmonisation of budget, estimates and resource accounts documentation; clearer linkages between departmental spending plans and the Programme for Government; the consolidation within accounting boundaries of Non-Departmental Public Bodies (NDPBs) including particularly those which form an important part of departmental spending; the inclusion of all non-voted expenditure and income in the Estimates; the development of a fixed budget timetable including public consultation and Assembly debate at the pre-budget stage; and the streamlining of the later stages of the budget debate process.
2. It is understood that although the Executive generally accepted the CFP recommendations in 2016, owing to the pandemic, the implementation of RoFP changes to budget and financial processes has been delayed until 2022-23. The Department of Finance is leading the RoFP. The aim is understood to be to create a financial framework that is effective, efficient, and transparent, and which enhances scrutiny by, and accountability to, the Assembly. A related MoU covering exchanges between the Department and the Assembly in respect of budget scrutiny and financial processes has been in development for around 10 years.
3. To explain: the budget set by the Executive does not in itself confer authority for Northern Ireland departments to spend or commit resources. That requires Assembly agreement through the Estimates process and the Budget Acts. Departmental Estimates containing one or more Requests for Resources (RfRs) are put to the Assembly (usually) covering one financial year at a time. In turn many departments' Estimates also contain provisions for cash and other resources to finance their arms length bodies through grants or loans. Once agreed, the Estimates become the expenditure limits voted by the Assembly, set in the Budget Acts. These provide the legal authority for public expenditure within the ambit of each RfR. The ambits are meant to describe the activities on which expenditure is permitted by the RfR. However successive Finance Committees have found the ambits in particular and the Estimates in general to be unnecessarily unclear and consequently very difficult to scrutinise.
4. The Department of Finance briefed the Committee for Finance on 4 November 2020 in respect of RoFP. The Department advised that a project team had been

set up to implement the recommendations from the original 2010 review and to engage with other departments and the Northern Ireland Audit Office (NIAO) - which published its own report on the budget process on 29 June 2021.

5. The Department indicated that Phase 1 of RoFP will deliver on the following key recommendations:
 - alignment of Budgets, Estimates, and accounting boundaries; and
 - each Department's resource DEL, capital DEL, resource AME, capital AME and, if necessary, non-Budget expenditure to be presented in the Estimates document in a format that is easily reconcilable to the Budget document.
6. The Department contends that NDPBs' spend has always been included in Budgets but not in Estimates or in departmental resource accounts. Instead, the Estimates and departmental resource accounts record the departmental transaction with those bodies. The Department has indicated that as part of RoFP and in order to provide transparency, all income expenditure in Budgets that was not previously included in the Estimates will be brought within the coverage of the Estimates. NDPBs will be consolidated within the Estimates and accounting boundaries, thereby "providing alignment with the Budget boundary".
7. The Department also advised in respect of misalignments where there is already separate legislation providing for the authority to incur expenditure and where that authority is not required through the Estimates / Budget Act process. This kind of expenditure is to now appear in the Estimates but will not be voted on by the Assembly. The Department also advised that it is to address misalignments associated with notional costs, which currently appear in Estimates and in accounts and do not currently appear in Budgets.
8. The Department advised that the structure of the Estimates will be redesigned to provide a more user-friendly document, with a suitable level of transparency agreed with each department. The Department advised that a technical piece of legislation would therefore be required to control the format of the Estimates and to enable the consolidation of NDPBs into departmental Estimates and, by extension, the departmental resource accounts.
9. The above is to be achieved by the Financial Reporting (Departments and Public Bodies) Bill. The Bill amends the Government Resources and Accounts Act (NI) 2001 whereby, among other things, the Department may give directions to other departments in respect of the preparation of departmental annual reports and accounts. The Bill will essentially add an additional clause to the

Government Resources and Accounts Act (NI) 2001 which will allow the Department to provide directions on the preparation of Estimates.

10. The Bill will also allow for a designation order to be created each year by the Department and reviewed ahead of the Estimates process. An NDPB would be designated to only one Estimate and one department. The Department of Finance would consult with Treasury on its Estimates to make sure that, if a body receives a payment from more than one Consolidated Fund, agreement is reached on which designation order that body should be noted in. Once an Estimate is prepared including the designated bodies, the preparation of accounts would then follow the relevant Estimates.
11. The Department indicated that as part of Phase 2 of the RoFP, other recommendations will be taken forward. These include:
 - addressing some final misalignments including e.g. the position regarding Northern Ireland Water, Translink etc.; and
 - streamlining the end stage of the Budget process by combining this with the Main Estimates debate and making changes to Standing Orders in order to facilitate the truncated passage of the Estimates and related Supply and Appropriation orders through the Assembly.
12. The Department appears to have undertaken a dry run of the Phase 1 changes to the Estimates and advised the Committee accordingly in December 2020. A dry run of the changes to resource accounts is to be completed by November 2021 in co-ordination with NIAO. It is understood that the Financial Reporting (Departments and Public Bodies) Bill supports action relating to Phase 1 of RoFP and that further legislation may be required to support Phase 2.
13. The Financial Reporting (Departments and Public Bodies) Bill was introduced to the Assembly on 1 June 2021 and successfully completed its 2nd Stage on 14 June 2021.

Committee Approach

14. The Committee launched a call for evidence on 25 June 2021 writing to all of the public bodies identified in the Department's draft designation order. The Committee commissioned Assembly Research and Information Services (RaISe) to produce a related research paper. The Committee also sought the advice of the Examiner of Statutory Rules in respect of the delegated powers associated with the Bill. Finally, the Committee sought the views of relevant statutory committees.
15. In order to allow enough time to consider the ramifications of the Bill, the Committee agreed to seek an extension of the Committee Stage until 17 December 2021. The extension was granted by the Assembly on 6 July 2021.
16. The Committee sought commentary at the end of June 2021 on the Bill from the 100+ bodies mentioned in the Department's draft designation order. Following a limited number of replies, the Committee then wrote on 19 August 2021 to other bodies involved in fiscal governance including the Northern Ireland Fiscal Council (NIFC), the Organisation for Economic Co-operation and Development (OECD) and the Institute for Fiscal Studies (IFS) seeking their views and suggestions on the Bill.
17. The Committee received responses from 25 organisations, many of which indicated their support for the Bill. A number of organisations raised queries which the Committee subsequently put to the Department. As few of the respondents to the call for evidence had suggested amendments to the Bill, the Committee agreed to forego additional oral evidence sessions and instead sought clarity from the Department at oral briefings on 13 October 2021 and 10 November 2021.
18. The Committee deliberated on the Bill on 20 October 2021 and subsequently instructed the Bill Office in respect of drafting suitable amendments. The Committee undertook formal clause by clause scrutiny of the Bill on 10 November 2021.
19. The Committee considered a draft of this report at its meetings of 17 November 2021 and ordered that the report should be published.
20. Minutes of Proceedings are at Appendix 1. The Minutes of Evidence are included at Appendix 2. Written submissions are included at Appendix 3.

Departmental papers including the Keeling Schedule and the Delegated Powers Memorandum are at Appendix 4. The relevant Assembly Research paper is included at Appendix 5.

Acknowledgements

21. The Committee wishes to record its thanks to all those who gave written evidence and to the Department for its speedy response to Committee queries.

Committee Deliberations

22. The Committee strongly believes that a key part of the governance of Northern Ireland is provided by the Assembly in respect of its consideration of the Estimates and the passage of the Budget Acts. The Committee believes that the current format of the Estimates does not in any way lend itself to the understanding of elected representatives and thus prevents appropriate and proportionate scrutiny. These views have been held for some considerable time by Members of successive Committees for Finance and have not been addressed at all by the Department's undertakings in respect of the development of an MoU with the Assembly etc..
23. The Committee recognises that the Estimates documents follow a fairly standardised format which is used across different jurisdictions and are critical to providing legislative cover for departments as they deliver financial support for vital public services. During the pandemic and generally at all other times, it is the importance of continuity of these services which is uppermost in Members' minds and explains their reluctance to avail of existing measures which may delay the progress of the Budget Acts. That said, the Committee has previously indicated that the absence of the application of these measures should not be construed as approval for either the format of the Estimates or the opportunities for scrutiny of the budget legislation.
24. The Committee welcomed both the Executive's commitment to revise financial processes and the work the Department has done to enhance budget transparency while also securing a firmer foundation for its related and necessary centre of government functions. In support of this, the Committee generally welcomed the Bill while also regretting that its tightly drawn scope would likely preclude amendments which might address the wider range of issues associated with budget scrutiny including particularly the engagement of the Assembly and the public through appropriately timed and informed consultation.

Enhancing Transparency

25. Notwithstanding the above, the Committee considered that amendments to the Bill might allow for further enhancements to transparency. The Committee noted particularly submissions from the NIFC which reported "a lack of transparency with regards to EU funding in both the Budget and Estimates" and that it had ".. encountered similar opacity in the use of net spending (i.e. negative DEL)." The latter is understood to be a reference to situations where departments generate cash through the sale of assets etc. and which is treated

as negative spending. NIFC suggested that amendments to the Bill might be considered in order to address this.

26. The Committee explored options for amendments including changes to the minute of accruing resources which Article 8(2) of the Government Resources and Accounts (NI) Act 2001 requires the Department to publish. Members considered wording which might specify sources of income with a particular level of granularity.
27. In response, the Department assured the Committee that it would set out sources of income in a clearer fashion in future Estimates and that it would also provide a table showing EU funding as well as identifying those budget lines which include an EU funding contribution. The Department also indicated that the Estimates would include a table clearly setting out the type and quantity of accruing resources. The Department contended that the specification of these matters in legislation, as proposed, might burden the Estimates with extraneous detail and reduce rather than improve understanding and transparency. The Department also assured the Committee that it would, in future, publish its minute of accruing resources with the Estimates documentation.
28. The Committee accepted the above assurances and consequently agreed that it would not bring forward amendments to the Estimates themselves.
29. The Committee noted that future Budget Act votes are to be on a net basis - that is to say the level of accrued resources i.e. income, will not be the subject of Assembly votes, instead income will be netted off expenditure and this amount will be voted on. The Committee considered whether, in the absence of an accruing resources limit, a further tidying-up amendment might be needed to Article 8(1) of the Government Resources and Accounts (NI) Act 2001 in order to remove the reference to the limit on accruing resources that would have been specified in the Budget Act.
30. The Department confirmed that as future votes will be on a net basis, there will be no limit set on accrued resources. However, officials also advised that Part I of the Estimates will clearly set out the type and the quanta of all accruing resources. The Department also indicated that a kind of tidying-up amendment would not be required as the reference in Article 8(1) refers to any limit that might be set in a Budget Act and was not restricted to accruing resources.
31. The Committee accepted the Department's assurances that there will be no loss of transparency and agreed that it would not pursue related tidying-up amendments in respect of the minute of accruing resources.
32. The Committee also noted that at Westminster, the Estimates are accompanied by departmental Estimates Memoranda which explain the expenditure and

discuss spending trends etc.. These documents are often used to inform take note debates which are brought forward by relevant select committees. The Committee also noted that NIFC suggested that such an approach in this jurisdiction might provide a formal basis for commentary and comparisons across all departments and be of benefit to statutory committees and more broadly to external stakeholders interested in the budget process.

33. As above, the Committee explored options for amendments which might specify the detail of the Estimates Memoranda. The Committee noted NIFC advice that specification in legislation should be avoided in order to allow for the Committee and NIFC to work with the Department in order to improve the format of the Memoranda. That said, Members also noted that very little measurable progress had been made by the Department in the development of a related MoU over a prolonged period and that legislation might be required in order to secure Departmental engagement in this regard, going forward.
34. Members had also previously noted that some budget lines in the Estimates refer to very large sums indeed e.g. over £2bn for the Education Authority with no breakdown of contributory budget lines e.g. teacher salaries, school transport etc. and only a single previous year's figure with which to make comparisons. Members also highlighted concerns around a lack of clarity of spending for which sole authority is provided by the Budget Acts. The Committee noted Departmental assurances that the Bill will lead to greater transparency of the spending of NDPBs and in respect of sole authority in the Estimates. Nevertheless, Members sought certainty that the Estimates Memoranda will spell out an appropriate level of detail and do so in a format which lends itself to enhanced Committee understanding. The Committee therefore considered the following amendment which might address the above:

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

- 35. Notwithstanding the above, the Committee accepted the NIFC and Departmental argument that specification in legislation might over-complicate what is already a complex process. The Committee therefore agreed to write to the Minister seeking an assurance in respect of the production of Estimates Memoranda rather than pursuing an amendment.
- 36. Members felt that the format of the Memoranda should be agreed by statutory committees with their departments and which may include a specified level of granularity and an agreed number of years of previous spending, so as to address the contributory budget line issue discussed above, while also limiting the possibility of generating unnecessary detail. Members felt that this process might be informed by RaISe; agreed by statutory committees with their departments; and be in place early in the next mandate. Members further hoped that the Memoranda might inform focused take note debates which would be led by individual statutory committees and answered by their Minister as part of the budget scrutiny process.
- 37. Members noted the very lengthy timescales associated with the (to-date) unsuccessful development of the financial information-sharing MoU between the Department and the Assembly. Members asserted that the successor Finance Committee may choose to utilise legislation required for Phase 2 of RoFP in order to compel appropriate action in the event of Departmental failure to make adequate progress in the development of the Estimates Memoranda.

The role of the Fiscal Council

- 38. The Committee also noted commentary from NIFC in respect of the importance of budget transparency and the need for the Department to share relevant information i.e. on the use of sole authority of the Budget Acts and on headroom with NIFC in a timely fashion. The Committee had previously published a report setting out in some detail its views on the important role of an independent Fiscal Council for Northern Ireland. This report had indicated in no uncertain terms the need for legislation to underpin an independent Fiscal Council providing it with: the powers to compel information from Ministers, departments etc. similar to those available to the Scottish Fiscal Commission; the discretion to report on (largely) any fiscal factors that it chooses relating to Executive (and non-Executive) income and the resources or expenditure deployed by the Executive;

and a requirement to produce an annual authoritative multi-year expenditure budget analysis and forecast report.

39. The Committee had noted with considerable disappointment that the legislation to establish an independent Fiscal Council is not to be brought forward in this mandate. Some Members suggested that amendments might be considered to this Bill which would require the Department to share relevant budget information and explanations with NIFC in order to address transparency concerns.
40. However, others indicated that even if such amendments were within the scope of the Bill, it might prove to be unwise to legislate in this regard in this way. It was suggested that although a Fiscal Council has been established, its final ToRs haven't been confirmed with the UK Government; its membership was not appointed using the public appointments process; the body itself doesn't exist in legislation and its independence might therefore be subject to question. Thus, it was suggested that piecemeal legislation which doesn't address any of the above might not be advisable. Additionally, if related amendments were successful, it was suggested that it might even be argued that a Fiscal Council Bill isn't needed, thus depriving an independent Fiscal Council of the governance and powers which the Committee previously decided certainly needed to be formally enshrined in legislation.
41. The Committee noted Departmental assurances in respect of the enhanced sharing of information with the Northern Ireland Fiscal Council. The Committee therefore agreed to not pursue amendments relating to an independent Fiscal Council so as to ensure that the necessary governance and powers (which the Committee previously decided needed to be formally enshrined in legislation) are the subject of a dedicated and well-considered Bill. Further to this, the Committee agreed to seek an update on the development of the ToRs for the Fiscal Council and the drafting of the related legislation.

Designation of NDPBs

42. The Northern Ireland Audit Office (NIAO) suggested that as an improvement, the Bill could include a clause to prohibit designation of a body that is funded from a Consolidated Fund other than the Northern Ireland Consolidated Fund. NIAO contended that while it welcomed the requirement in clause 8A(5) for the Department of Finance to consult with Treasury where appropriate before designating a body, similar pieces of legislation in other areas of the UK go further to include clauses that prohibit designation of a body that is funded from another Consolidated Fund. NIAO explained that the idea of the amendment was to prevent double-counting for say cross-border bodies i.e. to avoid that

body's resources from being counted in the Estimates of 2 different jurisdictions and thus giving a false impression of the extent of its resources.

43. The Department countered that when it consults with Treasury in respect of designation, any double-counting issues will be identified and the Department can revoke a designation if this is required.
44. The Committee agreed to accept the Department's assurance in this regard and consequently did not pursue any related amendments.

Other Matters

45. The Department suggested an amendment which would provide for the explicit inclusion of the Northern Ireland Public Services Ombudsman (NIPSO) in the provisions of the Bill i.e. allowing the Department to issue guidance to this organisation regarding the preparation of Estimates and annual reports and accounts. The Department argued that this was necessary owing to the provisions of the legislation which established NIPSO.
46. The Committee noted the Department's assurance that NIPSO was content with the amendment and that it believed that its inclusion in the Bill would have no impact on its independence. The Committee also noted Departmental assurances that the role of the Audit Committee in respect of NIPSO would be unaffected. The Committee therefore agreed to support the Department's NIPSO amendment.
47. The Committee noted that the Northern Ireland Assembly Commission had sought an amendment to the Bill. It had suggested that - in Clause 1 at line 18 on page 2 of the Bill - the exemptions which relate to the NIAO should also apply to the Assembly Commission. It was argued that the designation process set out in new Section 8A should also be a matter for the Assembly Commission or the Assembly to determine. The Assembly Commission appeared to be concerned that the Bill might be interpreted as a Departmental attempt to undermine the independence of the Assembly.
48. The Department argued that it could safely exempt the NIAO from the provisions of the Bill as other provisions cover the preparation of NIAO's accounts and Estimates. The Department contended that this is not the case for the NI Assembly Commission and thus it was argued that an exemption for that body was not appropriate or possible. The Department also contended that, as with NIPSO, the Department's specification of the form of an organisation's Estimates and annual report and accounts does not amount to a reduction in its independence.
49. The Committee accepted the Department's explanation and assurances and consequently agreed that it would not pursue related amendments.

50. The Office of the Attorney General for Northern Ireland (AGNI) was described in the Department's Bill information as being a public body which will be identified in the designation order which will be issued under the provisions of the Bill. The Office of the AGNI indicated that it is not an NDPB but that it operates within the boundary of TEO under the principle of an arm's length body so as to protect the independence of the AGNI. The Department clarified that the Office of the AGNI will not be referred to as a NDPB in the relevant designation order and there will be no change to its status. The Committee accepted this and agreed that it would not pursue related amendments.
51. NILGOSC contended that it should not be within the scope of the Bill as it does not receive direct funding from Executive departments and that it is only designated as an NDPB owing to the use of the public appointments process for its board. The Department countered that NILGOSC's administration costs should be included in the designation order but that the treatment of local government pension funds for which it is responsible will remain outside of the boundary. The Committee accepted this and agreed that it would not pursue related amendments.
52. SEUPB, SafeFood and Foras na Gaelige (FnaG) all sought clarification in respect of the treatment of North South Bodies. It was suggested that their designation would have to be agreed with the Department of Public Expenditure and Reform (DPER) in the Republic of Ireland.
53. The Department clarified that the Bill will require the spend by North South Bodies to be allocated proportionally. Estimates and annual reports and accounts will show the Northern Ireland share of the spend of the bodies rather than the cash grant. The Department indicated that this will have no impact on the operation of the body or how they are currently jointly funded and the associated approval process. The Department contended that change will be within the sponsor department and how they present the spend of the body. Departmental directions will be given to the sponsoring department. The Department also advised that DPER was content with the new arrangements.
54. The Committee accepted the Department's explanations and assurances and agreed that it would not pursue related amendments.
55. The Northern Ireland Further Education sector indicated that while the Explanatory and Financial Memorandum indicated that the provisions of the Bill would not result in any additional costs, a requirement for full external auditing at March year-end would in fact duplicate many audit related costs (for example audit fees, actuarial costs) for Colleges as there already exists a requirement for a full external audit at their July financial year end.

56. The Department indicated that there indeed may be additional audit costs owing to the difference between Departmental and the college year ends being more than 3 months apart. The Department advised that the cost per college may be around £30k pa. The Department assured the Committee that no such additional costs would arise for schools.
57. The Committee noted the above with some concern but agreed that, as the costs were relatively small compared to overall college budgets, it would not pursue related amendments.

Clause by Clause Scrutiny

Clause 1 Estimates: Inclusion of resources used by designated bodies

58. The Committee considered the following amendments to Clause 1 as proposed by the Department in respect of the designation of NIPSO:

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."

59. The Committee agreed that it was content with the proposed Departmental amendment.
60. The Committee agreed that it was content with Clause 1, as amended.

Clause 2 Definition of "the Department"

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

Clause 3 Commencement

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

Clause 4: Short Title

63. The Committee agreed that it was content with the Short Title, as drafted.

Long Title

64. The Committee agreed that it was content with the Long Title, as drafted.

Appendices

List of Appendices

Appendix 1 - Minutes of Proceedings (extracts)

- 12 May 2021
- 26 May 2021
- 29 September 2021
- 6 October 2021
- 13 October 2021
- 20 October 2021
- 3 November 2021
- 10 November 2021
- 17 November 2021

Appendix 2 – Minutes of Evidence

- 13 October 2021
- 20 October 2021
- 10 November 2021

Appendix 3 – Written Submissions

- Strategic Investment Board – 24 June 2021
- Attorney General for Northern Ireland – 25 June 2021
- Foras Na Gaeilge – 01 July 2021
- Committee for Agriculture, Environment and Rural Affairs – 02 July 2021
- Safefood – 02 July 2021
- Committee for the Economy – 05 July 2021
- Northern Ireland Statistics and Research Agency – 21 July 2021
- Legal Services Oversight Commissioner for Northern Ireland – 22 July 2021

- Translink – 05 August 2021
- Northern Ireland Practice and Education Council for Nursing and Midwifery – 16 August 2021
- Institute for Fiscal Studies – 20 August 2021
- Northern Ireland Local Government Officers' Superannuation – 20 August 2021
- Northern Ireland Policing Board – 31 August 2021
- Special EU Programmes Body – 31 August 2021
- Local Government Staff Commission for Northern Ireland – 01 September 2021
- Northern Ireland Audit Office – 01 September 2021
- Youth Council Northern Ireland – 01 September 2021
- Commissioner for Public Appointments Northern Ireland – 02 September 2021
- Education Authority – 03 September 2021
- Northern Ireland Water – 08 September 2021
- Northern Ireland Fiscal Council – 14 September 2021
- Northern Ireland Fiscal Council – 3 November 2021
- The Speaker of the Northern Ireland Assembly – 16 September 2021
- Department of Justice – 21 September 2021
- Audit Committee – 02 October 2021
- Southern Regional College – 05 October 2021
- Northern Regional College – 18 October 2021
- South Eastern Regional College – 18 October 2021
- Stranmillis University College – 18 October 2021
- Belfast Metropolitan College – 19 October 2021
- North West Regional College – 19 October 2021

Appendix 4 – Memoranda and Papers from the Department of Finance

- DoF Update Paper – 28 July 2020
- MoU on Budget Process – 01 September 2020
- DoF Notice of the Bill – 04 May 2021
- DoF Response on the Bill – 14 June 2021

- DoF Proposed Consequential Amendment – 30 September 2021
- DoF Response on the Bill – 07 October 2021
- DoF Proposed Estimates Structure
- DoF Response on the Bill – 11 October 2021
- DoF Response on the Bill – 19 October 2021
- DoF Response on the Bill – 19 October 2021

Appendix 5 – Research Papers

- Research and Information Service Bill Paper – Scrutinising the Financial Reporting (Departments and Public Bodies) Bill: key considerations – NIAR 195-21 – 03 October 2021