

An Ceann Comhairle

Seomra 39
Foirgnimh na Parlaiminte
Baile Lios na Scáth
Cnoc an Anfa
Béal Feirste, BT4 3XX



The Speaker

Room 39
Parliament Buildings
Ballymiscaw
Stormont
Belfast, BT4 3XX

Dr Steve Aiken OBE MLA
Chairperson
Committee for Finance
Parliament Buildings

10 September 2021

Dear Steve,

At the Assembly Commission meeting held on 8 July 2021, the Assembly Commission agreed that I should write to the Committee for Finance as it commences its consideration of the Financial Reporting (Departments and Public Bodies) Bill ('the Bill').

In the context of the separation of functions between the Assembly and the Executive, and specifically the Assembly's role to scrutinise the Executive and hold Ministers to account, the Committee for Finance will be aware of the common parliamentary principle that the legislature should be independent from the influence of the government. It is in that context that the Assembly Commission would draw attention to some aspects of the Bill.

In particular, the Assembly Commission wishes to highlight to the Committee that section 40 (5) of the Northern Ireland Act 1998 ('the 1998 Act') provides that "The Assembly may give special or general directions to the Commission for the purpose of or in connection with the exercise of the Commission's functions." While it is unlikely that the Assembly would seek to direct the Assembly Commission in the matter of estimates preparation, the legal ability of the Assembly itself, not the Executive, to give directions to the Assembly Commission is established in the 1998 Act.

Without rehearsing the detail of the Bill, the distinction made at line 18 on page 2 of the Bill as it relates to the Northern Ireland Audit Office (NIAO) perhaps should also apply to the Assembly Commission. It is assumed that the independence of the NIAO from the Executive informs this wording and the Assembly Commission would take the view that the designation process set out in new section 8A should also be a matter for the Assembly Commission, indeed for the Assembly, to determine.

The Assembly Commission notes that the Minister, when replying to a Member during the Second Stage of the Bill advised that “There is an ongoing convention of excluding the Audit Office from the directing of Estimates and accounts preparation by the Department of Finance, because there is a sense that that would be a risk to the independence of the Audit Office. It does its budgeting Estimates through a parallel process with the Audit Committee...”. The Assembly Commission does not conduct its Estimates process through the Audit Committee but the Assembly Commission’s budget is scrutinised by the Audit Committee and then approved by the Assembly so the approach adopted in the Bill for the Audit Office may also be appropriate for the Assembly Commission.

I trust that these comments will help to inform your Committee’s consideration of the Bill.

Yours sincerely,



ALEX MASKEY MLA