

GM-0746-2025 : Finance Committee DALO Readout 24 September

Point 1 -The Committee would request a formal response from the Department in relation to the issues raised by the Fiscal Council – these issues are detailed in the enclosed correspondence.

- The Department of Finance welcomes the correspondence from the Fiscal Council and notes that the Fiscal Council agrees with the general principles of the Bill, in particular the aim to bring forward legislation to reduce the level of expenditure that has, in the past, relied on sole authority of the Budget Act.

FTC

- It is noted that The Fiscal Council is supportive of Clause 1 “Strategic Investment Funding” and Clause 2 “Economic Support” that seek to provide the powers to DoF and DfE to utilise loan funding namely Financial Transactions Capital (FTC). This will enable DoF and DfE to directly use FTC funding rather than routing the funding via TEO and the Strategic Investment Board. The Department agrees with the Fiscal Council’s assessment that these Clauses will enhance transparency and understanding over the use of this funding.
- The Fiscal Council asks if the legislative provisions on FTC have been future-proofed in relation to any potential solution to the Casement Park funding process. On this, the Department is aware that the Social Need (NI) Order 1986 Section 3 provides sufficient vires to utilise FTC funding in relation to Casement Park.

Consolidated Fund Advances

- The department notes the comment from the Fiscal Council in relation to Clause 18 that “it seems pragmatic to make provision for future scenarios where similar funding needs might arise in the absence of an Executive...” and that “the flexibility...has been vital to our ability to adapt to different political and administrative situations.”
- The Department notes that the Fiscal Council suggests that the Committee receives public briefings on any advances from the consolidated fund, and that in the absence of the Assembly the Department writes publicly to the Secretary of State or publishes the details on the DoF website.

- On this the Committee should note that the process for applying for an advance from the Consolidated Fund under Section 6 of the 1998 Order is provided in “Supply Estimates in Northern Ireland: Guidance Manual” under chapter 4. Throughout this process, the Department always aims to keep the Committee and indeed the Assembly informed of any Consolidated Fund advances that are made.
- Under this process, if a cash advance is requested and if the Department deems that such a request is justified, then DoF will seek the approval of the Finance Minister. Should the Finance Minister approve the advance, the Assembly must, whenever practicable, be given advance notice of the intention to use an advance from the Consolidated Fund. DoF will normally only authorise an advance after the notification to the Assembly has been made, or at least arranged.
- Where noting an Estimate in advance is not possible, the intention to use an advance from the Consolidated Fund, will be announced through a Ministerial Statement by the Finance Minister.
- The Committee should also note that no charge is permitted to rest on the Consolidated Fund as a result of an advance. Assembly authority is therefore needed to enable any sums advanced to be repaid to the Consolidated Fund.
- The Department will always seek Assembly approval, in the Estimates round of that financial year. Repayment of advances for voted services must normally be provided for in Estimates in the same year as the advance. Only in cases where the enabling legislation has not been passed during that year can, and must, the necessary Estimates authority to repay the advance also wait until the following year.
- If an advance was sought in the absence of the Assembly and Finance Minister, approval of the DoF Accounting Officer will be sought. On the Assembly’s return, the Assembly will be notified of any advances made, these being brought to the Assembly through the Estimates process and Assembly approval sought that these advances be repaid to the Consolidated Fund.

Fees & Charges

- The Department notes that the Fiscal Council is supportive of the recovery of costs (Clauses 15-17) via the proposed additional powers for fees. The Department also notes that the Fiscal Council is supportive of the principle of full cost recovery as set out in Managing Public Money NI.
- The Committee should note, that while the Department is bringing the Bill forward, it remains a matter for individual Departments and their Ministers to consider the introduction of these proposed fees and the level at which these fees are to be set at.