



Northern Ireland  
Assembly

# Committee for Finance

## Minutes of Proceedings

**1 May 2024**

**Meeting Location:** Room 21, Parliament Buildings, Belfast

**Present:**

- Matthew O'Toole MLA (Chairperson)
- Diane Forsythe MLA (Deputy Chairperson)
- Eóin Tennyson MLA
- Gerry Carroll MLA
- Nicola Brogan MLA
- Deirdre Hargey MLA
- Phillip Brett MLA
- Paul Frew MLA

**Apologies:** Steve Aiken MLA

**In Attendance:**

- Peter Hall Committee Clerk
- Clairita Frazer Assistant Assembly Clerk
- Heather Graham Clerical Officer

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

Members discussed the proposed Committee approach to its planned scrutiny of the Draft Executive Budget 2024-25.

The meeting moved into public session at 2:33pm.

## **1. Apologies**

As above.

## **2. Declaration of Interests**

None.

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

### **3.1 Ministerial Written Statement 2023-24 Budget – Late Allocations.**

The Committee noted a Ministerial Written Statement on additional allocations from the 2023-24 Budget to Translink and DVA reserves.

## **4. Draft Minutes**

**Agreed:** The Committee agreed the Minutes of Proceedings from the meeting of 24 April 2024.

## **5. Matters arising**

### **5.1. Engagement with the UK Treasury**

The Committee considered correspondence from the Northern Ireland Affairs Committee regarding the absence of a response from the Chief Secretary to the Treasury.

Members also considered a response from the Chief Secretary to the Treasury regarding engagement with the Northern Ireland Assembly Committee for Finance.

**Agreed:** The Committee agreed to copy the response from the Chief Secretary to the Treasury to the Northern Ireland Affairs Committee.

The Committee Clerk was asked to confirm if UK Treasury Officials had provided evidence to the Finance Committee in previous mandates.

## **5.2 Economic Activity of Public Bodies (Overseas Matters Bill)**

The Committee considered a draft response to the Minister of Finance regarding Legislative Consent for the Economic Activity of Public Bodies (Overseas Matters) Bill.

**Agreed:** The Committee agreed to issue the correspondence to the Minister of Finance and copy it to the Executive Office.

## **5.3 Department of Finance – Baby Loss Certificates**

The Committee noted an update provided by the Department of Finance in relation to how the issue of Baby Loss Certificates will be taken forward and the respective roles of both the Minister of Health and Minister of Finance.

**Agreed:** The Committee agreed to forward the update to the Health Committee for information.

## **5.4 Department of Finance – Budget Pressures**

The Committee noted additional information from the Department of Finance on the impact of budget pressures in the Department itself, pending an update briefing which was originally scheduled for 8 May 2024 but had been postponed until 22 May 2024.

The Committee also noted additional information provided by the Department of Finance in relation to previously ring-fenced monies for Shared and Integrated Education.

### **5.5 Department of Finance – NICS HR Reform**

The Committee noted additional information provided following an oral briefing on NICS HR Reform on 10 April 2024.

**Agreed:** The Committee agreed to seek clarification from the Department of Finance on the policy context for a permanent secretary reshuffle as referenced in AQW 10815/22-27.

### **5.6 Department of Finance – Building Regulations Briefing**

The Committee noted that briefings on Fire Safety and Energy Efficiency aspects of Building Regulations were scheduled for June and September 2024.

The Committee also noted that legislative amendments being progressed by the Department of Communities (Defective Premises) are not impacted by ongoing Department of Finance work.

Finally Members noted a copy of a Written Ministerial Statement from the Minister of Communities concerning the introduction of urgent legislation to address the disparity of legal protection to citizens affected by defective premises.

### **5.7 Department of Finance – Student Loan Underspend**

The Committee noted correspondence from the Department of Finance with background information on and explanation for how an underspend in relation to Student Loan had arisen.

### **5.8 Department of Finance – Briefing on recent consultations**

The Committee considered updates provided in relation to the Financial Context for Revenue Raising consultation and “Non-Domestic and Domestic Rating Measures to support budget sustainability by raising additional revenue” consultation.

**Agreed:** The Committee agreed to schedule a briefing on the “Non-Domestic and Domestic Rating Measures to support budget sustainability by raising additional revenue” consultation in closed session at a suitable point and when there is capacity in the forward work programme.

## **5.9 Hansard Transcript – Department of Finance Briefing on Final Forecast Outturn 2023-24**

The Committee noted a Hansard transcript produced from a Department of Finance briefing on Final Forecast Outturn on 17 April 2024.

## **5.10 Note of Strategic Planning Discussion 24 April 2024**

The Committee considered a note of the Strategic Planning Discussion which took place on 24 April 2024. Members indicated that they were content that the note reflected the broad discussions. A number of actions were agreed as follows:

**Agreed:** The Committee agreed to seek an update from the Department of Finance regarding the move of the Building Regulations business area from Finance to the Department for Communities, including the practicalities of, and timescale for, the move.

**Agreed:** The Committee agreed to combine the issues raised in the Legacy Report of the previous Finance Committee into three workstreams: (1) supporting the development of the legislative base for an Independent Fiscal Council as part of better financial scrutiny; (2) consideration of the Fiscal Commission's Report on the devolution of further tax-varying powers and the review and reform of the rates system; and (3) reform of the NICS.

**Agreed:** The Committee agreed to seek an update on the 'disciplinary matters' element of the RHI Inquiry.

**Agreed:** The Committee agreed to request a briefing on NICS Reform from the Head of the Civil Service, Jayne Brady.

**Agreed:** The Committee agreed to continue to work towards the evolution of the process while prioritising scrutiny of the content of the Budget for 2024-25; as well as collaborating with the Department, Fiscal Council and RaISe to develop new ways of working together on Budget scrutiny.

**Agreed:** The Committee agreed to work with the other Devolved Administrations collectively to influence the actions of the Treasury with respect to the Budget Process and allocations. This will be primarily done through the Interparliamentary Finance Committee Forum. Members agreed to host the next meeting of the Forum.

**Agreed:** The Committee agreed to develop a set of Strategic Committee Priorities for consideration at a further planning session in September.

**Agreed:** The Committee agreed to focus Committee resources on its scrutiny of the draft Executive Budget for 2024-25 and support the other Statutory Committee to do this.

**Agreed:** The Committee agreed to work collaboratively with a wide range of stakeholders in considering issues arising from the Executive Restoration Package Settlement, and to do this through appropriate lenses such as the Climate Change Act and rights and equality, as well as with reference to the PfG, once available.

**Agreed:** The Committee agreed to scope a piece of work around the provision of banking services, including options for banking such as credit unions and Hubs, as well as options like the development of a mutual bank.

**Agreed:** The Committee agreed to consider well-scoped study visit options that have a workstream-related basis and which will inform the Committee's work.

**Agreed:** The Committee agreed to request an update on a Queen's University community-based project around Gender Recognition.

**Agreed:** The Committee agreed that, for Members to apply a strategic overview of how money has been programmed by the Department, the Committee is informed of any material changes to various non-core funding pots including, the Shared Island Fund, Shared Prosperity Fund, Levelling up Fund and Community Ownership Fund.

### **5.11 Economy Committee – City and Region Growth Deals**

The Committee considered copy correspondence from the Economy Committee to the Minister of Finance regarding governance over the City and Region Growth Deals.

**Agreed:** The Committee agreed to schedule a briefing from the Department of Finance on City and Region Growth Deals, given the Department's oversight role in the dispersal of funds for these.

Philip Brett left the meeting at 2:59pm.

## **6. Procurement Common Framework – Oral Briefing from Department of Finance**

The following officials joined the meeting at 2:59pm.

Michael Watson, Director, Policy and Performance Division, Department of Finance

Paul Browne, Deputy Director, Policy and Performance Division, Department of Finance

The officials briefed the Committee on the operation of the single Department of Finance Common Framework with respect to Procurement.

The briefing was followed by a question and answer session. A number of issues were discussed during the session including; the benefits of the Common Framework, EU Market Access and potential divergence issues in time ahead.

Gerry Carroll left the meeting at 3:07pm.

The Committee noted that the Department of Finance would keep the Committee informed of any developments and would write to the Committee when the narrative of the Common Framework had been agreed.

The Chairperson thanked the officials for their attendance.

The officials left the meeting at 3:09pm.

Nicola Brogan left the meeting at 3:09pm.

Phillip Brett rejoined the meeting at 3:09pm.

## **7. Draft Executive Budget 2024-25 – Oral Briefing from Department of Finance**

The following officials joined the meeting at 3:10pm.

Joanne McBurney, Budget Director, Head of Public Spending, Department of Finance

Maryann Smith, Head of Central Expenditure Division, Public Spending Directorate, Department of Finance; and

Kerri Smyth, Public Spending Directorate, Department of Finance

**Agreed** Members agreed that the briefing should be reported by Hansard.

Nicola Brogan rejoined the meeting at 3:11pm.

Gerry Carroll rejoined the meeting at 3:15pm.

The officials updated the Committee on agreement reached by the Executive for the 2024-25 Budget.

The briefing was followed by a question and answer session. A number of issues were discussed during the session including the absence of an agreed Programme for Government, the Department of Health Budget allocation, ongoing workstreams including revenue raising and Sustainability Plan, Funding for Childcare, Capital allocations and pressures, potential Barnett consequential as a result of the UKG's Main Estimates and timing of the June Monitoring Round.

Phillip Brett left the meeting at 4:08pm

The Chairperson thanked the officials for their attendance.

The officials left the meeting at 4:12pm.

Deirdre Hargey left the meeting at 4:12pm.

## **8. Correspondence**

- i. The Committee noted correspondence from the Executive Office regarding Victoria Square and co-ordination across Government Departments.
- ii. The Committee noted copy correspondence from the House of Lords Windsor Framework Sub-Committee to the Exchequer Secretary to the Treasury regarding the EU's Carbon Border Adjustment Mechanism.

**Agreed:** The Committee agreed to copy the correspondence to the Windsor Framework Democratic Scrutiny Committee and Committee for Agriculture, Environment and Rural Affairs.



- iii. The Committee noted correspondence from “Melted Parents NI” regarding allocation of budget funding to childcare.
- iv. The Committee noted correspondence regarding UK University Sectors.
- v. The Committee noted the 10<sup>th</sup> Report of the Examiner of Statutory Rules.

## **9. Draft Forward Work Programme**

The Committee considered the Forward Work Programme, as agreed, noting that a Vote on the Draft Executive Budget 2024-25 could take place at the end of May therefore limiting the Committee’s proposed briefings and engagement with stakeholders.

**Agreed:** The Committee agreed to receive in-person briefings from the Director of the Economic Policy Unit (Ulster University), the Fiscal Council, the Co-Director of the Nevin Economic Research Institute, the Director of Pivotal and NICVA.

The Committee also agreed to consider a list of potential relevant stakeholders from whom written views would be sought on the whole Draft Executive Budget 2024-25, the strategic direction the Executive has taken and its priorities rather than specifics on individual departmental budgets.

Members would forward any further suggestions to the Clerk as soon as possible given the tight timeframe for response.

**Agreed:** The Committee agreed that the Forward Work Programme should be published on the Committee webpages.

## **10. Any Other Business.**

None.

Deirdre Hargey rejoined the meeting at 4:16pm.

### **11. Date and Time of next meeting**

The next Committee meeting will be held on Wednesday 8 May 2024 at 2.00pm in Room 21, Parliament Buildings.

The meeting was adjourned at 4:17pm.

**Matthew O'Toole MLA**

**Chairperson, Committee for Finance**

**8 May 2024**