



Northern Ireland  
Assembly

## Committee for Finance

### Minutes of Proceedings

**15 May 2024**

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

**Present:**

- Matthew O'Toole MLA (Chairperson)
- Diane Forsythe MLA (Deputy Chairperson)
- Steve Aiken MLA
- Phillip Brett MLA
- Paul Frew MLA
- Eóin Tennyson MLA

**Present by Video or Teleconference:**

- Gerry Carroll MLA
- Nicola Brogan MLA

**Apologies:** Deirdre Hargey MLA

**In Attendance:**

- Peter Hall Committee Clerk
- Clairita Frazer Assistant Assembly Clerk
- Stephen Magee Clerical Supervisor

Heather Graham Clerical Officer

The meeting commenced at 1:06pm pm in public session.

On behalf of the Committee, the Chairperson passed on best wishes to Conor Murphy MLA who had stepped down temporarily as the Economy Minister due to health issues and also to Deirdre Hargey MLA who has stepped into the role on an interim basis.

### **1. Apologies**

As above.

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

None.

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

#### **3.1 Engagement between the Minister of Finance and UK Finance and Banks**

**Agreed:** The Committee agreed to request an update from the Department of Finance on meetings and discussions between the Finance Minister and UK Financial Services and Banks. Members also agreed to seek confirmation that it was now the Department of Finance taking the lead on behalf of the Executive, in the context of this being a reserved matter.

### **4. Draft Minutes**

**Agreed:** The Committee agreed the Minutes of Proceedings from the meeting of 8 May 2024.

**The Committee agreed to defer consideration of “Matters Arising” until after the first scheduled oral evidence session.**

## **5. Draft Executive Budget 2024-25 – Oral Briefing from the Northern Ireland Fiscal Council**

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

The following witness joined the meeting at 1:13pm;

Sir Robert Chote	Chair, NI Fiscal Council;
Maureen O'Reilly	Member, NI Fiscal Council;
Dr Esmond Birnie	Member, NI Fiscal Council; and
Jonathan McAdams	Chief of Staff, NI Fiscal Council.

The witnesses briefed the Committee on the Fiscal Council's perspective on the strategic direction of the Draft Executive Budget for 2024-25, its implications and potential impacts.

Phillip Brett joined the meeting at 1:44pm.

Matthew O'Toole declared an interest as a parent who availed of childcare services.

Steve Aiken declared an interest as a member of the same political party as the Minister of Health.

The briefing was followed by a question and answer session. A number of issues were discussed during the session, including: funding allocations for childcare services; the level of financial planning expertise in the Northern Ireland Civil Service; the voluntary and community sector; how the Department of Health allocation within the 2024-25 Budget can be compared to previous years; the lack of buy-in from the Minister of Health to the Draft Executive Budget 2024-25; capital allocations in the Draft Executive Budget 2024-25; the process for agreeing the Draft Executive Budget 2024-25; Revenue raising options; Northern Ireland's borrowing power; Financial Transactions Capital; future potential Barnett allocations; the lack of a multi-year budget; and the absence of a Programme for Government.

**Agreed:** The witnesses agreed to provide a copy of the Fiscal Council report “A Guide to Northern Ireland’s Public Finances”.

The Chairperson thanked the witnesses for their attendance.

The witnesses left the meeting at 2:56pm.

## **6. Matters arising**

### **6.1 Correspondence from last week’s meeting**

6.1.1 The Committee noted a Memorandum of Reply from the Department of Finance on the Public Accounts Committee Report “Sports Sustainability Fund”.

**Agreed:** The Committee agreed to forward the Memorandum of Reply to the Committee for Communities for information. Members also agreed to confirm if the Public Accounts Committee was still considering this particular report.

6.1.2 The Committee noted copy correspondence from the Committee for Communities to the Department of Finance regarding poverty consideration in budgetary matters and the introduction of an Anti-Poverty Strategy.

6.1.3 The Committee noted copy correspondence from the Committee for Communities to the Department of Finance regarding the current status of procurement for the redevelopment of Casement Park. Members also noted a response from the Department of Finance to the Committee for Communities in this regard.

6.1.4 The Committee noted copy correspondence from the Committee for Communities to the Department of Finance regarding the revitalisation of the Northern Ireland Housing Executive and borrowing.

Some Members voiced their opposition to a proposition in the Chartered Institute of Housing Report to privatise the Northern Ireland Housing Executive.

6.1.5 The Committee noted the 11<sup>th</sup> Report of the Examiner of Statutory Rules.

- 6.1.6 The Committee noted the Brussels Report covering the period January to March 2024.
- 6.1.7 The Committee noted the Investing Activity Report from April 2024.
- 6.1.8 The Committee noted a “Save the Date” for an event entitled “Collaborating for Impact” on 4 & 5 June 2024.
- 6.1.9 The Committee noted correspondence from Friends of Palestine.

## **6.2 Department of Finance – NICS sickness absence Data**

The Committee noted additional information from the Department of Finance regarding NICS sickness absence data and a proposal that Northern Ireland Statistics and Research Agency statisticians will provide briefing and summary analysis to accompany all sickness absence statistical publications.

## **6.3 Department of Finance – Outcome of Financial Context for Revenue Raising Consultations**

The Committee noted that an oral briefing on the Outcome of Financial Context for Revenue Raising consultations had been scheduled for 12 June 2024.

**Agreed:** Members agreed to ask Department of Finance officials briefing the Committee at next week’s meeting on the Draft Executive Budget 2024-25 to be prepared to provide commentary on the “Fiscal Compact” with the UK Treasury.

## **6.4 Department of Finance – Non-NICS Outstanding Pay Claims**

The Committee considered an update from the Department of Finance on Non-NICS outstanding pay claims for which the Department has a locus.

## **6.5 Hansard Transcript – Department of Finance Briefing – Draft Executive Budget 2024-25**

The Committee noted the Hansard transcript of the Department of Finance briefing on the Draft Executive Budget 2024-25 on 1 May 2024.

## **7. Draft Executive Budget 2024-25 – Oral briefing by The Nevin Economic Research Institute (NERI) and Pivotal**

The following witnesses joined the meeting at 3:06pm;

Paul MacFlynn	Co-director, Nevin Economic research Institute (NERI);
Dr Lisa Wilson	Senior Economist, NERI; and
Ann Watt	Director, Pivotal.

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

The witnesses briefed the Committee on their perspective on the strategic direction of the Draft Executive Budget for 2024-25, its implications and potential impacts.

The briefing was followed by a question and answer session. A number of issues were discussed during the session, including: the trajectory of public spending; the fiscal floor; future fiscal devolution; the absence of an agreed Programme for Government; anticipated funding shortfall in 2026-27; Economic growth and productivity data; Transformation of public services; and an Anti-Poverty Strategy.

Eoin Tennyson left the meeting at 3:26pm.

Steve Aiken declared an interest as being present during discussions in respect of Finance matters prior to the restoration of the Northern Ireland Executive.

Phillip Brett congratulated Dr Wilson on her recent appointment as an independent expert to advise the Minister of the Economy on the “Good Jobs” objective as part of the new Economic Vision for the Future.

Phillip Brett left the meeting at 4:04pm.

The witnesses left the meeting at 4:16pm.

**The Committee returned to consideration of scheduled agenda items.**

## **8. Correspondence**

- i. The Committee noted a response to the Committee for the Economy from the Department of Finance regarding the Non-Domestic RHI Tariff Business Case.
- ii. The Committee noted the Twelfth Report of the Examiner of Statutory Rules.
- iii. The Committee noted correspondence from Gareth Davies MP Exchequer Secretary to the Treasury to Lord Jay, European Affairs Sub-Committee on the Windsor Framework regarding the EU carbon border adjustment mechanism and potential application to Northern Ireland.

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

- iv. The Committee noted correspondence from the Welsh Parliament Finance Committee to the Finance Minister seeking information on an alleged dispute between the NI Executive and HM Treasury in 2022.
- v. The Committee noted correspondence from the Chief Executive and Clerk to the Senedd to the Clerk of the Northern Ireland Assembly regarding two Legislative Consent Motions on the Victims and Prisoners Bill.
- vi. The Committee noted the Construction Employers Federation submission regarding the Draft Executive Budget for 2024-25.

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

The Committee considered the Forward Work Programme, as agreed,

**Agreed:** The Committee agreed to reshuffle the scheduled briefings for next week's meeting to allow for an additional briefing from Department of Finance officials on the Draft Executive Budget 2024-25 and to allow time during next week's meeting to agree the Committee's report on engagement on the Draft Executive Budget 2024-

25. Members also agreed to obtain a written briefing paper on the “Restatement of March Forecast Outturn”.

Some Members suggested that the Committee may need to consider holding an additional meeting prior to the Budget 2024-25 Debate and Vote which was scheduled for Tuesday 28 May 2024.

Gerry Carroll left the meeting at 4:30pm.

The Chairperson reiterated the Committee’s request for the Head of the Northern Ireland Civil Service (NICS) to brief the Committee on NICS Reform ahead of the summer recess.

#### **10. SL1 – The Government Resources and Accounts (Northern Ireland) Act 2001 (Estimates and Accounts) (Designation of Bodies) Order 2024.**

The Committee considered a proposed technical statutory rule which would provide a list of designate bodies for inclusion in Departmental Estimates and Accounts for the year ending 31 March 2025.

**Agreed:** The Committee agreed that it was content with the proposed Statutory Rule to provide a list of designate bodies for inclusion in Departmental Estimates and Accounts for the year ending 31 March 2025.

#### **11. Any Other Business.**

Members noted a statement within the Fiscal Council’s Assessment of the Draft Executive Budget 2024-25 which indicated that the new Executive plans to drop the October monitoring round.

**Agreed:** The Committee agreed to seek confirmation from the Department of Finance that this was the case and ask for the rationale for such a decision.

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

The next Committee meeting will be held on Wednesday 22 May 2024 at 1:00pm in Room 21, Parliament Buildings.



The meeting was adjourned at 4:36pm.

**Matthew O'Toole MLA**

**Chairperson, Committee for Finance**

**22 May 2024**