



Northern Ireland
Assembly

Committee for Finance

Minutes of Proceedings

19 February 2025

Meeting Location: Senate Chamber, Parliament Buildings, Belfast

Present: Matthew O'Toole MLA (Chairperson)
Diane Forsythe MLA (Deputy Chairperson)
Steve Aiken MLA
Phillip Brett MLA
Paul Frew MLA
Deirdre Hargey MLA
Eóin Tennyson MLA

Online: Gerry Carroll MLA

Apologies: Jemma Dolan MLA

In Attendance: Peter Hall Committee Clerk

Clairita Frazer Assistant Assembly Clerk

Stephen Magee Clerical Supervisor

Heather Graham Clerical Officer

The meeting commenced at 1:13pm in public session.

1. Apologies

As above.

2. Declaration of Interests

None.

3. Chairperson's Business

Agreed: The Committee agreed to amend the running order of Chairperson's Business to consider items 3.1 and 3.5 last.

3.2 Chief Secretary to the Treasury- Interparliamentary Finance Committee Forum

The Chairperson welcomed correspondence from the Chief Secretary to the Treasury (CST) to the Committee in relation to attending the Interparliamentary Finance Committee Forum on the 19th March. The CST has indicated that he will attend the closed session of the meeting, recognising the importance of the devolved legislature Finance Committees in providing rigorous scrutiny to devolved government spending.

3.3 Chief Secretary to the Treasury - Northern Ireland Executive 2024 Restoration Financial Package

The Chairperson discussed correspondence received from the Chief Secretary to the Treasury (CST) to the Committee regarding the NI Executive 2024 Restoration Financial Package and officials attending Committee to brief on the Settlement. The CST has outlined that it is the Secretary of State (SoS) who is best placed to respond to the Committee on the restoration financial package.

At last week's meeting Members considered correspondence from the SoS where he outlined how it remains his view that NIO officials attending the Committee would not be appropriate. The Committee then agreed to respond to the SoS noting the

precedents that his cabinet colleagues in the Scotland and Welsh Offices have set and the guidance provided to Ministers in this regard, and requesting that the NIO Permanent Secretary brief the Committee as a member of the Interim Public Sector Transformation Board.

Agreed: The Committee agreed to seek additional briefing and clarification from the Department of Finance on a number of issues including understanding around research to provide an independent assessment of NI's level of relative need, a refreshed update on the various strands of engagement with the UK Treasury and current position in relation to discussions around the Interim Fiscal Framework.

Agreed: The Committee also agreed to schedule a briefing with officials on the Interim Fiscal Framework.

3.4 Building Societies Association - Banking and Financial Services

Landscape Inquiry

The Chairperson discussed correspondence received from the Building Societies Association (BSA) in relation to the Committee's Inquiry. The BSA have indicated that Nationwide would be happy to host a branch visit and that the Chief Executive of the Progressive Building Society would also be happy to meet Members.

Agreed: The Committee agreed to that the Committee Clerk should liaise with the BSA to schedule appropriate engagement and oral briefing in respect of the Committee's Inquiry into Banking and Financial Services Landscape.

3.6 Department of Finance - National Insurance Contribution Costs

The Chairperson discussed correspondence received from the Department regarding National Insurance Contribution (NIC) Costs. The Department has provided further details and figures in relation to employer National Insurance costs and funding. Initial assessment of anticipated costs provided to DoF in December is £200.9 million relating to Departments and NDPBs only, £36.5m for Family Health providers' costs and £12.2m costs for Local Councils. Members also noted that Barnett consequentials are unlikely to be allocated until June Monitoring Round.

Agreed: The Committee agreed to continue to seek ongoing updates on this issue whilst seeking information from the Department of Finance in respect of the

Executive's prioritisation of allocations and if any guidance will be issued to departments, the public sector including local government on how to profile budgets to accommodate NIC increases in order to plan around any potential allocations and how costs can be managed in the meantime.

Agreed: The Committee also agreed to forward the correspondence from the Department of Finance to other Statutory Committees and NI Assembly Audit Committee.

3.7 Department of Finance - Introductory Meeting with the Finance Minister

The Chairperson discussed the introductory meeting that took place yesterday afternoon with the Finance Minister. Members also considered a note of the meeting which had been prepared by the Committee Clerk. The Committee noted that the Minister would be invited to a formal Committee meeting in due course.

3.8 Use of phrase "appropriate consultation" in Standing Order 42(2)

The Committee discussed the use of the phrase "appropriate consultation" in Standing Order 42(2).

Agreed: The Committee agreed that the Committee Clerk would seek legal advice on how this phrase could be amended to reflect the Committee's interaction with the Department during consideration of Accelerated Passage of the Budget Bill.

3.1 Committee for Finance & Committee for the Economy - Northern Ireland Assembly Budget Event 29 January 2025

The Chairperson discussed the draft report prepared following the joint Budget Event with the Committee for Economy on the 29 January, which reflects the themes raised during the round table discussion of the event.

Steve Aiken left the meeting at 1:58pm.

Agreed: The Committee agreed that the report should be redrafted in order to highlight the positives around the increase in National and Living Wages and to return to consideration of this report at next week's meeting.

3.5 Committee Motion

Agreed: The Committee asked the Clerk to cross reference the draft motion against previous motions to ensure the viability of the motion.

4. Draft Minutes of Proceedings

Agreed: The Committee agreed the Minutes of Proceedings from the meeting of the 12 February 2025.

Agreed: The Committee agreed to amend the meeting running order to consider agenda items 7 and 8 before agenda item 6 and to consider agenda item 5 after oral briefings scheduled.

7. SL1 - Valuation (Telecommunication, Natural Gas & Water) (Amendment) Regulations (Northern Ireland) 2025

The Committee considered a proposal by the Department to make a statutory rule under powers conferred by Article 37(4) of the Rates (Northern Ireland) Order 1977.

The rule will amend The Valuation (Telecommunications, Natural Gas and Water) Regulations (Northern Ireland) 2010 to update the names of the telecommunication companies working in this field which need be included in the Schedule to these Regulations.

The Statutory Rule is subject to negative resolution procedure before the Assembly.

Agreed: The Committee for Finance agreed that it was content with the proposed Statutory Rule to amend The Valuation (Telecommunications, Natural Gas and Water) Regulations (Northern Ireland) 2010 and serves to update the names of two new telecommunication companies.

Agreed: The Committee agreed to seek further information and background on the 2 telecommunications companies joining the market, reflecting on the lack of detail provided to the Committee in this regard.

8. SL1 - The Rates (Social Sector Value) (Amendment) Regulations (Northern Ireland) 2025

The Committee considered a proposal by the Department to make a statutory rule under powers conferred by Article 23A of the Rates (Northern Ireland) Order 1977.

The rule will amend the Rates (Social Sector Value) Regulations (Northern Ireland) 2007 to update the names of registered housing associations provided in the Schedule to these Regulations.

The Statutory Rule is subject to negative resolution procedure before the Assembly.

Agreed: The Committee for Finance agreed that it was content with the proposed Statutory Rule to amend the Rates (Social Sector Value) Regulations (Northern Ireland) 2007 to update the names of registered housing associations provided in the Schedule to these Regulations.

6. SL1 - The Government Resources and Accounts (Northern Ireland) Act 2001 (Estimates and Accounts) (Designation of Bodies) Order 2025 - Oral Briefing from Departmental officials

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

The following officials joined the meeting at 2:18pm

Patrick Neeson	Assistant Secretary, Public Spending Group
Emma-Jayne Hunter	Deputy Principal, Public Spending Group

The Committee considered a proposal by the Department to make a statutory rule under powers conferred by sections 8A and 8B of the Government Resources and Accounts Act (Northern Ireland) 2001.

The Statutory Rule will designate bodies for inclusion in departmental Estimates and Accounts for the year ending 31 March 2026 and is subject to negative resolution procedure before the Assembly.

The officials briefed the Committee on the SL1 - The Government Resources and Accounts (Northern Ireland) Act 2001 (Estimates and Accounts) (Designation of Bodies) Order 2025. The briefing was followed by a question and answer session.

A number of issues were discussed including the historical and routine nature of these type of statutory rules and issues around the status of the Procurement Board.

Agreed: The Committee for Finance agreed that it was content with the proposed Statutory Rule to designate bodies for inclusion in departmental Estimates and Accounts for the year ending 31 March 2026.

Agreed: The Committee agreed to seek further information in respect of the Procurement Board.

9. Inquiry: NI Banking & Financial Services Landscape - Joint Panel Oral Briefing Irish League of Credit Unions and Ulster Federation of Credit Unions

The Committee noted a Hansard transcript of an oral evidence session with Advice NI which would be added to the evidence base for Committee's Inquiry.

Matthew O'Toole, Gerry Carroll and Phillip Brett declared an interest as Members of Credit Unions.

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

Agreed: The Committee agreed that the 2 briefings papers and Hansard transcript of today's session would be published on the Committee's webpage for inclusion in the Committee's report.

The following witnesses joined the meeting at 2:28pm;

Martin Fisher	Head of Northern Ireland Irish League of Credit Unions
Gordon Smyth	Chief Executive Ulster Federation of Credit Unions
Martin Busch	President, Irish League of Credit Unions

The witnesses briefed the Committee on the credit union movement as part of the Committee's Inquiry into the Banking and Financial Services Landscape

The briefing was followed by a question and answer session.

Steven Aiken returned to the meeting at 2:36pm and declared an interest given his work with constituents related to Credit Unions.

A number of issues were discussed including the position of NI Credit Unions compared to that of those based in Great Britain, support offered to GB credit unions, regulatory arrangements, expanded services which could be offered in the future, the legislative basis for credit unions and the current services offered by credit unions.

The witnesses left the meeting at 3:49pm.

Agreed: The Committee agreed to request further follow-up information from witnesses for further consideration.

10. Department of Finance Budget 2025/26 position - Oral Briefing from Department of Finance.

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

The following officials joined the meeting at 3:50pm;

Gavin Patrick	Director of Finance Division, Department of Finance
Clair Hampton	Finance Business Partner, Department of Finance
Cathy Murtagh	Finance Business Partner, Department of Finance

The officials briefed the Committee on the Department of Finance (DoF) budget position for 2025/26.

The briefing was followed by a question and answer session.

A number of issues were discussed including the over commitment of the DoF capital budget, increased staffing costs for 2025/26 and future sales of the NICS estate.

Phillip Brett left the meeting at 4:15pm

Agreed: The Committee agreed to seek additional information from the Department of Finance on the rationale for such a high capital pressure as well as plans to reduce this, anticipated allocations, details on NICS Estate assets for sale,

timescales for staying within the 2025/26 Vote on Account, comparative information on last years' position and this years', specific costs for Rapid in 2025/26 and continued updates on when the DoF Budget has been agreed.

Agreed: The Committee also agreed to seek clarification on when funding for Public Sector Transformation funding would be awarded.

The officials left the meeting at 4:21pm

Phillip Brett returned to the meeting at 4:21pm

Members discussed the timeline for agreeing the Budget for 2025/26 and anticipated allocations which could potentially impact on limits set out in the Vote on Account.

Agreed: The Committee agreed to seek assurance from the Department of Finance that the timescales indicated would be suffice reflecting Executive agreement in this regard. The Committee also agreed that the Clerk would seek detail on what briefing had been given to Statutory Committees on their respective department's budget for 2025/26.

5. Matters Arising

5.1 Department of Finance - Revised DoF Delegate Limits

The Committee noted correspondence from the Department of Finance regarding revised DoF delegate limits. The Department has outlined that it intends to issue a revised set of delegations to replace the existing arrangements which gives departments authority to enter into commitments and to spend within defined limits, subject to certain restrictions. The latest review has updated the delegations to reflect changes made in the most recent version of Managing Public Money NI and a Dear Accounting Officer letter has been provided for the Committee's information.

Agreed: The Committee agreed to seek information on what the delegate limits were previously as well as a rolling narrative and explanation for changes. Members also agreed to seek the rationale for not monitoring Post Project Evaluations going forward.

5.2 Land & Property Services - Trust Statement: Rate Levy Accruals Account, Annual Report and Accounts 2023-2024

The Committee noted correspondence from the Land & Property Services (LPS) in relation their Annual Report and Accounts for 23-24. LPS have responded to Committee queries regarding the collection of Net Collectable Rates and NIHE actions to drive down the level of fraud and error in Housing Benefit Rate Relief. Details have also been provided on the year end targeted activities planned to secure payment or resolving remaining debt.

Agreed: The Committee agreed to ask why there is no aspiration for a 100% collection target and for additional information on the comparisons referred to in the LPS correspondence regarding local authorities in Great Britain.

5.3 Department of Finance - DALO Readout extract of requests made following 22 January meeting

The Committee noted the DALO readout issued following the meeting on the 22 January.

5.4 Department of Finance - Content of Written Ministerial Statement on 24-25 January Monitoring

The Committee noted correspondence on the Written Ministerial Statement on 24-25 January Monitoring. The Department has provided the current position in relation to Fresh Start Funding for both the 24-25 and 25-26 draft Budget. The Department has also detailed both the Ministerial and officials efforts in order to encourage increased use of Financial Transactions Capital.

5.5 Department of Finance - Civil Service Pay Award 2024

The Committee noted correspondence from the Department in relation to the NICS pay award for 2024. The Department has outlined that the NICS pay offer is for 20 months from the 1 August 2024 to 31 March 2026 and will cost around £128 million, with £43million for the award from 1 August 2024 and £85million for the award from 1 August 2025. The Department has also provided information on the modelling used and has indicated that £26 million has been set aside by the Executive should the pay award be accepted.

Agreed: The Committee to seek confirmation of when the pay award would be confirmed and also for clarification on language used in particular the phrase used “set aside”.

Eóin Tennyson left the meeting at 4:46pm

5.6 Department of Finance - Public Sector Transformation Board

The Committee noted correspondence from the Department regarding the Public Sector Transformation Board (PTSB). The Department has indicated that the then Finance Minister discussed the work of the interim PTSB and way forward including the Minister’s approval of recommendations in relation to Stage 2 proposals. The Minister has written to the CST in relation to the release of funding and agreement to the Terms of Reference for the interim PTSB.

Agreed: The Committee to seek clarification on whether or not this funding will be paid by CST and what the trigger is for making this payment. Members also agreed to seek information on any changes to the Stage 2 proposals which the Committee previously received and detail on the approval process going forward for both the Finance Minister and Executive in order to release funding.

Eóin Tennyson returned to the meeting at 4:49pm

5.7 Department of Finance - Support following Chancellor’s Budget Statement

The Committee noted correspondence from the Department in relation to support following the Chancellor’s Budget Statement. The Department has indicated that the figure of £200million does not include the costs facing healthcare providers or local councils and that it does not have information on the cost impact across the wider community & voluntary sector. The Department has also indicated that there are no plans at this stage to replicate the provision of grants to organisations outside government including the community & voluntary sector.

5.8 Department of Finance - SEUPB Accounts 2023

The Committee noted correspondence from the Department regarding SEUPB Accounts for 2023. The Department has indicated that the 2023 Accounts have now been certified in both jurisdictions and that agreement from both sponsor department Ministers and approval at a meeting of the Irish government is now required.

Accounts are aimed to be laid at the same time and the date agreed subject to timing.

Agreed: The Committee agreed to request an indicative timeframe for the 2024 SEUPB Accounts.

5.9 Department of Finance - Departmental Equality Impacts Budget 25-26

The Committee noted correspondence from the Department in relation to Departmental Equality Impacts for the Budget 25-26. The Department has indicated that departments are expected to provide information on their equality screening, impact assessments and consultations, including the outcome of these to it by no later than 13 March.

Agreed: The Committee agreed to ask the Department for confirmation that departments have met this deadline in due course.

5.10 Department of Finance - Fujitsu etc. Contracts

The Committee noted correspondence from the Department regarding contracts including the use of Fujitsu. The Department has indicated that the establishment and management of future contracts must be carried out in strict adherence to the relevant statutory instruments for public procurement. The Department has also outlined how the reliability and safety of the HR Connect system is provided through annual NIAO Audits and annual IT Health checks, annual disaster recovery tests and monthly measurement of service performance. Finally, the Department highlighted that the Cabinet Office continues to monitor Fujitsu as one of its strategic suppliers carrying out regular reviews through the Crown Representative.

Agreed: The Committee agreed to seek clarity on how the Cabinet Office work feeds through to the Department of Finance and for information on the Cabinet Office working group. Members also agreed to seek information on the One Government meetings and outputs which Department of Finance officials attend.

5.11 Department of Finance - Rating Policy SL1s

The Committee noted correspondence from the Department in relation to Rating Policy SL1s. The Department has indicated that the average rating charge for standalone ATMs across the 11 council areas Northern Ireland for 24/25 is £1,399.

The Department has also provided details in relation to the work to promote the Back in Business scheme alongside the Vacant to Vibrant Scheme run by Belfast City Council and the H.O.U.S.E Programme.

5.12 Department of Finance - NICS Pension Scheme Consultation

The Committee noted correspondence from the Department regarding the NICS Pension Scheme Consultation. The Department has provided information surrounding the pre-consultation undertaken regarding the scheme yield consultation which has taken place via the NICS Pension Forum, the NICS Scheme Advisory Board (SAB) and the NICS Pension Board. The Department has also provided information on similar approaches by other public sector pension schemes in a similar 'under-yield' position.

5.13 Department of Finance - DALO Readout extract of requests made following 29 January meeting

The Committee noted the DALO readout issued following the meeting on the 29 January.

5.14 Department of Finance - Primary Legislation Table

The Committee noted an update from the Department in relation to the Committee's Primary Legislation Table. The Department has provided an update in the form of additional comments and dates for four items of expected primary legislation that is due to come before the Committee.

Agreed: The Committee agreed to schedule an oral briefing with NISRA officials on the extension of Coronavirus Regulations.

5.15 Department of Finance - City and Growth Deals

The Committee noted correspondence from the Department regarding City and Growth Deals. The Department has provided suggestions following the Committee's request to visit to suitable City & Growth Deal projects in the Belfast area including potential suitable locations for a formal Committee meeting.

Agreed: The Committee agreed to schedule such a visit and meeting in due course.

5.16 Department of Finance - Banking Roundtable

The Committee noted correspondence from the Department in relation to the Minister's Banking Roundtable event. The Department has indicated that a draft report following the event has been circulated to attendees for validation and will be finalised in the coming weeks. It is also anticipated the Minister will share the summary report with HM Treasury, the regulatory authorities and seek a formal response and action as appropriate with the report then being shared with the Committee.

5.17 Finance Innovation Lab - Fair Banking for all Campaign

The Committee noted correspondence from the Finance Innovation Lab regarding the "Fair Banking for All" Campaign. Previously Members asked for briefing papers from the Finance Innovation Lab relating to the Fair Banking Act with a view to scheduling an oral briefing given link to the Committee's Banking Inquiry.

Agreed: The Committee agreed to schedule an oral briefing with Finance Innovation Lab as part of the Committee's Inquiry.

11. Correspondence

- i. The Committee noted a correspondence and a report in respect of the 2023/24 financial year from the Department of Finance in relation to the Dormant Assets Fund NI. The report has also been laid in the Business Office.

Diane Forsythe declared an interest as a Member of the Public Accounts Committee

- ii. The Committee noted a correspondence from the Department of Finance regarding Memorandum of Report to the Public Accounts Committee Report (Public Procurement in NI). The Department has laid its Memorandum of Reply to this report in the Business Office.

Agreed: The Committee agreed to schedule a briefing on the Procurement Strategy.

- i. The Committee noted the 32nd Report of the Examiner of Statutory Rules. There are no rules for the attention of this Committee.

9. Draft Forward Work Programme

The Committee considered the Forward Work Programme, as drafted.

The Committee noted an update from the Clerk in relation to upcoming briefings with banking representatives.

Agreed: The Committee agreed to begin the Committee meetings on 26 February and 5 March, at the earlier time of 1pm to allow for substantial agendas.

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

10. Any Other Business

Members voiced their concern with the quality of information coming from the Department of Finance and impact on accuracy particularly when dealing with significant amounts of public money.

11. Date and Time of next meeting

The next Committee meeting will be held on Wednesday 26 February 2025 at 1:00pm in the Senate Chamber, Parliament Buildings.

The meeting was adjourned at 5.21pm.

Matthew O'Toole MLA

Chairperson, Committee for Finance

26 February 2025