



Northern Ireland
Assembly

Public Accounts Committee

Report on Excess Votes (Northern Ireland) 2023-24

Ordered by the Public Accounts Committee to be published 14 November 2024.

Report: NIA 61/22-27 Public Accounts Committee

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Powers and Membership

Powers

The Public Accounts Committee is a Standing Committee established in accordance with Standing Orders under Section 60(3) of the Northern Ireland Act 1998. It is the statutory function of the Public Accounts Committee to consider the accounts, and reports on accounts laid before the Assembly.

The Public Accounts Committee is appointed under Assembly Standing Order No. 56 of the Standing Orders for the Northern Ireland Assembly. It has the power to send for persons, papers and records and to report from time to time. Neither the Chairperson nor Deputy Chairperson of the Committee shall be a member of the same political party as the Minister of Finance or of any junior minister appointed to the Department of Finance.

Membership

The Committee has 9 members, including a Chairperson and Deputy Chairperson, and a quorum of five members. The membership of the Committee is as follows:

- Mr Daniel McCrossan MLA (Chairperson)
- Ms Cheryl Brownlee MLA (Deputy Chairperson)
- Mr Cathal Boylan MLA
- Mr Tom Buchanan MLA
- Mr Pádraig Delargy MLA
- Ms Diane Forsythe MLA
- Mr Colm Gildernew MLA
- Mr David Honeyford MLA
- Mr Colin Crawford MLA^{1, 2}

¹With effect from 5 March 2024 Mr John Stewart replaced Mr Robbie Butler

²With effect from 21 October 2024 Mr Colin Crawford replaced Mr John Stewart

List of Abbreviations and Acronyms used in this Report

the Assembly: the Northern Ireland Assembly

C&AG: Comptroller and Auditor General

the Committee: Public Accounts Committee (PAC)

RfR: Request for Resources

Summary

1. This report by the Public Accounts Committee (PAC) on Excess Votes is part of the Northern Ireland Assembly's control framework over government spending. The Committee considers the reports by the Comptroller and Auditor General on resource accounts of departments and other public bodies that have exceeded the limits of expenditure authorised by the Northern Ireland Assembly (the Assembly).
2. The Committee recommends whether the Assembly should approve further resources to the departments concerned in order to regularise the excess expenditure. Where the excesses are the results of failures in control within departments, the Committee may make recommendations to departments concerning the causes of these excesses.
3. The system of resource-based Supply requires departments to estimate and manage the resources they will need during a financial year on an accruals basis, as well as the cash they will need as commitments mature. The Assembly authorises both cash spending and the use of resources.
4. In 2023-24 one department and two other public bodies incurred an excess vote. The three resource excesses totalled £3.240 million.
5. The three cases with resource excesses are:
 - The Northern Ireland Assembly Commission breached its AME: resources for current purposes limit by £0.492 million. The excess occurred when a new provision for liabilities was recognised in the accounts to cover the cost of remedial works to repair the roof of Parliament Buildings.
 - The Department for Communities breached its AME: resources for capital limit by £2.284 million primarily as a result of a movement in long term loans relating to Universal Credit advances being larger than anticipated.

- The Northern Ireland Authority for Utility Regulation breached its net cash requirement by £0.464 million. The excess occurred because of a delay in recovery of an amount due in respect of licence fees and the NIAUR reducing its cash requirement when submitting its 2023-24 Spring Supplementary Estimates requirements to the Department of Finance.
6. On the basis of our examination of the reasons why these bodies exceeded voted provisions, the Committee recommends that the Assembly provides the necessary amounts by means of an Excess Vote.

Background

7. This report is part of the framework of Assembly control over government spending. Resource-based Supply requires departments and other public bodies to estimate and manage the resources they will need in a financial year on an accruals basis, as well as the cash they will need as commitments mature. The Assembly authorises spending on both a cash and accruals basis.
8. In 2023-24, the Secretary of State granted total net resources of £27.404 billion and total cash of £22.791 billion in Supply Estimates to 18 bodies including departments, pension schemes and other vote-funded bodies. The difference in the provision of cash and resources is primarily due to including non-cash charges in resources for items such as depreciation of assets and changes in the value of assets or liabilities.
9. In 2023-24 one department and two other public bodies incurred an excess vote. The three resource excesses totalled £3.240 million. Details of the excesses are summarised in Figure 1 on page 12.
10. A breach of any of the budgetary control limits, or the cash limit, results in the need for expenditure to be regularised through the Assembly Excess Vote process. The Public Accounts Committee (the Committee) scrutinises the reasons behind each Departments' excess of allocated resources, and reports to the Assembly on whether it has any objections to making good the reported excesses. Once the Committee has reported, a Statement of Excesses will be presented to the Assembly, to be voted into the Budget Act. The passing of this Act authorises the additional grant by the Assembly to regularise the excesses incurred by public bodies.

Conclusions and Recommendations

11. The Committee recommends that the Assembly provides additional resources by means of an Excess Vote, as set out in Figure 1 on page 12.

Excess Votes in

12. The Public Accounts Committee (the Committee) met on *14 November 2024* to consider the Comptroller and Auditor General's (C&AG's) Report on Excess Votes 2023-24.
13. The Northern Ireland Assembly Commission breached its AME: resources for current purposes limit, by £0.492 million. The excess occurred when a new provision for liabilities was recognised in the accounts to cover the cost of remedial works to repair the roof of Parliament Buildings.
14. In July 2022, the Commission commenced legal action against the architects and builders involved in the renovation of the roof of Parliament Buildings, due to repeated water ingress and other structural issues. An initial expert report advised that potential costs of £1.8 million would be required in remedial works. However, following an advancement in legal proceedings in 2023-24, further deterioration in the state of the roof and a decision to commence remedial works; a revised expert assessment was requested to provide a more accurate cost of repairs. The expert's detailed evaluation was completed in May 2024 and the outcome was an increase in estimated costs from £1.8 million to £2.453 million.
15. When preparing the Spring Supplementary Estimates, published in March 2024, there was no provision made for these costs within the AME resource limit. In total, the Commission incurred excess AME resource costs of £0.492 million.
16. **The Committee recommends that the Assembly provides additional resources by means of an Excess Vote, as set out in Figure 1 on page 12.**
17. The Department for Communities breached its AME: resources for capital limit by £2.284 million. An excess occurred because of:
18. A movement in long term loans relating to Universal Credit (UC) advances being larger than anticipated. This was due to an unexpected spike in the demand led loan facility late in the financial year. Of the total £2.284m overspend, £2.069m arose in this area. UC loan advances are available to all new UC claimants to try and reduce financial hardship due to the five-week

delay between being accepted on to UC and being paid. Those in receipt of a UC advance have 18 months to pay the amount back. The Department had anticipated there would be an increase in applications for this loan facility as there had been an increase in UC applicants due to the continuing roll out of the benefit. However, although it had increased its estimate in this area this unfortunately proved to be insufficient for the actual spike in applications which occurred at the end of the year.

19. Movement in the 'Support for Mortgage Interest Relief' loans. This accounts for the remaining £0.215m of the overspend. The Department has advised the Comptroller and Auditor General that this happened because demand unexpectedly increased in the latter part of the year.
20. The Northern Ireland Authority for Utility Regulation (NIAUR) breached its Net Cash Requirement by £0.464 million. The excess occurred because of a delay in recovery of an amount due in respect of licence fees and the NIAUR reducing its cash requirement when submitting its 2023-24 Spring Supplementary Estimates requirements to the Department of Finance.
21. When preparing its Net Cash Requirement for inclusion in 2023-24 Spring Supplementary Estimates, the NIAUR assumed that all licence fees invoiced in year would be paid by 31 March 2024. However, one invoice for £0.470 million issued in September 2023 was queried by an electricity supplier and it took until March 2024 before this issue was resolved and a revised invoice for £0.304 million issued to the supplier. Payment of the revised invoice did not occur until May 2024.
22. In addition, when preparing the Spring Supplementary Estimates, published in March 2024, the NIAUR surrendered £0.163 million.
23. **The Committee recommends that the Assembly provides additional cash by means of an Excess Vote, as set out in Figure 1 on page 12.**
24. The Committee recommends that the Assembly provides additional resources by means of an Excess Vote, as set out in Figure 1 on page 12.

Links to Appendices

Minutes of Proceedings

[View Minutes of Proceedings of Committee meetings related to the report](#)

Figure 1: Summary of Excess Votes required in 2023-24

Public Body	AME: resources for current purposes		AME: resources for capital purposes		Cash (money)	
	£'000	Amount to be voted £'000	£'000	Amount to be voted £'000	£'000	Amount to be voted £'000
2023-24						
<u>Northern Ireland Assembly Commission</u>						
<u>Amount originally voted</u>	2,181			No Excess	No Excess	
<u>Amount expended</u>	<u>2,673</u>	492				
<u>Department for Communities</u>						
<u>Amount originally voted</u>	No Excess		6,536		No Excess	
<u>Amount expended</u>			8,820	2,284	No Excess	
<u>Northern Ireland Authority for Utility Regulation</u>						
<u>Amount originally voted</u>	No Excess		No Excess		630	
<u>Amount expended</u>	No Excess		No Excess		1,094	464

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Public Accounts Committee
Northern Ireland Assembly
Parliament Buildings
Ballymiscaw
Stormont
Belfast BT4 3XX

Telephone: 028 9021208

Email: pac.committee@niassembly.gov.uk

Twitter: @NIA_PAC
