

# Northern Ireland Fiscal Council Bill

[AS INTRODUCED]

## LEGISLATIVE COMPETENCE

At Introduction the Minister of Finance had made the following statement under section 9 of the Northern Ireland Act 1998:

*“In my view the Northern Ireland Fiscal Council Bill would be within the legislative competence of the Northern Ireland Assembly.”*

## SECRETARY OF STATE'S CONSENT

The following statement is for the purpose of section 10(3)(b) of the Northern Ireland Act 1998:

The Secretary of State has consented to the Assembly considering this Bill.



# Northern Ireland Fiscal Council Bill

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A

## BILL

TO

Make provision for the establishment and functions of the Northern Ireland Fiscal Council; and for connected purposes.

**B**E IT ENACTED by being passed by the Northern Ireland Assembly and assented to by His Majesty as follows:

### *Establishment and functions*

#### **Northern Ireland Fiscal Council**

**1.**—(1) There is to be a body corporate known as the Northern Ireland Fiscal Council (“the Council”).

5       (2) Schedule 1 makes further provision in relation to the Council.

#### **Main functions**

**2.**—(1) It is the duty of the Council to examine and report on the public finances in Northern Ireland.

(2) In particular, the Council must—

10       (a) for each financial year, prepare a report in accordance with section 3 (“a budget assessment report”), and

(b) at least once in each year, prepare a report in accordance with section 4 (“a fiscal sustainability report”).

15       (3) For the purposes of performing its duty under subsection (1) the Council may prepare such other reports, including updates to a report under subsection (2), as the Council considers appropriate.

(4) As soon as practicable after preparing a report under subsection (2) or (3) the Council must—

20       (a) publish the report,

(b) lay a copy of the report before the Assembly, and

(c) send a copy of the report to the Department.

(5) In subsection (2)(b), “year” means—

(a) the period of 12 months beginning with the day on which this Act comes into operation, and

(b) every subsequent period of 12 months.

## 5 **Budget assessment reports**

**3.**—(1) The budget assessment report for a financial year must be published as soon as practicable after the publication of the proposed budget for that year.

(2) A budget assessment report must include—

(a) the Council’s assessment of the proposed budget;

10 (b) consideration of the extent to which public revenue in Northern Ireland is enough to meet planned expenditure;

(c) the Council’s conclusions on its assessment.

(3) In this section, the proposed budget for a financial year is—

15 (a) the first programme of expenditure proposals relating to that year published by the Minister of Finance, or

(b) such other published programme of expenditure proposals relating to that year as the Council considers appropriate in the circumstances.

## **Fiscal sustainability reports**

20 **4.**—(1) A fiscal sustainability report must consider how the public finances in Northern Ireland are likely to affect the future delivery of public services.

(2) For the purposes of preparing a fiscal sustainability report, the Council must consider the following matters—

(a) public revenue,

(b) public borrowing and accumulated debt,

25 (c) expenditure, and

(d) such other matters as the Council considers appropriate.

(3) A fiscal sustainability report must include—

(a) commentary on the matters mentioned in subsection (2),

30 (b) the Council’s view of the public services likely to be deliverable in Northern Ireland in future, having regard to—

(i) the public services previously delivered in Northern Ireland and proposed to be delivered in future, and

(ii) any public services delivered in other jurisdictions that are, in the view of the Council, appropriate for comparison, and

35 (c) such other matters as the Council considers appropriate.

(4) A fiscal sustainability report may relate to—

(a) the matters listed in subsection (2)(a) to (c) generally (an “overall report”), or

40 (b) such of those matters, or such description of those matters, as the Council considers appropriate (a “thematic report”).

(5) In each year, the Council may prepare an overall report or a thematic report; but it must prepare an overall report at least once every five years.

### **Power to confer additional functions**

5     **5.**—(1) The Department may by regulations confer additional functions on the Council.

(2) The Department may by regulations alter or remove any functions conferred under subsection (1).

(3) Before making regulations under this section the Department must consult—

(a) the Council, and

10     (b) such other persons as the Department considers appropriate.

(4) Regulations under this section may—

(a) amend this Act or any other statutory provision (whenever passed or made);

(b) include incidental, supplementary, consequential, transitional, transitory or saving provision.

15     (5) Regulations under this section may not be made unless a draft of the regulations has been laid before, and approved by a resolution of, the Assembly.

### **How the Council is to perform its functions**

**6.**—(1) The Council has complete discretion in carrying out its functions under section 2.

20     (2) In particular, in carrying out its functions under section 2, the Council is not subject to the direction or control of—

(a) a Minister,

(b) a Northern Ireland department,

25     (c) a Minister of the Crown or a department of the government of the United Kingdom, or

(d) the Assembly.

(3) But subsections (1) and (2) are subject to any duty imposed on the Council by any statutory provision (including this Act).

30     (4) Where, in performing its functions under section 2, the Council decides to consider the effect of any published policy or proposed policy of a Northern Ireland department—

(a) the Council may consider the likely effect of that policy, or any alternative policies, on the public finances, but

35     (b) must not make any recommendation as to the adoption or rejection of that policy, or as to the adoption of any alternative policy.

(5) The Council must carry out its functions objectively, transparently and impartially.

### *Final provisions*

### **Consequential amendments**

40     **7.** Schedule 2 makes consequential provision.

**Meaning of certain expressions**

**8.** In this Act—

“the Department” means the Department of Finance;

“a Minister” means—

- 5           (a) a Minister of a Northern Ireland department, or  
             (b) a junior Minister;

“statutory provision” has the meaning given by section 1(f) of the Interpretation Act (Northern Ireland) 1954.

**Commencement and short title**

10       **9.**—(1) This Act comes into operation on the day after the day on which this Act receives Royal Assent.

(2) This Act may be cited as the Northern Ireland Fiscal Council Act (Northern Ireland) 2025.

## SCHEDULES

### SCHEDULE 1

Section 1

#### NORTHERN IRELAND FISCAL COUNCIL

5

#### PART 1

#### GENERAL

##### *Status of the Council*

- 1.—(1) The Council is not to be regarded—  
    (a) as the servant or agent of the Crown, or  
10      (b) as enjoying any status, immunity or privilege of the Crown.  
    (2) The property of the Council shall not be regarded as property of, or held  
on behalf of, the Crown.

##### *Application of section 19 of the Interpretation Act (Northern Ireland) 1954*

- 15      2. Subject to the following provisions of this Schedule, section 19 of the  
Interpretation Act (Northern Ireland) 1954 applies to the Council.

##### *General powers*

3. The Council may do anything calculated to facilitate, or conducive or  
incidental to, the carrying out of any of its functions.

##### *Manner in which functions are to be carried out*

- 20      4. The Council must aim to carry out its functions efficiently and cost-effectively.

#### PART 2

#### MEMBERSHIP AND STAFF

##### *Membership*

- 25      5.—(1) The Council is to consist of—  
    (a) a chair, and  
    (b) at least 2 but no more than 5 other members.  
    (2) The chair and other members of the Council are to be appointed by the  
Department.  
    (3) The Department may by regulations amend sub-paragraph (1)(b) by  
30      substituting a different number for any number for the time being specified there.  
    (4) Regulations under sub-paragraph (3) may not be made unless a draft of the  
regulations has been laid before, and approved by a resolution of, the Assembly.

*Period and terms of appointment*

6.—(1) The chair or any other member of the Council is to be appointed for such period, not exceeding 5 years, as may be specified in the terms of appointment.

5 (2) A person who has been appointed (as chair or another member) under paragraph 5(2) may be appointed under paragraph 5(2) a second time, but only if that person was still a member—

(a) at the time of the second appointment, or

(b) at a time in the 3 months preceding the date of the second appointment.

10 (3) A person may not be appointed under paragraph 5(2) more than twice.

(4) The Department may determine the terms of a person's appointment as the chair or another member of the Council so far as those terms are not provided for by this Act or any other statutory provision.

*Remuneration and expenses*

15 7. The Council may pay to the chair or any other member of the Council such remuneration and allowances as the Council, with the approval of the Department, determines.

*Disqualification from appointment*

20 8.—(1) A person is disqualified from being appointed as the chair or another member of the Council if the person—

(a) is a member of—

(i) a district council, or

(ii) the Assembly;

25 (b) is disqualified from being a member of the Assembly (other than by virtue of being the chair or another member of the Council);

(c) is employed in the civil service of the Crown;

(d) within the last ten years, has been bankrupt within the meaning of Article 9 of the Insolvency (Northern Ireland) Order 1989 (“the 1989 Order”);

30 (e) within the last ten years has made an arrangement or composition with that person's creditors;

(f) within the last ten years, has had a debt relief order within the meaning of Article 9 of the 1989 Order made against that person;

35 (g) within the last ten years, has been subject to a disqualification order or a disqualification undertaking under the Company Directors Disqualification (Northern Ireland) Order 2002 or the Company Directors Disqualification Act 1986.

(2) In sub-paragraph (1)—

40 (a) the reference in paragraph (d) to being, or having been, bankrupt within the meaning of the 1989 Order includes being, or having been, the subject of an analogous arrangement anywhere in the world;

- (b) any reference in paragraph (f) or (g) to an order, undertaking or disqualification mentioned there includes an analogous order, undertaking or disqualification anywhere in the world.

(3) In this paragraph—

5 “civil service of the Crown” includes any service mentioned in the definition of that term in section 1(2) of the Northern Ireland Assembly Disqualification Act 1975;

10 “disqualified from being a member of the Assembly” means disqualified from being a member of the Assembly under the Northern Ireland Assembly Disqualification Act 1975 as applied by section 36(1) of the Northern Ireland Act 1998.

#### *Automatic termination of appointment*

9. A person’s appointment as the chair or another member of the Council ceases immediately if—

- 15 (a) the person becomes disqualified under paragraph 8 from being appointed as the chair or another member of the Council, or
- (b) the person is nominated as a candidate for election to—
  - (i) a body mentioned in paragraph 8(1)(a), or
  - 20 (ii) a body mentioned in section 1(1) of the Northern Ireland Assembly Disqualification Act 1975.

#### *Termination of appointment by the Department*

10. The Department may remove the chair or another member of the Council by giving notice in writing if the chair or other member—

- 25 (a) is incapable for medical or other reasons of performing the functions of the office,
- (b) has, without reasonable excuse, failed to discharge the functions of the office for a continuous period of 3 months, and—
  - (i) if that person is the chair of the Council, has not received permission from the Council, or
  - 30 (ii) if that person is another member of the Council, has not received permission from the chair,
- (c) has failed to comply with the terms of appointment, or
- (d) is otherwise unable, unfit or unwilling to perform the functions of the office.

#### *Resignation*

11. The chair or another member of the Council may resign by giving notice in writing to the Department.

*Acting chair or other member of the Council*

12.—(1) The Department may appoint a person to exercise the functions of the chair or another member of the Council where—

- (a) the position of chair or another member of the Council is vacant;
  - 5 (b) the chair or another member is incapable of exercising the functions of the office;
  - (c) the chair or another member considers that it would be inappropriate to exercise any of the functions of the office in connection with a particular matter (because of a possible conflict of interest or for any other reason).
- 10 (2) Where an appointment is made under sub-paragraph (1), the person appointed has the powers of the chair or other member of the Council but may act only in accordance with the terms of that appointment.
- (3) The Council may pay to the acting chair or an acting other member such remuneration and allowances as the Council, with the approval of the Department, determines.
- 15

*Staff*

13.—(1) The Council is to employ a person to act as the Council's chief of staff.

- (2) The Council may employ other staff.
- 20 (3) The chief of staff and other Council staff are to be employed on such terms as the Council, with the approval of the Department, determines.

*Validity of things done*

14. The validity of anything done by the Council is not affected by—
- 25 (a) the role of chair or another member being vacant (including where the vacancy arises as a result of automatic termination of an appointment under paragraph 9), or
  - (b) a defect in the appointment of the chair or another member.

PART 3

COMMITTEES, PROCEDURE AND DELEGATION

30

*Committees*

- 15.—(1) The Council may establish committees.
- (2) The membership of a committee may include (but may not consist entirely of) persons who are not members of the Council, but those persons are not entitled to vote at meetings.
  - 35 (3) The Council may pay to each person mentioned in sub-paragraph (2) such remuneration and allowances as it may, with the approval of the Department, determine.

*Authority to perform functions*

16.—(1) The Council may authorise—

- (a) the chair of the Council,
- (b) any other member of the Council,
- 5 (c) any committee established by the Council, or
- (d) any member of the Council's staff,

to perform such of the Council's functions (to such extent) as the Council may determine.

10 (2) The giving of authority under sub-paragraph (1) to perform a function does not—

- (a) affect the Council's responsibility for the performance of the function;
- (b) prevent the Council from performing the function itself.

(3) Sub-paragraph (1) does not apply to the functions of the Council under section 2.

15 *Application of seal and execution of documents*

17.—(1) The application of the seal of the Council shall be authenticated by the signature—

- (a) of the chair of the Council or the chief of staff, or
- 20 (b) of any other member or employee of the Council who has been generally or specifically authorised by the Council for that purpose.

(2) Any document which, if executed by an individual, would not require to be executed as a deed may be executed on behalf of the Council by any person generally or specifically authorised by the Council for that purpose.

PART 4

25 INFORMATION AND DISCLOSURE

*Annual data statement*

18.—(1) At least once in each year, the Council must—

- (a) prepare and publish a data statement,
- (b) lay a copy of the statement before the Assembly, and
- 30 (c) send a copy of the statement to the Department.

(2) In this paragraph a “data statement” means a statement which—

- (a) identifies the sources of information considered by the Council in the exercise of its functions since the publication of the last data statement,
- (b) details the methodology and any assumptions used, and
- 35 (c) comments on any gaps in the information.

(3) In this paragraph “year” means—

- (a) the period of 12 months beginning with the day on which this Act comes into operation, and

(b) every subsequent period of 12 months.

*Access to information*

19.—(1) The Council has a right of access (at any reasonable time) to all Northern Ireland government information which it may reasonably require for the purpose of the performance of the Council's functions under section 2.

(2) The Council is entitled to require from any person holding or accountable for any Northern Ireland government information any assistance or explanation which the Council reasonably thinks necessary for that purpose.

(3) This paragraph is subject to any statutory provision or rule of law which operates to prohibit or restrict the disclosure of information or the giving of any assistance or explanation.

(4) In this paragraph "Northern Ireland government information" means information held by a Minister or a Northern Ireland department.

PART 5

REPORTING AND REVIEW OF PERFORMANCE

*Annual report*

20.—(1) The Council must, as soon as reasonably practicable after the end of each financial year—

(a) prepare and publish a report on the exercise of the Council's functions during that financial year,

(b) lay a copy of the report before the Assembly, and

(c) send a copy of the report to the Department.

(2) In this paragraph "financial year" means—

(a) the period beginning with the day on which this Act comes into operation and ending with the second 31st March following that date, and

(b) each successive period of 12 months ending with 31st March.

*Review of Council's performance*

21.—(1) The Council must by the end of each review period appoint a suitable person or body to—

(a) review, and

(b) prepare a report on,

the Council's performance of its functions under section 2 during the review period.

(2) Each of the following is a review period for the purposes of this paragraph—

(a) the period beginning with the day on which this Act comes into operation and ending with the third 31st March following that date, and

(b) each subsequent period of 4 years.

(3) For the purposes of sub-paragraph (1) a person or body is suitable only if—

- (a) the person or body has expertise likely to be relevant to the assessment of the performance of the Council's functions under section 2, and
- (b) in the case of a person who is an individual, the person is not—
- 5       (i) the chair or another member of the Council, or
- (ii) disqualified from appointment as such by virtue of paragraph 8.
- (4) Before appointing a person or body under sub-paragraph (1) the Council must—
- (a) prepare terms of reference for the review;
- (b) consult such persons as the Council considers appropriate—
- 10       (i) on the process for appointing a person or body, and
- (ii) on the terms of reference for the review.
- (5) The Council may make such payment to a person or body appointed under sub-paragraph (1) in respect of a review as the Council, with the approval of the Department, determines.
- 15   (6) As soon as practicable after receiving a report under sub-paragraph (1) the Council must—
- (a) publish the report,
- (b) lay a copy of the report before the Assembly, and
- (c) send a copy of the report to the Department.

20

## PART 6

### FINANCE AND FUNDING

#### *Audit and finance*

- 22.—(1) The Council must—
- (a) keep proper accounts and proper records in relation to the accounts, and
- 25       (b) prepare a statement of accounts in respect of each financial year.
- (2) The statement of accounts must—
- (a) be in such form, and
- (b) contain such information,
- as the Department may direct.
- 30   (3) The Council must, within such period after the end of each financial year as the Department may direct, send copies of the statement of accounts relating to that year to—
- (a) the Department, and
- (b) the Comptroller and Auditor General.
- 35   (4) The Comptroller and Auditor General must—
- (a) examine, certify and report on every statement of accounts received under sub-paragraph (3)(b), and
- (b) send a copy of that report to the Department.

(5) The Council must ensure that a copy of the statement of accounts and a copy of the Comptroller and Auditor General's report are laid before the Assembly.

(6) In this paragraph "Comptroller and Auditor General" means the Comptroller and Auditor General for Northern Ireland.

5

## PART 7

### INITIAL MEMBERSHIP OF THE COUNCIL

23.—(1) The person who was, immediately before the day that this Act comes into operation, the chair of the non-statutory Council is deemed to have been appointed under paragraph 5 as the chair of the Council at the beginning of that day.

10

(2) Any person who was, immediately before the day that this Act comes into operation, another member of the non-statutory Council is deemed to have been appointed under paragraph 5 as another member of the Council at the beginning of that day.

15

(3) A person to whom sub-paragraph (1) or (2) applies is referred to in this paragraph as an "initial member".

(4) An initial member's period of appointment as the chair or another member of the Council—

20

(a) is to continue to be the same as that for which the person had been appointed as the chair or another member of the non-statutory Council, and

(b) accordingly expires at the time at which the period of appointment as the chair or another member of the non-statutory Council would have expired.

25

(5) Except as may be agreed between the Department and an initial member, the other terms of the person's appointment are to continue to be the same as the terms on which the person had been appointed as the chair or another member of the non-statutory Council, so far as consistent with this Act.

30

(6) In this paragraph "the non-statutory Council" means the body known as the Northern Ireland Fiscal Council, the formation of which was announced to the Assembly on 12th March 2021 by written Ministerial statement.

## SCHEDULE 2

Section 7

### CONSEQUENTIAL AMENDMENTS

#### PART 1

##### 5 AMENDMENTS OF PRIMARY LEGISLATION

###### *Superannuation (Northern Ireland) Order 1972 (S.I. 1972/1073 (N.I. 10))*

1. In Schedule 1 to the Superannuation (Northern Ireland) Order 1972 (S.I. 1972/1073 (N.I. 10)) (employments to which Article 3 can apply) insert at the end—

10 “Employment by the Northern Ireland Fiscal Council”.

###### *Northern Ireland Assembly Disqualification Act 1975 (c. 25)*

2. In Part 2 of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975 (bodies of which all members are disqualified), insert at the appropriate place “The Northern Ireland Fiscal Council”.

###### 15 *Freedom of Information Act 2000 (c. 36)*

3. In Part 7 of Schedule 1 to the Freedom of Information Act 2000 (bodies, etc. which are public authorities for the purposes of the Act), insert at the appropriate place “The Northern Ireland Fiscal Council”.

###### *Public Services Ombudsman Act (Northern Ireland) 2016 (c. 4)*

20 4. In Schedule 3 to the Public Services Ombudsman Act (Northern Ireland) 2016 (listed authorities) under the ‘miscellaneous’ heading, insert at the appropriate place “The Northern Ireland Fiscal Council”.

#### PART 2

##### MODIFICATION OF SECONDARY LEGISLATION

25 5. In Part 5 of the Schedule to the Government Resources and Accounts Act (Northern Ireland) 2001 (Estimates and Accounts) (Designation of Bodies) Order 2025, the reference to the “Northern Ireland Fiscal Council” is to be read as a reference to the Council established under section 1.

# **Northern Ireland Fiscal Council Bill**

[AS INTRODUCED]

A Bill to make provision for the establishment and functions of the Northern Ireland Fiscal Council; and for connected purposes.

Introduced by: Mr John O'Dowd, Minister of Finance

On: 23 June 2025

Bill Type: Executive Bill

## **ACCOMPANYING DOCUMENTS**

**An Explanatory and Financial Memorandum is printed separately as  
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