



Northern Ireland
Assembly

Committee for Finance and Personnel

OFFICIAL REPORT (Hansard)

Main Estimates and Budget (No. 2) Bill:
Ministerial Briefing

20 June 2012

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Conor Murphy (Chairperson)
Mr Dominic Bradley (Deputy Chairperson)
Mr Roy Beggs
Mrs Judith Cochrane
Mr Paul Girvan
Mr David Hilditch
Mr William Humphrey
Mr Paul Maskey
Mr Mitchel McLaughlin
Mr Adrian McQuillan

Witnesses:

Mr Sammy Wilson	Minister of Finance and Personnel
Mr Michael Brennan	Department of Finance and Personnel
Mr Jeff McGuinness	Department of Finance and Personnel

The Chairperson: Morning.

Mr Wilson (The Minister of Finance and Personnel): Morning.

The Chairperson: You are very welcome. Sorry for the slight delay. We received a response from officials this morning in relation to a series of questions that had been sent around the detail of the papers that were made available to us. We have read through the responses, from which questions will probably arise. I am quite happy to take those questions now, and you and your officials can respond if you wish. We can talk about the consultation exercise as well. Do you want to make any opening remarks or just go straight into questions?

Mr Wilson: No. I just want to say that it is a great joy to be with the Committee this morning. I have been looking forward to this all week. I am sure that we will have an enjoyable time. Also, as far as the officials and I are concerned, we have sought to service the Committee as efficiently as we possibly can. I think that our record in servicing the Committee compares very well to the way in which some other Committees are serviced by both Ministers and officials.

If you look at our response to papers, you will see that 82% are responded to within the timescales set by the Committee, some of which are fairly short. For example, the paper with the questions that is before you this morning: for whatever reason, my officials received some of them only yesterday, and yet we got a response to you.

I would like to put it on the record that we recognise the importance of the Committee, and we always seek to service it as efficiently and as effectively as we possibly can. For that reason, I am a bit disappointed by the way in which the Committee has reacted to what was a genuine mistake — a mistake that was remedied quickly on my part and served to the Committee in time for last week's session. I am just disappointed that the Committee has taken the view that it has. I understand that, in these circumstances, there will always be some members who feel that political grandstanding is much more important than getting on with business. That is just the nature of the game, I suppose, and we have to live with it. I hope that that does not persist and that, having got it out of the system, we will be able to get on with doing business properly.

The Chairperson: Thank you. From chairing the Committee for a year, my experience is that the Committee takes its business very seriously, and officials have been very co-operative. We have always appreciated the frankness with which they have spoken to the Committee and the information that they have shared. That is why our experience over a couple of weeks was so out of the norm, and that is what caused consternation. In my experience, all members of the Committee take their job very seriously in terms of providing a proper scrutiny function, particularly in relation to the Budget (No. 2) Bill. There is a heightened sense of responsibility because we scrutinise that Bill not only for ourselves but on behalf of all the other Statutory Committees and the Assembly as a whole. On that basis, we give our consent to accelerated passage.

It is unfortunate that we are where we are. I would like to have a productive session this morning, in which we can tease out some of the detail of the issue we have raised. I will ask one or two questions and then open it up for other members to raise some issues as well.

One of the questions related to something that intrigues members of the Finance Committee: money held at the centre. We asked for an up-to-date position on that. I do not think that the response that we got to question 4 gives us an up-to-date position. Members raised issues about some departmental accounts and figures which we looked through, such as "miscellaneous", which is a very broad brush and which members felt was unsatisfactory. Similarly, the idea of "money at the centre" is not part of the Main Estimates but outside them. We understand that. However, as the Committee which scrutinises the Department of Finance and Personnel, we would like an update on what moneys are held at the centre and for what purpose they are held.

Mr Wilson: As the answer says, the money that is held at the centre is not in the Estimates because it is not allocated to Departments at that stage. I do not have a figure, but it probably runs into hundreds of millions of pounds at present, because it includes, for example, rates money, and there may well be overcommitments. It will of course fluctuate from time to time. As the answer indicates, hopefully, with the change in the financial processes and the arrangements which we want to put in place, there will be greater transparency on that in future.

Mr Michael Brennan (Department of Finance and Personnel): On the back of the Budget document which the Assembly approved, there is a table on both the resource side and the capital side. It gives a reconciliation between the departmental allocations and the total DEL (departmental expenditure limit) available to the Executive and Assembly. The difference between the items identified in those tables is the centre.

I can give you a specific example of why you cannot allocate it to Departments. The Executive and Assembly agreed that, at the start of this financial year, that there was an overcommitment of £30 million on the resource side and the capital side. That is actually a minus £30 million. So, if you allocate £100 million, there is a variation of £30 million from what we actually have. You cannot allocate a minus figure against a Department. The rates money, as well, is over and above what we have as the resource DEL allocation from Treasury. The table on the back of the Budget document, at pages 130 and 131, identifies the centre items and how much they are. However, it does vary on an almost daily basis. For example, when we leave June monitoring, the decisions that the Executive take will change the overcommitment position, so the minus £30 million on the resource side and capital side will change.

The Chairperson: OK. Just in relation to some of the reallocations, there was a question in relation to the reallocations for the A5 and the A8. This is part of the issue, in general terms, that we have had with this year's Budget Bill. While there are monitoring rounds and different changes, this is the first opportunity that the Committee has had since the Budget to examine the entirety of all of those changes and their implications. On the legal advice that we have received, that is a job of work that

we have to do on an annual basis. We cannot simply take what has happened in one year, move it on and top up our knowledge; on an annual basis, we have to examine the entirety of the changes.

The statement on the A5 and the A8 does not indicate a year for the reallocation and spending of that money. Has that been identified as yet?

Mr Jeff McGuinness (Department of Finance and Personnel): Yes. We have allocations. I refer you to annexe A of the background paper, sent last week or the week before. You will see there the A5 and A8 money. There was £189 million taken off the Department for Regional Development (DRD); £123 million was given back to it; and £36.9 million was given to the Department of Health, Social Services and Public Safety (DHSSPS). That is all a part of the A5 and A8 reallocation that was announced to the Assembly on 14 February.

Mr Mitchel McLaughlin: The whole budgeting process is fairly dynamic. There is an issue in the news this morning about plummeting property prices and the impact on the asset realisation strategy, which is a key baseline calculation. Some reference was made, in the session that we had on 13 June, to agreement between the asset management unit and Departments on the amounts to be deducted from their budget baselines in lieu of asset sales. That is clearly an area where projections could not possibly have anticipated the fairly devastating impact on property values. That, I think, will give you some headaches. It is clear that we are some way from the property market settling and being in a position to rely on projections. Will you give us some indication of what is reflected in your current document? I suspect that we will revisit that in the time ahead.

Mr Wilson: First, we have exceeded our aims for capital receipts this year —

Mr Mitchel McLaughlin: I know; I heard you say that.

Mr Wilson: — by about £29 million. However, we do not know what will happen with property prices. The asset management unit's figure of £100 million was, initially, held as a separate figure. It has now been allocated to Departments, and that was agreed with the Executive. Departments know that they will be required to sell assets to make up part of their budgets, and, I suppose, that that is good discipline.

One of the things that I get worried about sometimes is tardiness. If there are no immediate financial consequences for Departments, they may not look very hard at what assets and surpluses they have and how quickly those might be disposed of. We are looking for a value of assets of £100 million. That is the figure that the Executive have set, and to realise that amount we have to look at what the current values are and what assets Departments need to sell. You are right: in a falling property market it will be more difficult to do that. However, to date, capital receipts have held up, and with the financial discipline that we have imposed on Departments, they know that if they do not want their budgets to be affected, they will need to look hard at what surplus assets they have and market them. Over a four-year period, neither you nor I can predict what is likely to happen to the market.

We should not forget that the bulk of those receipts were projected for the end of the Budget period. Hopefully, the market will have settled a wee bit by then.

Mr Mitchel McLaughlin: Thank you for that answer. I want to make two points. At the point of gestation and during the initial engagement on the four-year Budget period, people worked off their best expectations and projections. You have made provision — which is absolutely sensible — for a review as we move into the second half of the Budget period. I strongly support that as a pragmatic response to an evolving circumstance.

I suspect that there is a difficulty for Departments in what they might reasonably have expected to achieve in the disposal of assets at a point in time, and I would like to hear your thoughts on that. However, it might take a long time to revisit that before the markets recover. Does that create any reluctance to take the political risk of going ahead to achieve what can be achieved to accrue some sort of resource or receipt in a falling market, or do people kick for touch and say that we cannot release at this point?

Mr Wilson: No, they do not, and I will tell you why. First, there is not just the £100 million from the asset management unit; I cannot remember the exact figure, but there were other capital receipts. I mentioned that the target this year for capital receipts was £142 million and that we have achieved £171 million. Those were identified by Departments when they put forward their budget projections

and how they would live within their budgets. Therefore, the Departments knew that they had assets and knew the value of those assets.

As to whether there is a reluctance to do it, I think that the news that you referred to this morning probably shows that there is not; however, it also shows the risk that Departments face. On one hand, they were offered £50 million for an asset in Ballymena that is now estimated at £4 million. The Department is going ahead with the sale, even though there will be public criticism. There will always be a balance. If you have identified that as an asset for sale and as a receipt that is important for your budget, are you prepared simply to say, "We can only live with what the market has at the minute", and take the flak? You will always find people willing to snipe. They will snipe if you do not do it, because you have not realised your capital receipts, and they will snipe if you do it, because they will say that you sold it too cheaply. In answer to your question, this morning's news shows that Departments are prepared to take the risk of some public criticism if that was a receipt that they had built into their budget.

Mr J McGuinness: In addition to that, we in DFP expect that there will be another side to the coin, which is that Departments will acquire assets more cheaply, so there will be savings to be made in that area as well.

Mr Mitchel McLaughlin: Absolutely. First, I strongly support constant re-evaluation and being able to demonstrate that the people are paying attention to what is happening and then justifying their decision. Therefore I will not be joining in the chorus, because the opportunity costs have to be calculated in, as well as the making of decisions. Departments should be encouraged to realise the sale of assets in a judicious way if they can justify it — not only in the context of what they can achieve financially in a falling market, but in the context of the opportunities that it creates for development and employment.

Mr Wilson: The other side of that coin is that we have to make sure that just because what we still believe to be the market price is not realised from the release of an asset in some instances, we do not simply accept that. If you do, the danger is that you drive down market prices even more by releasing assets at unrealistic values. It is a case of making that judgement. If it is well below what we expected, but we still believe that it probably is a reasonable reflection of the current market price, that is when the decision is made.

Mr Mitchel McLaughlin: Yes, but I suppose that if there is a vulnerability, it is that the market offered £50 million for the property, but we were looking for £75 million. The sale did not happen, and we are selling it for much less now. That is where you have to explain yourself and defend the situation.

Mr D Bradley: Good morning, Minister.

Mr Wilson: Good morning.

Mr D Bradley: You said that the capital receipts exceeded your target by about £29 million, and Mr McCarthy asked you for a breakdown of the figure in the House on Monday.

Mr Wilson: Perhaps I should have anticipated a follow-up.

Mr D Bradley: You should have. Is it possible to get more detail on that?

Mr Brennan: Those were receipts that accrued across all Departments. The target was built into departmental budgets, as the Minister said. As those assets were realised and sold, the income received was £29 million higher. You will not find it in a single estimate for one Department; it is spread across all Departments.

Mr D Bradley: Is it possible to get a more detailed breakdown?

Mr Brennan: The asset management unit in OFMDFM is driving this. We will discuss it with the unit to see whether we can get a desegregation for you.

Mr D Bradley: Thank you very much. I noticed a sum of about £178,000 against the Northern Ireland Events Company in the DCAL figures. I understood that that company was out of business and now defunct. Why is there a figure of that size against it?

Mr Wilson: I do not know, but I imagine that it might be for outstanding bills that it had before it was wound up. Sometimes, bills are a long time coming in.

Mr Mitchel McLaughlin: There were also legal processes.

Mr J McGuinness: It is partly to do with the legal process and holding money that may be required for legal cases.

Mr D Bradley: We are nearly seven years on.

Mr Brennan: Given that there are legal matters outstanding, DCAL will have to carry a provision for those. We will get back with a detailed response.

Mr Wilson: Lawyers must be even slower than I am in responding sometimes.

Mr D Bradley: I could not possibly comment. *[Laughter.]*

Mr Beggs: Thank you for coming along today, Minister, and giving some information. For the record, it is important that Standing Orders are understood. They state that the Committee has to be:

"satisfied that there has been appropriate consultation with it".

That is not with the Assembly or the community; it is with the Committee. Nothing came for two weeks in a row, and there was no consultation. That is why alarm bells were going off.

Mr Wilson: Before you go on —

Mr Beggs: I want to go on to the Estimates now, unless you want to say something.

Mr Wilson: Perhaps that is a good idea. The route that you are going down is not very profitable, given that, as I understand it, the officials were here last week. You had the papers one week before they came, but detailed scrutiny of the papers did not take place.

Mr Beggs: I will try to move you on —

Mr Wilson: I want to put a marker down. The member has chandered on about this publicly, privately and in the Assembly; we probably know his motivation. The engagement has been useful so far; I hope that we do not get into the kind of play-acting that he is happy to engage in at times.

Mr Beggs: I simply wanted to put that marker down. I now want to ask some detailed questions. I missed the figure that the Minister mentioned earlier. I want to get a sense of the scale of the funding that provides some sort of leeway. It fluctuates, but what is your estimate of what is there at present?

Mr Wilson: Mike informs me that, for the rates alone, it is about £620 million. There are other items as well.

Mr Beggs: Is that money still to be reallocated? I am trying to understand the process.

Mr J McGuinness: The centre amount falls into two broad categories: one that represents the financing of departmental expenditure, such as the rates, and one that is held for future allocation to Departments. The figures for the amounts that are held for future allocation to Departments are all available in the Budget 2011-15 document, but it is perhaps useful to go through them: there is £1.3 million resource DEL in respect of EU match funding; £10 million resource and £10 million capital in respect of the social investment fund; £3 million resource for the childcare strategy; and £4 million in respect of the green new deal. Those amounts have not changed since the Budget was constructed.

Mr Beggs: The Department provided a useful summary document on the overall changes. It notes that there has been a £67 million reduction in the Department for Regional Development's budget and that a significant amount of money has gone to health, which I support, as it is an important area. However, until you see the cumulative change of all the decisions that have been made over the course of the year and unless you follow every decision meticulously, it is difficult to see that. I find that very useful, and I welcome that movement.

The release of the Estimates was mentioned earlier. One of the answers to the question of why they were released fairly late — they were put into the public domain about a week before the debate was scheduled — was that it has been the convention for a number of years. Do you agree that it might be better to look at changing convention if it improves transparency and engagement and can produce better results?

Mr Wilson: Yes. As the member will be aware, the financial processes review is going on at the moment. We are frustrated; it has not progressed as quickly as we had hoped. That would change some of the conventions and some of the ways in which things are done. Hopefully, it will get Executive approval so that we can get the arrangements in for next year.

Mr Beggs: You seem to indicate that a single Minister expressed opposition. Was a single Minister able to stop it, or was it a political party?

Mr Wilson: If a Minister in any party has reservations, the party as a whole will seek to get those reservations resolved. I hope that they can be resolved. I will try to meet the Minister again at the beginning of next week to resolve that and another issue. One is a process issue that will make the Budget process better; another is a pensions issue that has severe financial implications for the Assembly. I hope that we can get those sorted out.

Mr Beggs: I am seeking further information on one of the questions that has been answered about the capital allocation to Middletown Centre for Autism of £4.9 million, which is almost a seven-fold increase. In their answer, the officials said that the Department has requested to move that funding to "improving the schools estate". I am curious: if the Department wanted to move it to "improving the schools estate", has there not been sufficient time to move it in the Estimates to reflect that? Why is it still under the heading of "Middletown"?

Mr J McGuinness: When we seek to change the system and Budget allocations, we do so through exercises that are agreed by the Executive. We have not had an exercise on the 2012-13 allocations since the Budget. The first opportunity available to the Department to do that will be June monitoring, so we will seek to do it then.

Mr Beggs: Finally, on what I hope is a constructive note, does the Minister agree that an annual engagement with the Committee about the Budget would be better for everyone and mean that everyone would concentrate on providing the information? That way, appropriate engagement would occur.

Mr Wilson: Of course I do. At the very start, I said that my Department probably leads the way on providing information and consulting. When attending Committee meetings, officials often speak about subjects that they were not notified of and which were not on the agenda, but they always wish to give the information.

I have been Minister for three or four years, and this is the first occasion on which this has happened. I have explained that it was an unfortunate set of circumstances, for which I have taken responsibility. However, once I found out about the problem, I sought to remedy it. The difficulty was that I found out about it at the beginning of the long weekend for the Jubilee celebrations. Therefore although I signed the papers off — on Friday or Saturday, I think — they were not available to the Committee until Wednesday because the Assembly was closed on Monday and Tuesday. Therefore it was a combination of a mistake and the holidays intervening that elongated the period.

I do not want it to happen again, and I have made it clear that it is not in my interest to go out of my way to withhold information from the Committee deliberately. I have never encouraged officials to do

that. Any time papers have had to be signed off for the Committee, I have tried to sign them off as quickly as possible so that they could get through, and that will be the practice in future.

Mr Beggs: That explanation is helpful, particularly the part about the long weekend, because, having failed to get the information for two weeks in a row, a detailed explanation was required. What you have said has gone some way towards that.

Mr D Bradley: Mr Beggs referred to revisions in the summary chart in annex A of the Estimates, which shows an increase of £34 million in capital allocation to DHSSPS and a reduction of £64 million in capital allocation to DRD. Is there an explanation of how that £34 million will be utilised?

Mr Wilson: Is it for the hospital in Omagh?

Mr J McGuinness: Yes.

Mr Wilson: That was the money that was reallocated as a result of the A5/A8 decision. It was agreed that the money for some of the road schemes that were not going ahead would be taken from DRD and given to DHSSPS. As far as I know, the money was for the Omagh hospital.

Mr J McGuinness: The figures are £4.5 million for Altnagelvin, £9.9 million for the Omagh hospital and £22.5 million for the Ulster.

Mr D Bradley: Therefore the reduction in the DRD allocation is related to the reduction in road schemes.

Mr Wilson: Yes, and it was in a statement to the Assembly at the time. The Committee also had an opportunity to discuss it.

Mr Mitchel McLaughlin: As the Minister is present, I will take the opportunity to clear up a little issue. Reference was made to previous experience of consultation on the Budget Bill and that, on occasion, one session was sufficient. That is the way it can happen, but every year will be different. Just because one session sufficed in a particular year, that should not set a threshold; it is for the Committee to decide whether it needs more information in another session. We should avoid getting into that kind of imbroglio, because it was an argument around a puff of smoke, really. We should move on from that. It may be necessary to change from one year to the next, depending on the volume or variation of change or the number of issues that the Committee wants to tease out. Today has been helpful.

Mr Wilson: If two or three sessions are required, I will always be happy to send my officials to talk to you.

Mr Mitchel McLaughlin: With or without you?

Mr Wilson: As long as you do not ask me to come for two or three sessions. You are quite right: sometimes there may be more to exercise the Committee than at other times; if so, my officials are always available.

Mr Mitchel McLaughlin: It should also be recorded that we got very quick turnarounds and we saw the direction that you gave. That is the way to do business.

The Chairperson: OK. Thank you for that. On behalf of the Committee, I should point out that the appearance of officials on two occasions without papers was disconcerting. Even with the sign-off at the beginning of the long weekend our meeting did not take place until 10.00 am on the Wednesday and there would have been adequate time to get the papers to us before the meeting rather than as soon as it ended.

Nevertheless, the Committee now has to face the question of accelerated passage and consider whether we were sufficiently or appropriately consulted. I would be concerned that if there is some malfunction in the private office or at the centre, the Committee may want to enquire further as to how that happened and make sure that it does not happen again. It will not affect me, because I will not be sitting on this side of the table and you may not be sitting on the other side of it.

Mr Wilson: Do you know something that I do not? *[Laughter.]*

The Chairperson: That might have been in the papers that we got by mistake. We have had clear legal advice that this is an annual Committee function; it is not a cumulative, top-up function over a four-year Budget. Therefore the Committee is required not only to assure itself but to assure the rest of the Committees and the Assembly of its satisfaction about these matters.

If there is a breakdown, the Committee will want to ensure that it is identified, that lessons have been learnt and that the Committee will not be delayed. The effect was that not only did two scheduled sessions in our work programme not function properly or had a limited function, but a day's business was lost in the Assembly, which does not help any of us.

Thank you for your evidence this morning; we will take our decisions on the back of it. We may return to the issue of the proficiency of the Department in this instance to ensure that we get assurances that lessons have been learnt from whatever mistakes were made.

Mr Wilson: In order to ensure that it does not happen, there is a person in my private office who is dedicated to liaise with the Committee. The Committee Clerk can phone him at any time. I would have thought that, had there been concern, that might have been done so that, at least, he could have been notified that the Committee was concerned that papers had not been made available. It is your responsibility to convey to the person in my private office that there is an issue, and it is their responsibility to convey to me that that information has been passed on.

The Chairperson: That is fair enough, but when the papers did not arrive on the first day, the permanent secretary of the Department was here and I raised the issue, as the Chairperson, with him directly and expressed my dissatisfaction. The following week, the papers failed to appear again. The private office can make mistakes, but it is a stretch to imagine that such a mistake could run on for 10 days, even with a holiday in the middle.

Nonetheless, the Committee can return to the issue to ensure that whatever breakdown there has been, some lessons have been learnt to ensure that the Committee's business can continue. It is not just a matter of inconvenience; it is a matter of an important scrutiny function and of us satisfying a statutory rule in the Assembly.

Mr Wilson: I will not always be privy to the fact that there may be some discontentment. There is a clear line of communication through the Committee Clerk to the liaison person in my office. Once it reaches my office, it is up to the people there to make sure that it comes through in an appropriate way. The Committee has a direct line, not just through telling officials, because they might not see us, but also a day-to-day direct line. I see all the communications every week between the Committee Clerk and the liaison person in my office. Therefore I hope that that line of communication will be used to good effect.

The Chairperson: I would be surprised if it was not applied on this occasion.

Mr Beggs: I note what the Minister says. However, in every Committee that I have been on, the Assembly liaison officer either sits in the Committee to listen to what happens or does so from somewhere else. We may need to find out if the liaison officer was aware of the difficulty. We need to —

The Chairperson: To ensure that we do not have a repeat, that is something that the Committee may want to talk to departmental officials about beyond this. OK; thank you very much.

Mr Wilson: Thank you.

The Chairperson: Last week, we deferred a decision on granting accelerated passage to the Bill; however, the straightforward proposition of whether the Committee is or is not satisfied can be put again. If anyone wants to propose alternative propositions or raise any other issues, I am happy to hear them. If no one objects, I will put the proposition that is before me: that the Committee for Finance and Personnel is satisfied that there has been appropriate consultation with it on the public expenditure proposals contained in the Budget (No. 2) Bill (NI) 2012 and is content to grant accelerated passage to the Bill, in accordance with Standing Order 42(2). Are members agreed?

Members indicated assent.

The Chairperson: Thank you very much. Members' papers include a draft letter to the Speaker, advising him of the Committee's decision to grant accelerated passage. I want to make sure that members are content with the draft letter.

The Committee Clerk: Chairperson, it is normally a standard letter, but members may want to read it carefully because it contains the sequence of events in this case.

The Chairperson: Are members content with the letter?

Members indicated assent.

Mr Beggs: Before we move off the general subject, during the session with the Minister, I commented that there may be merit for everyone concerned to schedule a discussion with the Minister as a matter of routine. That would concentrate the Minister's mind on the fact that he will have to have the Estimates by the date of such a discussion, and it will not be a case of just sending officials out without the Estimates to apologise to the Committee. We should enact having a session with the Minister relatively early in future Budgets so that we subsequently have some time for re-engagement, if necessary, with the Minister or officials.

The Chairperson: Fair enough. The discussions also raised the issue of communication, which may not be a matter for me because I may not be here much longer. I am not sure whether he might have been suggesting that there was a breakdown in communication from the Committee staff; I certainly do not believe that to be the case. If necessary, we can liaise directly with the permanent secretary. However, it may be worthwhile for the Committee to follow it up with the permanent secretary to establish exactly what communication there was. For the Committee's future work, it will want to ensure that direct lines of communication are established with the departmental Assembly liaison officer. The Committee will also want to find out what issues there were in the private office and what lessons can be learned from this.

Mr Beggs: There was an attempt to divert and to say that it was our fault, as we did not consult the Assembly liaison officer. My experience, in all the other Committees I sit on, is that an Assembly liaison officer sits at the back of Committee sessions and is aware of everything happening. I would like to know what correspondence there was between the Assembly liaison officer and the Minister. Surely they, never mind the permanent secretary, were not doing their job if they did not relay the concerns that existed.

Mr McQuillan: I missed a fair bit of this as I was off ill. However, from what the Minister said today, I take it that he has held his hands up and taken responsibility for the papers not being here. What is the role of Shane? Did you ring the liaison officer to say that we had not got the papers? What happens in a situation like that?

The Committee Clerk: The Committee staff have a weekly meeting every Wednesday afternoon or Thursday with the departmental Assembly liaison officers. The issue was raised at each meeting. It was also raised on the phone and in writing.

Mr Mitchel McLaughlin: We should probably move on. The context was that a senior officer was sent from the Department to brief the Committee, empty-handed in terms of the report, and then returned early. We are chasing shadows in terms of the process of communication. The Department was immediately aware that there was a problem. I do not think that we have got the complete explanation, but I do think that we have established the correct procedure.

I suggest that, at our next meeting, we put the procedure as it should function and as we followed it into the record. I do not think that we even need to question that our secretariat followed the procedure from their perspective through the weekly engagement that was referred to. From their track record, we know how effectively and efficiently our work is serviced by Shane and the team.

Whatever happened this time probably will not happen again. However, we can follow up Roy's suggestion of having a pre-Budget discussion and engagement with the Minister to map out how we are going to approach the issue.

The Chairperson: OK. Are you content that we just establish, as a matter of record at the next meeting, the extent of the contacts between ourselves and the Department for our own satisfaction?

Mr Mitchel McLaughlin: Yes. I am quite sure that nobody on that side of the table was inviting the embarrassment of this little breakdown. I am sure that they will also do their own work. Perhaps a bit of judicious engagement will clear this up once and for all.

The Chairperson: I am not sure whether there is a central management unit in DFP that is responsible for the Minister's private office. However, perhaps the next time the permanent secretary is before the Committee, we might have the opportunity to raise that with him.

Mr Mitchel McLaughlin: Yes, that is a good suggestion.

The Chairperson: OK.