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Northern Ireland Fiscal Council Bill: key considerations

RaISe - Public Finance Scrutiny Unit

This Bill Paper provides an overview of the Northern Ireland Fiscal Council Bill, as introduced into the Northern Ireland Assembly on 23 June 2025. It identifies key considerations regarding the Bill's contents in terms of policy and 'public purse' costs.

This information is provided to MLAs in support of their duties, and is not intended to address the specific circumstances of any particular individual. It should not be relied upon as professional legal advice, or as a substitute for it.

Introduction

On 23 June 2025, the Minister of Finance introduced the [Northern Ireland Fiscal Council Bill](#) in the Assembly, with the Bill's accompanying Explanatory and Financial Memorandum (EFM). This Bill Paper aims to support Northern Ireland Assembly (the Assembly) scrutiny of the Bill – both in [Assembly plenary](#) and the [Committee for Finance](#) (the Committee). Prepared by the Public Finance Scrutiny Unit (PFSU) within the Research and Information Service (RaISe), the Paper draws on available information at the time of writing, to consider potential policy and financial implications arising from the Bill.

Section 1 provides a brief overview of the introduced Bill; followed by background information in Section 2 highlighting key developments informing the contents of the Bill:

2.1 2020 [New Decade New Approach](#) commitment on independent Fiscal Council for Northern Ireland

2.2 2021 former Finance Committee recommendations for a NIFC

2.3 2022 NIFC Consultation Report

Section 3 presents a comparative perspective on similar legislation in other jurisdictions, relying on a past RaISe-PFSU paper.

Thereafter, Section 4 highlights:

4.1 Emerging themes from Committee for Finance call for evidence

4.2 Additional scrutiny issues

The Bill's potential financial implications then are considered in Section 5 as follows:

5.1 Current budgetary context

5.2 Public purse costs

Section 6 concludes, drawing on findings presented earlier in the Paper.

When relying on the Paper, please note:

- It should be read in conjunction with previous RalSe-PFSU Paper NIAR 259-20, November 2020: [Roles and Remits of Independent Fiscal Institutions: United Kingdom and Ireland](#).
- Identified potential financial implications are not intended to provide an exhaustive list. Rather, they seek to start identifying such implications if the introduced Bill is enacted.
- Any discussion in this Paper regarding the prevailing law, including legislation, is not intended to provide legal advice or opinion. Instead, it seeks to orientate the Paper's discussion.

1 Brief overview of the introduced Bill

The introduced [Bill](#) aims to place the NIFC on a statutory basis. It provides a legislative framework that would underpin the NIFC; empowering it in terms of its specified:

- Functions
- Safeguards to maintain its independence
- Access to information
- Annual reports
- Membership
- Finance
- Staffing

The introduced Bill contains nine clauses and two schedules. Table 1 below provides an overview of its main provisions.

It should be noted that the primary objective of the Bill is identified as follows:

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

Table 1: Bill clauses, as introduced - key components

Clause	Components
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Clause 1: Northern Ireland Fiscal Council	Clause 1 establishes a body corporate known as the Northern Ireland Fiscal Council.
Clauses 2, 3 and 4: Main functions, Budget assessment reports and Fiscal sustainability reports	<p>Clauses 2, 3 and 4 set out the duties of the Council to examine and report on the public finances in Northern Ireland. Under these provisions, the Council is under a statutory duty to examine and publish a budget assessment report for each financial year and a fiscal sustainability report yearly. The Council can also publish such other reports as it considers appropriate. All reports published by the Council will be laid before the Northern Ireland Assembly and sent to the Department.</p> <p>The budget assessment report will include an assessment of the proposed budget and provide consideration of the extent to which public revenue in Northern Ireland is enough to meet planned expenditure.</p> <p>The Bill provides for there to be two kinds of fiscal sustainability report: “overall” reports and “thematic” reports. An overall fiscal sustainability report will consider, and provide commentary on, public revenue, public borrowing and accumulated debt, expenditure and other matters as the Council considers appropriate generally. In a thematic report, the Council will choose to report on a particular topic and the thematic reports will consider the same matters as an overall report but limited as appropriate depending on the topic being assessed. Given that the overall budget sustainability position may not change significantly year to year, the Council is required to deliver an overall report at least once every 5 years. A thematic report must be completed in the years when an overall one is not completed.</p> <p>The fiscal sustainability reports will also include views on public services delivery regarding past and future delivery in Northern</p>

	Ireland, delivery comparisons in other jurisdictions and other matters as the Council considers appropriate.
Clause 5: Power to confer additional functions	Clause 5 enables the Department to confer additional functions on the Council, or to alter or remove any of those additional functions by regulations. Any regulations will be made after consultation with the Council and other persons as the Department considers appropriate and laid before the Northern Ireland Assembly for approval.
Clause 6: How the Council is to perform its functions	<p>Clause 6 provides that the Council has complete discretion in carrying out the functions relating to its duty to deliver an annual budget assessment and a fiscal sustainability report under Clause 2. In carrying out these main functions, it is not subject to the direction or control of various named parties. This clause restates what the position would be in any case: as a statutory body its duty is to carry out the functions conferred on it by the Assembly; and general principles of administrative law require that statutory bodies are not subject to the direction or control of any other person. But given the importance of the matters dealt with, and the principles recommended by the OECD, it is thought appropriate to spell this out. This safeguards the operational independence of the Council, which is free to determine how it fulfils its main functions in the production of the assessments under Clause 2.</p> <p>When performing its functions under Clause 2, the Council may consider the likely effect of any published policy or proposed policy of a Northern Ireland department on the public finances, but they will not make any recommendations on that policy or any alternative policy. The Council must carry out its functions objectively, transparently and impartially, free from any political perspective.</p>

Clause 7: Consequential amendments	Clause 7 introduces Schedule 2, which makes consequential amendments.
Clause 8: Interpretation	Clause 8 provides definitions of the “Department”, “a Minister” and “statutory provision” as used in the Bill.
Clause 9: Commencement and short title	Clause 9 provides for commencement of the Northern Ireland Fiscal Council Act (Northern Ireland) 2025 immediately after Royal Assent.
Schedule 1: Part 1: General	Part 1 details the status of the Council as an independent body, with the general power to do all things it needs to do in order to carry out its functions; and that its functions should be carried out in an efficient and cost-effective manner.
Schedule 1: Part 2: Membership and Staff	<p>The membership consists of a chairperson and no less than 2 and no more than 5 other members. Appointments are made by the Department of Finance. This will be done in line with the Code of Practice of the Commission for Public Appointments of Northern Ireland. The chair and members of the Council shall hold office for a maximum period of 5 years, but shall be eligible for one re-appointment period.</p> <p>The period of appointment and other terms of appointment, including remuneration and expenses are all to be detailed within terms and conditions of the position within the Council as laid out in the appointments process. The terms of appointment will cover the areas of declarations of interests, political activity and public controversy which would compromise the work of the Council.</p> <p>Paragraphs 8, 9 10, and 11 detail the criteria on disqualification from appointment, automatic termination of appointment, termination of appointment by the Department and resignation.</p>

	The Council will put in place a secretariat and support staff headed by a Chief of Staff. Terms and conditions of employment are to be determined by the Council. It is expected that these will be in line with the Northern Ireland Civil Service arrangements.
Schedule 1: Part 3: Committees, Procedure and Delegation	Part 3 specifies that the Council has authority to form committees if required. It also provides the Council with the flexibility to delegate functions to the chair, to other members, to committees or to members of staff. This does not include the primary functions in Clause 2.
Schedule 1: Part 4: Information and Disclosure	<p>Part 4 provides details of the Council's right of access to Northern Ireland government information required for the purpose of the performance of the Council's functions. The Council will publish all the documents it produces and clearly set out the methodology and assumptions used.</p> <p>The Council will publish at least once in each year a data statement around the quality of information and of any gaps in the data, information or explanations which shall be laid before the Northern Ireland Assembly and sent to the Department.</p>
Schedule 1: Part 5: Annual Review & Review of Councils Performance	Part 5 sets out the reporting and review of performance duties for the Council. The Council must prepare and publish a report on the exercise of the Council's functions after each financial year. It must also arrange for a suitable person or body to a review and report on the Council's performance in each review period.
Schedule 1: Part 6: Finance and Funding	Part 6 details that the Council must keep proper accounts and submit them to the Department. The Council's running costs are to be included in the Department's overall estimate presented to the Northern Ireland Assembly, as is the case with the existing non-statutory Council.

Schedule 1: Part 7: Initial Membership of the Council	Part 7 sets out that as the Council already exists on a non-statutory basis, the current chair and members will immediately become the first members of the statutory Council. The terms and conditions, including length of term, of appointment are carried over.
Schedule 2	Schedule 2 deals with consequential amendments.

Source: RaISe-PFSU 2025

For further detail, refer to the Bill and its accompanying Explanatory and Financial Memorandum ([EFM](#)).

2 Background: context-setting information

2.1 2020 [New Decade New Approach](#) commitment on independent Fiscal Council for Northern Ireland

In January 2020, the [New Decade New Approach](#) political agreement committed to the establishment of an independent Fiscal Council for Northern Ireland by June 2020. It was to:

- Provide independent scrutiny and expert advice to the Northern Ireland Executive (the Executive) and the Assembly on fiscal and budgetary matters, including spending proposals, and have a particular focus on sustainability.
- Provide independent monitoring and reporting on the Executive's performance in delivering its Programme for Government.

Its membership and terms of reference were to be agreed with the United Kingdom (UK) Government. That, however, did not happen.

Instead, in March 2021, the NIFC was established on a non-statutory basis by the Department of Finance, with its initial [Terms of Reference](#) (ToR) published in July 2021. The ToR placed specific requirements on the NIFC to:¹

prepare an annual assessment of the Executive's revenue streams and spending proposals and how these allow the Executive to balance their budget;

and,

prepare a further annual report on the sustainability of the Executive's public finances, including the implications of spending policy and the effectiveness of long-term efficiency measures.

Thereafter, a number of developments arose, including those outlined in the subsequent sub-sections:

2.2 2021 former Committee for Finance recommendations for a NIFC

2.3 2022 NIFC Consultation Report

2.2 2021 former Finance Committee recommendations for a NIFC

In response to the announcement of its establishment on 12 March 2021, the former Finance Committee published a [Report on an Independent Fiscal Council for Northern Ireland](#) in July 2021. Overall, that Committee felt that, when considering legislating for a Fiscal Council for Northern Ireland, and in line with relevant principles of the Organisation for Economic Cooperation Development (OECD) [principles](#), the following seven areas should be protected in legislation: function; discretion; powers; independence; competence; credibility; and, Assembly engagement.

Key recommendations in that report were:²

¹ <https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.nifiscalcouncil.org%2Ffiles%2Fnifiscalcouncil%2Fdocuments%2F2021-10%2Ffiscal-council-tor.docx&wdOrigin=BROWSELINK>

² <https://www.niassembly.gov.uk/globalassets/documents/committees/2017-2022/finance/reports/independent-fiscal-council-for-northern-ireland/report-on-an-independent-fiscal-council-for-northern-ireland.pdf>

- Legislation should be brought forward at the earliest opportunity to establish an independent Fiscal Council for Northern Ireland as a body corporate with:
 - An independent board (appointed in line with the Public Appointments process);
 - A circumscribed multi-year budget and appropriate level of secretariat support; powers to compel information from Ministers, departments etc. similar to those available to the Scottish Fiscal Commission;
 - The discretion to report on (largely) any fiscal factors that it chooses relating to Executive (and non-Executive) income and the resources or expenditure deployed by the Executive; and,
 - A requirement to produce an annual authoritative multi-year expenditure budget analysis and forecast report, which is laid in the Assembly and presented to the Finance Committee and debated in the Assembly in the early autumn, regardless of whether the related Westminster or Executive processes are running late, and which illuminates the budget process for Assembly Members and the public, and perhaps informs Executive decision-making in respect of final public expenditure plans.

Moreover, such legislation - the report stated - should specify that the NIFC should:³

- Scrutinise, challenge, report and forecast in respect of all aspects of the Executive's public expenditure including Annually Managed Expenditure (including particularly all aspects of social security spending) and all existing income streams for fiscally meaningful periods - that is, 3-5 years or longer.
- Scrutinise, challenge, report and forecast in respect of all aspects of cross-departmental spending, including in particular the extent to which spending achieves or could achieve Executive Programme for Government outcomes for fiscally meaningful periods – that is, the period of the Programme for Government or 3-5 years or longer.
- Undertake forecasting and reporting with a view to:
 - Informing the understanding of Assembly Members as they scrutinise the budget development process;

³ <https://www.niassembly.gov.uk/globalassets/documents/committees/2017-2022/finance/reports/independent-fiscal-council-for-northern-ireland/report-on-an-independent-fiscal-council-for-northern-ireland.pdf>

- Ensuring the engagement of the wider public with that process; and,
 - Helping the Executive to improve the quality of its fiscal information.
- Develop a Memorandum of Understanding (MoU) with the Northern Ireland Audit Office (NIAO) in order to avoid the possibility of any duplication of activity by both bodies.
- Give consideration to the longer-term development of a facility to forecast future devolved tax incomes and Northern Ireland-specific macro-economic matters, subject to the agreement of the Assembly.
- Be permitted to publish a report on any fiscal factor relating to Executive (and non-Executive) income and the resources or expenditure deployed by the Executive, including the significant costs of legislation.
- Be permitted to draw comparisons between Executive expenditure decisions or Executive fiscal policies and those of similar jurisdictions.
- Be permitted to comment on the effectiveness or likely effectiveness of Executive efficiency measures and to recommend such measures.
- Generally demur from commentary on party manifestos.
- Be required to produce annual budget analysis and forecast reports covering a fiscally meaningful period and timed to usefully inform the Assembly's scrutiny of the budget.
- Have a right of access at reasonable times to any relevant information particularly from departments and Non-Departmental Public Bodies that the Fiscal Council may reasonably require for the purpose of performing its functions.
- Have the right to require any person – particularly Ministers and officials - who holds or is accountable for relevant information to provide at reasonable times any assistance or explanation that the Fiscal Council may reasonably require for the purpose of performing its functions.
- Publish an annual data statement commenting on the quality of information provided and any gaps in data, information or explanations of assumptions or methodologies which the Executive shall address.
- Permit the Fiscal Council to devise MoUs with key partner organisations such as His Majesty's Treasury (HMT), the Whitehall Department of Work and Pensions (DWP) and the Office of Budget Responsibility (OBR) etc. And in this context, the former Finance Committee further recommended consideration also be given to

amendments to the Northern Ireland Act by the UK Government in order to require reciprocal co-operation between HMT, DWP and the OBR etc., with the Fiscal Council for Northern Ireland.

- Have a chairperson and a board which shall be appointed by the (Executive's) Finance Minister, using the Public Appointments process.
- Have sufficient resources to permit the chairperson and board members to allocate commensurate time to their roles in the Fiscal Council. These resources to be specified by the Fiscal Council and confirmed by the Assembly within 5 years of the passage of the relevant legislation.
- Have a multi-year budget which is sufficient to undertake the Fiscal Council's work programme and which shall be subject to change only with the agreement of the Assembly - possibly the Committee for Finance.
- Where it has a secretariat, require those Fiscal Council staff to report to the board of the Fiscal Council, which shall recommend their pay and conditions in line with the requirements of Managing Public Money NI, and subject to the agreement of the Assembly. And required the Department of Finance Treasury Officer of Accounts to comment to the Assembly in respect of the value for money associated with the relevant pay and conditions.
- Require the board of the Fiscal Council to have appropriate competence in fiscal and economic scrutiny, and particular experience relating to an understanding of Northern Ireland public expenditure.
- Require the board of the Fiscal Council to employ its own secretariat, with an appropriate level of expertise such that reasonable efforts are made to minimise associated non-essential costs.
- Produce an annual report and accounts which shall be audited by the Northern Ireland Audit Office.
- Lay any report which it has prepared before the Assembly as soon as reasonably practicable, and within 30 days of preparation, and publish reports in such manner as it considers appropriate.
- At least once in every 5 years, appoint a suitable and independent person or body, subject to the approval of the Assembly, to review and prepare a report on its performance of its functions during the period and it must arrange for the report to be laid before the Assembly.

- Engage with other independent fiscal institutions (IFIs) across these islands, in order to share best practice and positive learnings.
- Produce an annual report on past Executive expenditure, and including a multi-year forecast of Executive expenditure and income, which shall be published in a manner and at a time that will inform elected representatives and public debate on the budget scrutiny process, regardless of delays to the Westminster budget process or deliberations at the Executive.
- Be required to appear before Assembly Committees - particularly in respect of its annual multi-year budget analysis and forecast report.

2.3 2022 NIFC Consultation Report

The NIFC completed a consultation between March and October 2021 and summarised their findings in their report entitled [Stakeholder engagement and forward work plan](#), which was published in February 2022. Stakeholders were asked a series of six questions:

1. What do you see as the main strengths and weaknesses of current reporting and scrutiny of Northern Ireland's public finances? How might we expand or improve the public finances data that are currently available?
2. How should we assess "the Executive's revenue streams and spending proposals and how these allow the Executive to balance their budget"? When in the year (or during the budget process) would this be most useful?
3. How best can we assess "the sustainability of the Executive's public finances"? How would you interpret sustainability in this context? When would publication of this analysis be most useful?
4. Given the requirement placed on us to assess "the effectiveness of long-term efficiency measures", what sorts of measures should we aim to look at and should we try to quantify their effectiveness?
5. Are there any other ways in which you think we could increase public awareness and understanding of the public finances?
6. Do you have any suggestions regarding the long-term structure and role of the Fiscal Council that the Executive and Assembly should take into account when the time comes to prepare its underpinning legislation?

Key themes emerging from the consultation were summarised by the NIFC as follows:

- **Independence:** Stakeholders want to be confident that the Council will resist any political pressure it comes under from the Executive or the UK Government. Guarantees in legislation around appointments, funding, rights to information and rights to publish will all be important here, but at the end of the day fiscal institutions earn their reputations for independence from the way in which they conduct themselves in practice.
- **Education:** Stakeholders believe that educating the public (and even MLAs and others with day-to-day involvement in the subject) about how NI's public finances work is just as important as the publications specified by the NDNA agreement and the ToR. As regards the publications, stakeholders had plenty of suggestions for topics to be covered by the 'sustainability' report, but they were less clear exactly what the 'balancing the budget' document might have been intended to cover.
- **Process:** Stakeholders expressed frustration with the Executive's budget process, notably in terms of the inadequacy, irregularity and unpredictability of periods of notice and consultation, and the difficulty of reallocating resources in the multi-party system when policy priorities change. A further frustration was that the Programme for Government and other strategies are not currently costed and linked clearly to specific budget allocations. While recognising that the Council is primarily a scrutiny body, rather than an advice-giving body, they hoped that it would highlight potential process improvements.

3 A comparative perspective: similar legislation in other jurisdictions

The Bill's EFM states the policy underlying the Bill was informed by other jurisdictions legislation, including:

- Scottish Fiscal Commission (Scotland) - [Scottish Fiscal Commission Act 2016](#)
- Office of Budget Responsibility (England and Wales) - [The Budget Responsibility and National Audit Act 2011](#)
- Irish Fiscal Advisory Council (Republic of Ireland) - [Fiscal Responsibility Act 2012](#)

Previous RalSe paper [NIAR 259-20: Roles and Remits of Independent Fiscal Institutions: United Kingdom and Ireland](#) - published November 2020 - provides comparative information about corresponding Independent Fiscal Institutions in the UK and the Republic of Ireland (RoI), specifically those listed above. The 2021 former Finance Committee considered those comparisons when formulating its recommendations in its July 2021 report.

4 Policy scrutiny of the introduced Bill

Below seeks to support Assembly scrutiny of the policy underpinning the introduced Bill; highlighting as follows:

4.1 Emerging themes from Committee for Finance call for evidence

4.2 Additional scrutiny issues

4.1 Emerging themes from Committee for Finance call for evidence

In response to introduction of the Bill, the Finance Committee issued a [call for evidence on 29 July 2025](#), with a closing date of 30 September 2025. This set out a series of questions which will frame the Committee deliberations on the Bill. These are set out in Table 2 (below):

Table 2: Committee for Finance Call for Evidence - Questions

Clause	Question
Clauses 2, 3 and 4: Main functions, Budget assessment reports and Fiscal sustainability reports	<p><i>Do you support the Fiscal Council having a statutory duty to examine and publish a budget assessment report for each fiscal year? Please give details to support your answer and explain why.</i></p> <p><i>Do you support the Fiscal Council having a statutory duty to examine and publish a fiscal sustainability report at least once a year? Please give details to support your answer and explain why.</i></p> <p><i>Do you support the Fiscal Council having a statutory duty to publish a Budget Assessment report in response to the publication of the</i></p>

	<p><i>proposed budget for the year? Please give details to support your answer and explain why.</i></p> <p><i>Do you support the Fiscal Council having a statutory duty to publish a Fiscal Sustainability report, inclusive of public revenue, public borrowing and accumulated debt, expenditure and other matters that the Council feel appropriate? Please give details to support your answer and explain why.</i></p>
Clause 5: Power to confer additional functions	<p><i>Do you support the DoF being able to add or remove functions and responsibilities of the Fiscal Council through secondary legislation? Please give details to support your answer and explain why.</i></p>
Clause 6: How the Council is to perform its functions	<p><i>Do you support the Fiscal Council having complete discretion to carry out its functions? Please give details to support your answer and explain why.</i></p> <p><i>Do you support the Fiscal Council having the ability to consider the likely effect of a publish or proposed policy of a NI Department on public finances? Please give details to support your answer and explain why.</i></p>
Schedule 1: Part 1: General	<p><i>Do you support that the Fiscal Council must aim to carry out its functions efficiently and cost effectively? Please give details to support your answer and explain why.</i></p>
Schedule 1: Part 2: Membership and Staff	<p><i>Do you support that appointments to the Fiscal Council are to be made by the DoF? Please give details to support your answer and explain why.</i></p> <p><i>Do you support that the Fiscal Council should consist of a chair and at least 2 but no more than 5 members? Please give details to support your answer and explain why.</i></p>

	<i>Do you support that the Fiscal Council can employ additional staff, including a Chief of Staff, with the approval of the DoF? Please give details to support your answer and explain why.</i>
Schedule 1: Part 4: Information and Disclosure	<i>Do you support that the Fiscal Council can access all government information in order to fulfil its functions? Please give details to support your answer and explain why.</i>
Schedule 1: Part 5: Annual Review & Review of Councils Performance	<i>Do you support that the Fiscal Council should report on its performance of duties and provide it to the DoF and the NI Assembly after each financial year? Please give details to support your answer and explain why.</i> <i>Do you support that the Fiscal Council's performance should be reviewed by a person / body with the relevant expertise? Please give details to support your answer and explain why.</i>
Schedule 1: Part 6: Finance and Funding	<i>Do you support that the Comptroller and Auditor General must examine, certify and report on the Fiscal Councils statement of accounts? Please give details to support your answer and explain why.</i>
General	<i>Do you have any other comments in relation to the Bill? Please give details to support your answer and explain why.</i>

Source: [Northern Ireland Fiscal Council Bill - Call for Evidence - Northern Ireland Assembly - Citizen Space](#)

4.1 Additional scrutiny issues

This sub-section outlines additional issues meriting consideration when scrutinising the Bill. They include those relating to functions, membership and staffing, access to information and finance and funding, as highlighted below.

4.1.1 Function

The OECD state in its [Principles for Independent Fiscal Institutions](#) (IFIs) (2025) the importance of the IFIs having a clear mandate and for this to be set out in legislation. It states:

The mandate of IFIs should be clearly defined in higher-level legislation, including the general types of reports and analysis they are to produce, who may request reports and analysis, and if appropriate, associated timelines for their release.

It further states that IFIs should have the autonomy to determine their own work programme within the bounds of their mandate. It cites typical tasks carried out by IFIs, to include: economic and fiscal projections; baseline projections; analysis of the executive's budget proposals; monitoring compliance with fiscal rules or official targets; costing of major legislative proposals; and, analytical studies on selected issues.

In respect of function, the former 2021 Finance Committee recommended that legislation should specify that the NIFC should:⁴

- *Scrutinise, challenge, report and forecast in respect of all aspects of the Executive's public expenditure including Annually Managed Expenditure (including particularly all aspects of social security spending) and all existing income streams for fiscally meaningful periods – that is, 3-5 years or longer;*
- *Scrutinise, challenge, report and forecast in respect of all aspects of cross-departmental spending including particularly the extent to which spending achieves or might achieve Executive Programme for Government outcomes for fiscally meaningful periods – that is, the period of the Programme for Government or 3-5 years or longer;*
- *Undertake forecasting and reporting with a view to: informing the understanding of MLAs as they scrutinise the budget development process; ensuring the engagement of the wider public with that process; and helping the Executive to improve the quality of its fiscal information;*
- *Give consideration to the longer-term development of a facility to forecast future devolved tax incomes and Northern Ireland-specific macro-economic matters, subject to the agreement of the Assembly.*

⁴ <https://www.niassembly.gov.uk/globalassets/documents/committees/2017-2022/finance/reports/independent-fiscal-council-for-northern-ireland/report-on-an-independent-fiscal-council-for-northern-ireland.pdf>

- *Be permitted to publish a report on any fiscal factor relating to Executive (and non-Executive) income and the resources or expenditure deployed by the Executive including the significant costs of legislation.*
- *Be permitted to draw comparisons between Executive expenditure decisions or Executive fiscal policies and those of similar jurisdictions.*
- *Be permitted to comment on the effectiveness or likely effectiveness of Executive efficiency measures and to recommend such measures.*
- *Be required to produce annual budget analysis and forecast reports covering a fiscally meaningful period and timed to usefully inform the Assembly's scrutiny of the budget.*
- *Produce an annual report on past Executive expenditure and including a multi-year forecast of Executive expenditure and income which shall be published in a manner and at a time which will inform elected representatives and public debate on the budget scrutiny process, regardless of delays to the Westminster budget process or deliberations at the Executive.*

Clauses 2, 3 and 4 of the introduced Bill set out the duties of the Council to examine and report on the public finances in Northern Ireland. Under those provisions, the Council is under a statutory duty to examine and publish a budget assessment report for each financial year and a fiscal sustainability report yearly. The Council can also publish such other reports as it considers appropriate. All reports published by the Council will be laid before the Northern Ireland Assembly and sent to the Department.

The budget assessment report will include an assessment of the proposed budget and provide consideration of the extent to which public revenue in Northern Ireland is enough to meet planned expenditure.

The Bill provides for there to be two kinds of fiscal sustainability report: 'overall' reports and 'thematic' reports. An overall fiscal sustainability report will consider, and provide commentary on, public revenue, public borrowing and accumulated debt, expenditure and other matters as the Council considers appropriate generally. In a thematic report, the Council will choose to report on a particular topic and the thematic reports will consider the same matters as an overall report but limited as appropriate depending on the topic being assessed. Given that the overall budget sustainability position may not change significantly year to year, the Council is required to deliver an overall report at

least once every 5 years. A thematic report must be completed in the years when an overall one is not completed.

The fiscal sustainability reports will also include views on public services delivery regarding past and future delivery in Northern Ireland, delivery comparisons in other jurisdictions and other matters as the Council considers appropriate.

The current Committee for Finance has sought views on the following areas in its call for evidence on the introduced Bill:⁵

- *Do you support the Fiscal Council having a statutory duty to examine and publish a budget assessment report for each fiscal year? Please give details to support your answer and explain why.*
- *Do you support the Fiscal Council having a statutory duty to examine and publish a fiscal sustainability report at least once a year? Please give details to support your answer and explain why.*
- *Do you support the Fiscal Council having a statutory duty to publish a Budget Assessment report in response to the publication of the proposed budget for the year? Please give details to support your answer and explain why.*
- *Do you support the Fiscal Council having a statutory duty to publish a Fiscal Sustainability report, inclusive of public revenue, public borrowing and accumulated debt, expenditure and other matters that the Council feel appropriate? Please give details to support your answer and explain why.*

The Bill as introduced does not propose that the NIFC should prepare its own forecasts. However, there is nothing to stop the NIFC preparing or commissioning alternative forecasts should it wish to. This point was addressed by the NIFC in its [Stakeholder engagement and forward work plan](#) (February 2022) report, where it stated:

Some stakeholders believe it would be desirable for the Council to publish macro-economic forecasts for Northern Ireland, to inform public debate and policy decisions. We are certainly not currently resourced to do this in the first instance and it is far from clear that this would contribute to our core task of assessing the Executive's finances. Pending any further devolution of tax-raising powers, or more

⁵ <https://consult.nia-yourassembly.org.uk/committee-for-finance/nifcbill/>

radical departures from parity in the operation of the welfare system, developments in the NI economy have a relatively weak relationship to the Executive's income and spending so the need for a forecast is less obvious for that purpose. That said, some discussion of the economic context for near- and longer-term Budget decisions might well be worthwhile and could draw on existing forecasts and analysis produced by academics and/or the private sector. There may of course be wider arguments for an official NI forecast and in the longer term the Council might be a potential provider.

Potential Scrutiny Points:

1. The Committee for Finance may wish to consider if there is a need for independent forecasts?
2. If so, does the Committee believe that would that be time well spent by the NIFC, given the NIFC's available resources?
3. The Committee for Finance may wish to consider whether the NIFC should have the capacity and resources to make its own forecasts or to provide sensitivity analysis to existing forecasts?

The introduced Bill leaves scope for expanding the NIFC's remit through through secondary legislation, at some point in the future. The proposed Clause 5 enables the Department of Finance (DoF) to confer additional functions on the NIFC, or to alter or remove any of those additional functions by regulations. Any regulations would be made after consultation with the NIFC and other persons as the DoF considers appropriate, and then laid before the Northern Ireland Assembly for approval. It is worth nothing that the OECD recommended that IFIs' mandates – such as that of the NIFC - should be clearly defined in higher-level legislation. This OECD principle is met by the Bill's proposals for the NIFC in year 1, but may not be met if the NIFC's remit is expanded through future regulations.

Potential Scrutiny Point:

4. The Committee for Finance may wish to consider whether the NIFC should have a wider role in assessing the sustainability of Northern Ireland's public finances, so that it would include any of the recommendations made by the former 2021 Assembly Finance Committee; and if so, should the introduced Bill be amended to reflect that?

4.1.2 Membership and Staff

The introduced Bill provides for Members of the NIFC to be appointed by the DoF, and that will be done in line with the Code of Practice of the Commission for Public Appointments of Northern Ireland. The chair and members of the Council shall hold office for a maximum period of 5 years, but shall be eligible for one re-appointment period.

The period of appointment and other terms of appointment, including remuneration and expenses, are all to be detailed within terms and conditions of the position within the NIFC, as laid out in the appointments process. The terms of appointment will cover the areas of declarations of interests, political activity and public controversy which would compromise the work of the Council.

Paragraphs 8, 9 10, and 11 detail the criteria on NIFC disqualification from appointment, automatic termination of appointment, termination of appointment by the Department and resignation.

Potential Scrutiny Points:

5. The Committee for Finance may wish to consider whether the proposed appointment and removal procedures are adequate for ensuring the independence of NIFC members?

The OECD states the importance of independence - in particular that:⁶

⁶ <https://legalinstruments.oecd.org/public/doc/301/301.en.pdf>

The leadership of an IFI should be selected on the basis of merit and technical competence, without reference to political affiliation. The qualifications should be made explicit – including professional standing and relevant government or academic experience. Qualifications should include proven competence in economics and public finances and familiarity with the budget process.

The former 2021 Finance Committee recommended that legislation should specify that the NIFC should:⁷

- *Require the board of the Fiscal Council to have appropriate competence in fiscal and economic scrutiny and particularly experience relating to an understanding of Northern Ireland public expenditure.*

Potential Scrutiny Point:

6. The Committee for Finance may wish to consider if the competence of the NIFC members should be included within the legislation.

The OECD further states that the IFI must be free to recruit and dismiss staff, and that staff should be selected through open competition based on merit and technical competence and without reference to political affiliation.

The Bill provides for the NIFC to put in place a secretariat and support staff headed by a Chief of Staff. Terms and conditions of employment are to be determined by the Council. It is expected that these will be in line with the Northern Ireland Civil Service arrangements.

The former 2021 Finance Committee recommended that legislation should specify that the NIFC should:⁸

⁷ <https://www.niassembly.gov.uk/globalassets/documents/committees/2017-2022/finance/reports/independent-fiscal-council-for-northern-ireland/report-on-an-independent-fiscal-council-for-northern-ireland.pdf>

⁸ <https://www.niassembly.gov.uk/globalassets/documents/committees/2017-2022/finance/reports/independent-fiscal-council-for-northern-ireland/report-on-an-independent-fiscal-council-for-northern-ireland.pdf>

- *Require the board of the NIFC to employ its own secretariat with an appropriate level of expertise such that reasonable efforts are made to minimise associated non-essential costs.*

Potential Scrutiny Point:

7. The Committee for Finance may wish to consider if the competence of the NIFC secretariat should be included within the legislation.

In response to the NIFC consultation, one stakeholder noted the importance of staffing and their independence, stating:

The Council needs to be properly staffed and kept at arms-length. It should be able to challenge NICS, but also to be independent of the Committee.

Another stakeholder further highlighted the importance of independence, suggesting:

The Council should not sit within any department. Better for it to report to the Assembly as a whole rather than any individual department.

However, one stakeholder captured the difficulty in such a task in practice, stating:

The knowledge gradient between insider and outsider on the NI Budget is too steep, following it is an almost impossible task, even for ex Civil Servants who have worked in that area previously.

In Scotland, when considering legislation for the Scottish Fiscal Commission (SFC), it was noted that:

An important aspect is to avoid “institutional capture” whereby those working in an independent fiscal commission are formally – or informally – part of the government (e.g. secondments)

This was raised as an issue for concern during the SFC consultation process, as SFC at the time of legislating had staff members seconded from the Scottish Government.

Potential Scrutiny Point:

8. The Committee for Finance may wish to consider additional provisions surrounding NIFC staffing and recruitment to avoid “institutional capture” and ensure independence, while encouraging individuals with relevant departmental experience to apply for positions.

4.1.3 Access to Information

The OECD states the importance for an IFI like the NIFC to have access to all the information and official documentation required to carry out its functions. It further highlights the importance of a guarantee of this through legislation; and if necessary for it to be reaffirmed through protocols or memoranda of understanding.

When considering the need for legislation, the NIFC noted that the most frequent complaint from fiscal councils around the world is that they find it difficult to get access to information from within government departments and other public bodies with the quality, detail and timeliness that they require to fulfil their role properly. They noted the importance of a legal right of access to government information, as well as political backing from Ministers and that the analytical functions within departments are adequately resourced to provide the information and to assist in its use.

In 2021, the former Finance Committee recommended legislation should specify that the NIFC should:⁹

- *Have a right of access at reasonable times to any relevant information particularly from departments and Non-Departmental Public Bodies that the Fiscal Council may reasonably require for the purpose of performing its functions.*
- *Have the right to require any person – particularly Ministers and officials - who holds or is accountable for relevant information to provide at reasonable times any assistance or explanation that the Fiscal Council may reasonably require for the purpose of performing its functions.*

⁹ <https://www.niassembly.gov.uk/globalassets/documents/committees/2017-2022/finance/reports/independent-fiscal-council-for-northern-ireland/report-on-an-independent-fiscal-council-for-northern-ireland.pdf>

- *Publish an annual data statement commenting on the quality of information provided and any gaps in data, information or explanations of assumptions or methodologies which the Executive shall address.*
- *Permit the Fiscal Council to devise MoUs with key partner organisations such as HM Treasury, DWP and the OBR etc.*

Schedule 1, Part 4 of the introduced Bill provides details of the NIFC's right of access to Northern Ireland government information required for the purpose of the performance of the Council's functions. The NIFC will publish all the documents it produces and clearly set out the methodology and assumptions used. The Council will publish at least once in each year a data statement around the quality of information and of any gaps in the data, information or explanations which shall be laid before the Northern Ireland Assembly and sent to the Department.

It should be noted that the NIFC already have a number of MoUs in place with government departments, as [published](#) on its website.

Potential Scrutiny Points:

9. The Committee for Finance may wish to consider whether the right of access in the introduced Bill is robust enough?
10. The Committee for Finance may wish to consider whether there is a need to include a requirement for a MoU on the face of the introduced Bill?
11. The Committee for Finance may wish to ask the NIFC about the effectiveness of their existing MoUs, when considering the Scrutiny Point 10 (above), and factor the Council's response into its deliberations in this area.

4.1.4 Finance and Funding

The OECD highlights the importance of financial independence of IFIs and states that the resources allocated must be commensurate with the IFI mandate in order to fulfil it in a credible manner.

The introduced Bill provides for the NIFC's running costs to be included in the Department's overall estimate presented to the Northern Ireland Assembly, as is the case with the existing non-statutory Council. Part 6 of Schedule 1 of the Bill details that the Council must keep proper accounts and submit them to the DoF.

In response to the NIFC consultation, stakeholders noted that more resources would be required over time than the Council currently has available, even if its remit does not expand. They further noted that if a decision is made to add to the Council's remit, which will have further resourcing implications. Similarly, any decision in the medium to longer term to add to the Executive's fiscal powers would have similar resource implications. The EFM addresses this issue stating:

There is an ongoing commitment to fund the Council and whilst these are being done in a financially sustainable manner there may be additional funding requirements for the operations of the Council once placed on a statutory footing.

Additionally, the OECD recommends that the appropriations for IFIs should be published and treated in the same manner as the budgets of other independent bodies, such as audit offices, in order to ensure their independence. Furthermore, it suggests that multi-annual funding commitments may further enhance an IFI's independence and provides additional protection from political pressure.

In 2021, the former Finance Committee recommended any legislation should specify that the NIFC should:¹⁰

- *Have a multi-year budget which is sufficient to undertake the Fiscal Council's work programme and which shall be subject to change only with the agreement of the Assembly - possibly the Committee for Finance.*

It should be noted that a number of other independent bodies in Northern Ireland, namely the NIAO, the Northern Ireland Public Services Ombudsman (NIPSO) and the Northern Ireland Assembly Commission (NIAC) avail of multi-annual funding commitments and distinct budgeting processes through the Assembly's Audit, -PFSU as outlined in RaiSe

¹⁰ <https://www.niassembly.gov.uk/globalassets/documents/committees/2017-2022/finance/reports/independent-fiscal-council-for-northern-ireland/report-on-an-independent-fiscal-council-for-northern-ireland.pdf>

paper NIAR 284-24 [Scrutiny and Presentation of Parliamentary Corporate Body Budgets and Estimates: A comparative perspective](#) (dated January 2025).

Potential Scrutiny Point:

12. The Committee for Finance may wish to consider the budgeting processes of the other independent bodies in Northern Ireland and whether similar processes, including multiannual funding commitments, would be more appropriate when considering the NIFC's budget.

5 Review of Bill costs

This section reviews potential 'public purse' costs for Northern Ireland, if the Bill is enacted as introduced; critiquing the data provided by DoF in the Bill's accompanying [EFM](#).

To provide context for such Review, there first is some discussion about the UK's challenging public finance position for 2025/26 and beyond, and in Northern Ireland in particular, including those arising from the ongoing implementation of Northern Ireland's February 2024 financial package and related requirements.

5.1 Budgetary Context

A number of factors have impacted the Executive Budget for years, which ultimately has informed the Executive's allocation to each of its Department, including DoF. Those factors more recently include:

- During 2024, ongoing work across Executive Departments to facilitate the Executive's implementation of the December 2023 political agreement and related February 2024 funding package – such as the [Interim Fiscal Framework](#), the [Budget Sustainability Plan](#) and the accompanying [Budget Improvement Plan Roadmap](#), as well as the establishment of [Interim Transformation Board](#).

Generally speaking, all aim to improve the public finances in Northern Ireland, but have to do that when there are numerous competing priorities and demands for limited funding.

- In August 2024, the DoF undertook a 2025-28 Budget Information Gathering Exercise; requesting returns from all Executive Departments, which marked the start of the planning stage in the 2025/26 Executive Budget cycle. It found that “Departments identified a reported £767 million of unfunded pressures”,¹¹ as [reported](#) to the Assembly on 23 September 2024.
- In October 2024, the [Chancellor's Autumn Budget 2024](#) set out some of the multi-year competing pressures facing the UK Government, potentially adversely impacting the Government's spending power in certain areas, along with other decisions relating to social security - see RalSe Briefing Paper 47/24 entitled “[Chancellor's Autumn Budget 2024: initial considerations for Northern Ireland](#)”.
- In December 2024, Executive Departmental bids for 2025/26 [resource and capital](#) expenditure exceeded the [Northern Ireland Budget](#) allocated by the UK Government to the Executive.
- Later that month, the [2025/26 Draft Executive Budget](#) and accompanying [Written Statement](#) by the Minister for Finance highlighted ongoing “pay and inflationary pressures” and “growing demands” on public services.

On 26 March 2025, the [Chancellor's 2025 Spring Statement](#) updated the House of Commons on the UK economy and public finances, and was accompanied an Economic and Fiscal Forecast from the [Office for Budget Responsibility](#) (OBR). Her Statement also announced a number of policy decisions, which included reforms to the welfare system, increased defence spending and a £3.25 billion (b) “[Transformation Fund](#)” to reform public services. However, as DoF Officials explained during an Assembly Finance Committee [meeting](#) on 1 April 2025:¹²

.... on the allocations out of that fund, it will depend on which Whitehall departments get allocations from it so we don't get it on the £3.25 billion we'll get it on the allocations

- On 3 April 2025, the Executive agreed the [2025/25 Executive Budget](#), which the Finance Minister described as “sets out a direction of travel” which “clearly

¹¹ [Northern Ireland Assembly Official Report - 23 September 2024](#)

¹² [Northern Ireland Assembly Official Report - 1 April 2025](#)

prioritises its Programme for Government priorities”.¹³ Subsequently, the DoF published its [2025-26 Budget Factsheet](#) setting out the Executive’s spending plans for the one-year period from 1 April 2025 to 31 March 2026.

- Since then that context has significantly changed. On 4 April 2025, the American President announced substantial trade tariffs, which followed with: plummeting stock markets across the globe, a collapsing American bond market; the 9 April 90-day pause on some new US tariffs; other countries’ similar pause, further consideration of introducing tariffs or issuance of retaliatory tariffs on the United States (US); and, an international trade war arising between the US and China.
- On 8 May 2025, a non-binding trade deal was agreed by between the US and UK Governments. The general terms of the new trade deal where subsequently published in the [UK-US Economic Prosperity Deal](#) (EPD). As noted, these are general terms and the deal is non-binding meaning further negotiations are ongoing to further work through the detail of the deal.

Potential Scrutiny Points:

13. How will the DoF ensure the proposals are affordable in light of ongoing budgetary pressures faced across the Executive?
14. How has the DoF factored the potential costs arising from the introduced Bill, if enacted, into its spending plans, given DoF’s budget allocation for 2025/26 and beyond?
15. How will the DoF ensure that the introduced Bill, if enacted, would be implemented in a sustainable way that would comply with the Executive’s agreed Budget Sustainability Plan?

5.2 Key potential “public purse” implications of the introduced Bill

¹³ [Ministerial Statement – Public Expenditure Final Budget 2025-26 – 3 April 2025](#)

Drawing on the Bill as introduced, and the accompanying EFM, and the financial effects as highlighted at paragraphs 15 to 17 of the Bill's EFM, not much can be gleaned.

Paragraph 16 states:

The Northern Ireland Fiscal Council cost approximately £511k to run in 2024/25.¹⁴

And Paragraph 17 adds:

There is an ongoing commitment to fund the Council and whilst these are being done in a financially sustainable manner there may be additional funding requirements for the operations of the Council once placed on a statutory footing.¹⁵

Nonetheless, the sub-sections that follow aim to shed greater light, outlining RalSe-PFSU findings after having engaged with DoF about the Bill's EFM, in order to facilitate Assembly scrutiny of the introduced Bill and its potential financial implications for the public purse. above-stated effects in greater detail.

NIFC current costs

The PFSU asked DoF for a breakdown of the expenditure categories that comprise the noted £511k figure. On 28 July 2025, DoF replied by email stating:

The final expenditure at the end of March 2025 totalled £510,727 and is detailed in the table below. This compares to an opening budget allocation provided at the beginning of April 2024 of £555k, however this budget was not fully utilised in year.¹⁶

It also included the individual expenditure category costs, as reflect in Table 3 (below):

Table 3: NIFC running costs 2024/25 – By expenditure category

Expenditure category	Spend - 2024/2025
Staff Costs (secretariat)	£428,672

¹⁴ Northern Ireland Fiscal Council Bill [EFM - As Introduced](#) (accessed 29 July 2025)

¹⁵ Northern Ireland Fiscal Council Bill [EFM - As Introduced](#) (accessed 29 July 2025)

¹⁶ Correspondence between RalSe and DoF – received 28/07/2025

Travel and subsistence	£5,046
Staff training, development and other costs	£3,413
Communications	£230
IT and office charges	£704
Professional costs (includes members fees)	£45,147
Other operating costs (OBR advisory support)	£27,515
Total	£510,727

Source: Department of Finance 2025¹⁷

NIFC future costs of NIFC over the remainder of the 2022/27 mandate

Further to the costs detailed in the EFM, RalSe-PFSU sought further detail on the possible future costs of running the NIFC. In response, DoF envisaged that there would be an increase in the overall cost of running the NIFC in which the total budget allocation to the Council would be £616k in 2025/26. It explained the increase as follows:

It is anticipated that running costs will increase in 2025/26, primarily as a result of changes to National Insurance and the agreed pay increases. A total budget allocation of £616k has been provided for 2025/26, which represents a £61k increase on the 2024/25 opening budget position. This overall budget allocation covers the remuneration of the Chair and its members, staffing costs (pay and corporate services overheads), externally commissioned research, travel and

¹⁷ Correspondence between RalSe and DoF – received 28/07/2025

*subsistence, events and any other costs associated with the Council to deliver on its Terms of Reference and Engagement Plan.*¹⁸

The DoF noted that since the Council's formation in March 2021, it has not been on a statutory footing and therefore:

*...corporate and administrative functions, for example, accommodation costs, IT Infrastructure and financial management have largely been delivered by the Department of Finance.*¹⁹

Therefore, once the NIFC is put on a statutory footing and becomes independent, a number of these functions will need to be considered based the NIFC's new status. The following sub-sections seek to consider the effect on the costs associated with a number of these functions.

Staffing

The DoF explain the NIFC staffing costs as follows:

*It is assumed at this point that generally the staffing structure, number of members and research requirements (and associated costs) will remain on broadly similar levels to the current position – with the exception of the need for some additional administrative support which is currently being considered. This would increase annual costs by £45k and would enable capacity for corporate duties when the body becomes statutory.*²⁰

Operating Costs

With regard to the NIFC operating costs, the DoF state:

The main cost area which we envisage increasing relates to various elements of operating costs which are largely provided by the Department at this point, specifically: Accommodation (inc. Security, cleaning, rates, utilities); IT & telephony

¹⁸ Correspondence between RalSe and DoF – received 28/07/2025

¹⁹ Correspondence between RalSe and DoF – received 28/07/2025

²⁰ Correspondence between RalSe and DoF – received 28/07/2025

*services; HR services; Web design and support; Training; Printing and office services; Finance management and Audit.*²¹

The DoF further state:

In considering options and potential costs for these operational aspects as a statutory body, the Bill Team is drawing comparisons with a number of other NDPBs of a similar size and structure, which are sponsored by NICS Departments; as well as looking to Fiscal Institutions elsewhere. These costs are currently being developed but as an example, the Council once in statute will align very closely with the current model of the Criminal Justice Inspection Northern Ireland (CJINI). Located in Knockview Buildings on Stormont Estate, CJINI is an independent Non Departmental Public Body sponsored by Department of Justice (DoJ), and their corporate functions are supplied by NICS shared services as follows:

- *All aspects of IT infrastructure and associated services (ITAssist)*
- *Finance (AccountNI)*
- *HR (HRConnect)*
- *Digital Transformation Service (including NIDirect)*
- *Learning & Development (CAL/LINKS)*
- *Property Management*

In further comparing, the DoF explain:

We understand that the CJINI holds a Service Level Agreement, worth an approximated total of £151,500 (based on figures presented in their 2022/23 published accounts), with NICS Shared Service providers which safeguards organisational independence and autonomy – an important aspect that will need to be put in place also for the Council.

And it concludes:

²¹ Correspondence between RalSe and DoF – received 28/07/2025

Whilst full operational independence for complete, standalone corporate systems (either outsourced or delivered within the Council) when placed on a statutory footing could be pursued, it is likely that these costs could be significant and disproportionate for the current size of Council. On that basis, a shared service business system model, utilising Service Level Agreements (SLAs) will likely represent best value for money.

While the DoF further noted that:

In forecasting for estimated increases in operational costs for the Council to operate, the comparison has been made to CJINI, based on size and independent status of the NDPB body. The cost per head of staff has been used when calculating costs. It is currently anticipated that a forecast increase of approximately £110k for the corporate functions is required, which is in addition to the previously referred to administrative support.

6 Concluding Remarks

The introduced Northern Ireland Fiscal Council Bill provides a legislative framework to place the NIFC on a statutory footing. In doing so, it formalises existing arrangements which established it on a non-statutory basis in 2021, and further seeks to safeguard the independence and transparency of fiscal scrutiny within Northern Ireland. By placing the NIFC on a statutory footing, the Bill – as introduced - seeks to enhance independence, ensure consistent access to information, and provide a framework for robust scrutiny of budgetary and fiscal sustainability. While the proposals broadly align with the OECD principles and international practice, important considerations remain around scope, resources, independence, and long-term funding. Careful scrutiny of those issues – as highlighted in this Paper – is needed by the Assembly, including the Committee for Finance - to ensure that the Council is empowered appropriately so that it can deliver meaningful oversight, foster public confidence, and support more sustainable fiscal management for Northern Ireland.

More broadly, the introduced Bill highlights several scrutiny points relating to the Bill's underlying policy, including the NIFC's potential role in producing or commissioning independent forecasts, the adequacy of access-to-information provisions, and the future scope of its remit. Stakeholder engagement has also underlined the importance of the

NIFC's educational role in demystifying Northern Ireland's public finances, alongside its core responsibility of fiscal oversight.

Moreover, Assembly scrutiny of the Bill's financial implications for the public purse also merit careful consideration. While the NIFC's running costs remain relatively modest, transitioning to a statutory footing would likely require additional resources, particularly for staffing, corporate functions, and operational independence, given the Bill as introduced. Ensuring funding is both sustainable and protected from political pressures will be vital if the Council is to be in a position to carry out its mandate effectively. Comparisons with the budgeting processes of other independent bodies suggest that multi-annual funding commitments could further safeguard independence and stability.

In summary, the introduced Bill provides a strong foundation for establishing a credible and independent Fiscal Council, but its effectiveness will depend on how key provisions relating to independence, competence, funding, and scope are implemented and sustained in practice. As the Assembly considers this Bill, careful attention to those areas will help ensure that the NIFC can fulfil its intended role—providing rigorous, impartial scrutiny that supports fiscal sustainability, enhancing public trust, and strengthening democratic accountability in Northern Ireland.