

Northern Ireland Assembly

Committee for Finance

The Rt Hon Steve Barclay MP Chief Secretary to the Treasury 1 Horse Guards Road London SW1A 2Q Email: <u>Action.CST@hmtreasury.gov.uk</u>>

Our Reference: 2021.274

28 May 2021

Dear Steve,

Devolved Budget Process

Please accept the Committee's thanks for your correspondence (dated:18 May 2021) in response to the Committee's request for HM Treasury officials to give evidence on the impact on the devolved legislatures of delays in the UK Government's Budget process. This was considered at the Committee for Finance meeting on 26 May 2021.

As you may be aware, the Committee has found the budget process undertaken by the Northern Ireland Executive to be generally unsatisfactory with inconsistent timelines, opaque documentation and limited opportunity for meaningful engagement by the Assembly at appropriate decision points. The Committee hopes that the establishment of an independent Fiscal Council will help to address some of the above and thus improve transparency and democratic accountability.

The Department of Finance has consistently indicated that a key block to providing improved budget engagement with the Assembly is the everchanging approach adopted by Treasury to these matters, in particular in respect of the timing of key budget processes. It is for this reason and to ensure the effectiveness of the anticipated new arrangements with the independent Fiscal Council that the Committee had sought a briefing with HM Treasury officials.

Members noted with dismay and disappointment that you have declined to permit officials to provide an oral briefing, as requested. Members struggled to

understand the explanation that you provided and even wondered if your response might be ascribed to a lack of interest in devolved matters and/or discourtesy.

The Committee therefore agreed that I should write again to you in order to seek clarification and to extend an invitation to your officials to provide an oral explanation in respect of the HM Treasury budget process and its impact on the devolved administration in Northern Ireland and the Northern Ireland Assembly. It is hoped that such a briefing will enhance understanding of the operation of key governance processes of the United Kingdom.

A response at your earliest convenience would be greatly appreciated.

If you require further explanation or clarification, please do not hesitate to have officials contact the Clerk to the Committee for Finance.

Yours sincerely,

Steve Aiken

Dr Steve Aiken OBE MLA Chairperson Committee for Finance

cc: Sue Gray, Second Permanent Secretary, Cabinet Office