



Northern Ireland
Assembly

Committee for Finance

OFFICIAL REPORT (Hansard)

Business Plan 2024-25:
Department of Finance

3 July 2024

NORTHERN IRELAND ASSEMBLY

Committee for Finance

Business Plan 2024-25: Department of Finance

3 July 2024

Members present for all or part of the proceedings:

Mr Matthew O'Toole (Chairperson)
Ms Diane Forsythe (Deputy Chairperson)
Mr Paul Frew
Miss Deirdre Hargey
Mr Eóin Tennyson

Witnesses:

| | |
|-------------------|-----------------------|
| Mr Stewart Barnes | Department of Finance |
| Mr Neil Gibson | Department of Finance |

The Chairperson (Mr O'Toole): Neil Gibson, you are here to give us evidence, first of all, on the Department of Finance business plan. I imagine that one or two other issues might come up in questions. We thank you for your time. Supporting you is Stewart Barnes, who is director of finance and corporate services at the Department. We will hear from Neil and Stewart on the departmental business plan, and then there will be questions on that and other related matters. I ask Neil and/or Stewart to give us an opening statement on the departmental business plan.

Mr Neil Gibson (Department of Finance): Thank you very much, Chair and members. It is a pleasure to present on the 2024-25 business plan. I will kick off my opening statement, which I will keep relatively brief, by saying that I am delighted to be joined by Stewart, who retires in a month so he is saddened that this may be his last Committee appearance.

The Chairperson (Mr O'Toole): I do not see sadness in Stewart's face.

Mr Stewart Barnes (Department of Finance): I am a good actor.

Mr Gibson: He is good at hiding it.

Although he will not speak in detail, huge credit and thanks go to Stewart and his team for DOF's budget, the Department's ability to stay within it and their role in supporting me with the business plan. I am delighted to share the stage with him on, perhaps, one of his final engagements. I should say that Stewart has agreed to stay on in a part-time capacity for a couple of months to work on a DOF five-year plan, using all his expertise and knowledge of the Department to set it as an exemplar in starting to look at a long-term vision of the size, shape and funding that a Department such as ours requires.

I will make just a few opening remarks. I say this with no apology: I genuinely looked forward to this session. Rightly and accordingly, the Committee is here for scrutiny, challenge and debate, so we often focus on some of the areas where we can improve or do better, but the business plan offers

some rare time to take a bit of stock and look at the credentials of much of the work that has been achieved and delivered. It is a chance for me to record my thanks to all my senior team and, indeed, all the staff at DOF for achieving so many things in such constrained financial times.

I will not call out all the figures and numbers — I could never hope to do justice to the Department's diversity — but a few are worth reflecting on. Some 154,000 calls and over 100,000 emails were handled by the IT Assist service desk; 807,000 payments totalling £4 billion were processed on behalf of Departments; 192,000 e-learning courses were delivered; 1,800 vacancies were filled; and 305 supplies and services contracts to the value of £667 million were awarded. Those are just a few examples of how we support and underpin colleagues in other Departments to deliver their services.

Of course, we have a number of more direct, citizen-facing areas, including collecting over £1.5 billion of rates to fund public services; delivering 1,700 digital skills sessions; managing the nidirect website, which had over 50 million visitors last year; and processing over 110,000 birth, death, marriage, civil partnership and adoption certificates. Understandably, I am tremendously proud of what the Department has been able to achieve.

In her foreword and in her engagement with me from day 1, the Minister has set out the need for the Department to be professional and forward-thinking, supporting others to deliver and, indeed, providing them with the right policy frameworks, funding and resourcing. She has also spoken about the need to be a long-term-thinking Department, not just a short-term-thinking one. When you read the business plan, I hope that you will share with me the reflection that it sets out an ambitious journey of delivery, change and transformation that is committed to long-term change as well as short-term delivery.

I will not highlight all the things that lie ahead, but it is worth drawing attention to a number of them, including the development of a budget sustainability plan and fiscal framework, both of which will be critical for this place. The Minister is looking at strategic policy options around the rating system. We have already delivered the one-year Northern Ireland Civil Service (NICS) people plan and are working diligently on a five-year people strategy. The Integr8 programme, which you will have heard much about, is moving into a new phase around how it delivers a transformation of our HR and finance services. Lots of change is going on.

I am grateful to the Finance Committee for all that it does and for its interest in so many of the areas that I have touched on. Finance, rightly, takes a lot of focus, but, with such a diverse Department, I am encouraged that the Committee has taken time to hear from many of my senior colleagues, who have fully embraced the need to continue to transform and change as well as deliver. We have worked closely with our trade union colleagues, who have understood that we need to look at ways of doing things differently and have supported the things that we have already achieved with pay agreements and other items that are outlined in the report. The plan sets out what, we hope, is the next phase of our journey. It is a set of ambitious targets, rather than ones that we would all necessarily clear with ease. I very much look forward to discussing that and each of them with you and, indeed, making all of my team available.

I do not want to end on a slightly down note, but I hope that you will all see and have heard from colleagues about the significant financial pressures that the Department faces. I am conscious of the need to run the Department as efficiently and effectively as I can, and, therefore, we do not always have the scale of resourcing that you might expect. I know that you will hear shortly from Joanne McBurney, who is a favourite of the Committee. That team, as you will see in the plan, has 53 staff. The supply team has fewer than 10 people. The central expenditure team for the whole of the block has fewer than 10 people. You can see how proud I am of how efficient we are, but that limit on capacity means that, occasionally, we are a bit later than we would like to be in responding to your queries. I am sorry about that, but we will do everything that we can to continue to be as open and transparent as we can be with the Committee and all your questions. I look forward to the discussion about the plan.

The Chairperson (Mr O'Toole): OK, thank you very much, Neil and Stewart. First, Stewart, I wish you a happy retirement. You genuinely look too young to be retiring, but we have probably aged you prematurely from simply being in front of the Committee. You will, hopefully, be even more relieved after this evidence session.

Thank you for that. There is lots in the business plan, Neil. One of the business plan's headings — I will stray into matters related to our next agenda item — is "A Well-Led, High Performing Civil Service". Obviously, part of that is the impartiality of the Civil Service. Last week, in our evidence

session with you, you said that particular care would need to be taken, should there be a monitoring round, over how that monitoring round was communicated. The monitoring round was communicated via a press conference in the Great Hall at Stormont minutes after the monitoring round was emailed to MLAs and before the monitoring round was delivered via an oral statement to MLAs. The media, via the Finance Minister and the First Minister and the deputy First Minister, communicated that on a podium in the Great Hall. It was then widely reported by the media as a mini Budget. Given all that and given the contents of the pre-election guidance published at the end of May, which is clear about the Civil Service needing to avoid conflict ahead of the election period and, indeed, to maintain the strictest perception of Civil Service impartiality, how do you think that went?

Mr Gibson: I believe that we have maintained our impartiality. We took a different approach, I said last week that we would consider communications carefully, and we did. It is a markedly different approach from what you would have seen in previous years. We do not have ministerial quotes in the press statements. We have linked in our social media only to the factual press release with the numbers in it. We did not provide any factual briefings to the media as officials, as we normally do. As I outlined last week, the Minister had set out her position — I am comfortable with it — that the urgency of June monitoring was primary and, therefore, should be done at the earliest opportunity.

The Chairperson (Mr O'Toole): Your position is that the official communications materials produced by the Department — material that was published on your website, press releases, oral briefings etc — were lower-key, so you had no responsibility for the fact that there was a huge press conference in the Great Hall and that that was widely reported as a mini Budget three days out from an election. You do not think that that, in any way, discredits the impartiality of the Civil Service.

Mr Gibson: First, the phrase "mini Budget" was not ours. "June monitoring" is our phrasing of it, which is a routine —

The Chairperson (Mr O'Toole): The Civil Service guidance is clearly written to indicate that officials should have regard to how things will be perceived and reported. It is not simply the input that matters: it is what happens afterwards. Would you agree with that?

Mr Gibson: Yes. It is important in material.

The Chairperson (Mr O'Toole): From my perspective and that of a lot of people watching, it was, frankly, astounding that a mini Budget, as it was called, or June monitoring round could be produced and issued like that without, apparently, any concern for how that would appear in terms of Civil Service impartiality. The published guidance — I am sure that you have read it — at paragraph 6 under the heading "Communications/Announcements" states:

"While each case should be considered on its merits, it may be necessary to recommend a deferral of an announcement, and of any related event, until after the election."

That is, obviously, provided for. It goes on to state specifically that:

"Where a proposed announcement would involve consultation with UK Government Departments, the general presumption is that it should be deferred until the new UK Government is in place."

My understanding from the Minister's oral statement is that your Department still needs to confirm the Main Estimates with UK Treasury: is that correct?

Mr Gibson: That is correct, yes.

The Chairperson (Mr O'Toole): That proposed announcement therefore involves consultation with UK government Departments.

Mr Gibson: No. Having assessed it and taken it to the Executive, who were also content with it, the Minister set it out clearly that, on balance of risk, allocating money that, we are confident, will come in those Main Estimates represented a less damaging outcome than delaying until those Main Estimates were confirmed. There was therefore no consultation with Treasury in our engagement. We used the figures that we had prior to the election being called to make assumptions about the amount that I felt comfortable advising that we could allocate.

The Chairperson (Mr O'Toole): The question of risk is twofold. There is the risk that those assumptions are proved incorrect because the Treasury says, "No, you are going to get a different amount of money". The secondary risk, which you have alluded to, is that of public perception and the potential contravention — flagrantly obvious contravention, in my view — of the spirit and, indeed, it appears, the letter of the guidance. Are you saying that waiting for four days until Friday, which is two days from now, was an unacceptable risk to the delivery of public services? Can you give me a specific example of the difference between doing it two days ago on Monday morning and doing it two days from now on Friday morning?

Mr Gibson: It would be unfair to pick a specific example from any Department. We have to go back to the fact that the original assessment of the guidance was that, as you rightly outlined, it is a question of the balance of risk. We find ourselves in the unique position that £559 million is dependent on us coming in with a balanced Budget. That works out at about £1.5 million a day. As accounting officer, my advice has consistently been that Budgets and June monitoring rounds should always be brought forward as soon as possible, because every day matters to those who constantly write to us about clarity of funding. That is the advice that I have provided consistently throughout the process.

The Chairperson (Mr O'Toole): The accounting officers are free to see that there will be a monitoring round within days. That might be one day, if it is to be on the Monday, or four days, if it is to be on the Friday. Are you genuinely saying that the position of the Department of Finance, leaving aside the guidance on propriety during the pre-election period, is that it was fine to crack on with what was presented as a £300 million giveaway and is being presented by political parties and candidates in the hours before an election as a £300 million spending programme? That could have waited until Friday morning. Would it not have been slightly better for propriety and the perception of Civil Service impartiality had that happened a few days or, frankly, a few hours after the election period was over?

Mr Gibson: In assessing the original advice, the decision was taken that every day counted and to do it as promptly and swiftly as possible. I did not revisit that position.

The Chairperson (Mr O'Toole): You did not revisit that position, even though, in a sense, doing it on the Monday before an election is potentially an even riskier contravention of the guidance than doing it three weeks before an election. At any point, did you consider that, as we approach an election date, it would become higher-profile, that more attention would be paid to it and that it would become more politically and electorally sensitive? Did that factor into your thinking?

Mr Gibson: To be honest, no. Once the assessment had been made that I considered it to be part of business as usual — a monitoring round is routine business of the Department — the decision did not change.

The Chairperson (Mr O'Toole): OK. I have a final question on this area. It is an important area of questioning, and I appreciate your giving it time. Your Department has asked us to protect a report. I do not have that report in front of me, but it is a consultation response on rates. It includes no statement of Department or Civil Service policy. I wish that I had it in front of me, because I would have read it out. We were told to protect that report. We were effectively told — I was told in a response to a question for written answer — that it had to be protected until the election was over because it was sensitive, even though it contained not one word of Executive policy. Does it remain your position that that is a sensitive document and cannot be released until the election is out of the way?

Mr Gibson: It cannot be released because of the Minister's strong desire to accompany it with what will be done on the back of that consultation and the strategic look at rates. Obviously, that will have a very important policy dimension.

The Chairperson (Mr O'Toole): I acknowledge that position. I say this in the most respectful way possible in my capacity as Chair of the Finance Committee: that is an absurd position. I say that honestly. It is a factual summary of consultation responses that contains no policy statement from the Executive. It is, effectively, an uncontroversial summary of things that people said months ago in correspondence. You could find out what was said if you went to those organisations' websites. It has been decided that that is sensitive and cannot be published until the election is out of the way, but what is being presented by the media and political parties as a £300 million mini Budget is perfectly fine to issue. That is an absurd position, but I have set out my views fairly clearly on it.

I will move on to some other issues. I have one quick question. It is not about purdah, on which I have given my views robustly but about your departmental business plan. Under the heading "Excellent Public Services", the target at point 19 is to:

"Deliver strategic support to the DoF Minister and the institutions of Government."

Do those "institutions of Government" include the Finance Committee?

Mr Gibson: They do indeed. We consider that to be covered under "institutions of Government".

The Chairperson (Mr O'Toole): OK. I am glad to have that clarified.

I will now open up the session for questions. I am cognisant of the time.

Ms Forsythe: Thanks, Neil and Stewart, for being at the Committee again today. In the business plan, not enough is said about — not enough value is given to — the fact that the Department of Finance keeps the show on the road for the Civil Service with all of its back-office functions, including things such as cybersecurity and HR. Those are so critical. They require a budget to keep them running, but their value is not always recognised.

The Department of Finance has, in addition to its departmental functionality, a wider oversight role of the Civil Service. Neil, you talked about the Minister's direction on the Department of Finance being like a professional set-up and how it leads the way. It has certainly been my experience on the Finance Committee that the Department of Finance provides timely information: plans, bids in advance and monthly out-turns. Anything that we asked for we received. However, in relation to the oversight role of Committees, the feedback that we get from other Committees is that they do not necessarily get that. As we look at the business plan and how the Department of Finance sets that professional tone, is there anything that you can do in an advisory capacity? Could something on how to do financial things well be fed into other Departments?

Mr Gibson: That was kind; I am grateful for those comments.

I have not given much thought to that. There has been a real focus on making sure that we work flat out on getting our own house in order. However, I will consider that feedback. We, as a provider of shared services, will do everything that we can to support other Departments. Maybe we can have a further conversation about that advisory role when we think about how we learn the lessons of the first six months of our time with Committees and see whether there are common themes or lessons.

We also do our best to respond to you in the way in which you want to receive information. It is often joked that I am anything but brief in my commentary, but I try to make the documentation as brief and succinct as I can. I am glad that you have noticed an improvement in that regard. We will certainly lean in and do anything that we can to help colleagues. I will do my best to gather a bit of feedback from colleagues on what, other Committees feel, is lacking. Thank you for the feedback. It is much appreciated.

Ms Forsythe: Thank you, Neil. Our Committee is looking to do that across the board as we move forward.

Perhaps Joanne will be better placed to answer this later, but, just while I have you here, I continue to have a question about the in-year management of all Departments' finances. There was reference previously to an in-year dashboard and the value of management accounts throughout the year. We on the Finance Committee and those on other Statutory Committees need to understand what you had planned to spend up to June. Are you out of line with that, or does everything hit you at the end of the financial year? Will you give me an update? Joanne, who will be before us later, may be better placed to pick that up. When it comes to in-year forecasts versus out-turns and where the Departments are, what is your feeling on how that is recorded? How could we help to support that being done better?

Mr Gibson: Thank you. Before I answer that, I must say something that I should have said in answer to the previous question. Our excellent departmental Assembly liaison officer (DALO) is behind me. Her eyes might be burning into me because I did not give the correct thanks to her and the Clerk. Committees work well when that relationship is strong, and I am grateful for that.

On your point, I will leave most of the detail to Joanne. However, there is an important point to make. We are thinking about the best way to provide the right level of summary of our trajectory of spending. That has become the case more acutely when thinking about our trajectories in previous years of struggling to live within budget.

I draw attention to the development of the sustainability plan and the return to the Department of the tremendous official Jeff McGuinness — he will be known to many of you — who is working for Joanne. That programme of work is not simply to deliver the sustainability plan; it is to look at Budget improvement plans and look ahead at how we might provide better information, better data and better ways of scrutinising as we go along. We will engage fully with the Committee on the material that you want from that.

I reassure you all that the sustainability team — a small team of three or four people — was not set up for the sole purpose of delivering a sustainability plan: that is just an output. It was set up also to focus on the sustainability of our finances, and that very much includes better information. You will note in the business plan the excellent progress that we are making towards Integr8, with some surety of funding. That, too, will provide great new opportunities for different dashboards and different ways of providing analysis of the data. Although I do not have anything coming imminently, Diane, I am confident that we are on a journey of improving in-year scrutiny, dashboards and analysis of data.

Ms Forsythe: That is great. Thank you very much.

The Chairperson (Mr O'Toole): I want to check something. Two new teams have been set up: a Budget sustainability team and a fiscal team. Is Jeff leading the Budget sustainability team?

Mr Gibson: Yes, and Aidan McMahon — also known to some of you from work that he has done — is leading the fiscal framework. They are working hand in glove. The Minister has been clear to me in asking whether we have the people to take that important work forward. I have said and want to put it on record here that I absolutely believe that we do; in fact, colleagues in other jurisdictions have praised both of those officials. We absolutely have the right people leading. The Committee is already familiar with Aidan and Jeff, but I am sure that they are two people from whom you will hear more in due course. Aidan works in Tony Simpson's strategic policy and reform (SPaR) directorate, and Jeff works in Joanne's directorate. We are confident that we have as good officials as we could hope to have to lead those important strands of work.

The Chairperson (Mr O'Toole): Good.

Mr Tennyson: If I may, I will make a brief comment on June monitoring, before turning to the business plan. There are two distinct and separate issues at play in relation to the pre-election conversation around June monitoring. It is important to state that June monitoring is routine business — we knew that it was going to happen — and it was appropriate that it happened at the earliest opportunity. We have heard already in evidence the steps that officials took to ensure that Civil Service impartiality was upheld. There is a separate question on the conduct of the Minister and some of her colleagues. It was inappropriate that the Minister had a press conference before making an oral statement to the Assembly, and there are legitimate questions to be asked on that front. I agree with you insofar as that is the case, Chair, but I take a contrary view on some of the issues around officials.

The Chairperson (Mr O'Toole): That is reasonable.

Mr Tennyson: I thought it important to place that on the record.

I turn now to the business plan. One of the objectives in priority 4 talks about strategic support and leadership across the Department in respect of the Climate Change Act (Northern Ireland) 2022. Is there space for more ambition? Instead of talking about just the Department — I know that it is the departmental business plan — is there a role for the Department of Finance in the more strategic five-year plan or in the Programme for Government in providing strategic leadership on compliance with our net zero commitments across the Executive? In the Budget process, monitoring rounds and so on, we could incentivise other Departments to take action by including climate criteria in the assessment.

Mr Gibson: That is a good and quite profound question, if you think about it. We are working closely with colleagues in DAERA and making sure that, as we think inwardly about our Department, we do all that we can, be it on our estate or our policies and frameworks. However, to this point, the thinking has

been that, when a Programme for Government is in place and sets out its priorities, we can look to how, if possible, that can have a closer alignment with the Budget conversations.

That speaks a little bit to my previous point about the Budget improvement plan that we hope to look at, because it brings a new lens and dimension to how we might think about things. To be frank, we do not yet have the architecture to provide that level of scrutiny and analysis. Whilst the guidelines refer to considering climate matters in all Budget decisions, we do not have that formal role at this point, but a real and honest conversation needs to take place about not just meeting our departmental responsibilities but the roles that policy or Budget processes could play. We are in the infancy of working out how that will work. At least now it can just go downstairs to Katrina and DAERA colleagues to discuss such matters.

Mr Tennyson: That brings me on to my second question, which is on that point. I understand that the Department is constrained in its resource, and you outlined that a lot of the same individuals work across multiple areas and that that creates pressures. It is difficult to prioritise in a constrained environment, and doing some of this stuff in the current fiscal environment is challenging, but, looking forward, is there scope for us to widen the Budget sustainability team's role in the Department so that it can look at sustainability in the broadest terms, meaning not just your financial sustainability but climate sustainability?

Mr Gibson: Very much so. Yes, we are under huge resource constraints. I hope that members will recognise that I am not known as one who complains and says what we cannot do; indeed, as the Minister has said, it should be about what we can do, not what we cannot do. That is why each of those has been set up as a distinct team, not as a function, with a really exceptional official in the lead, and it is for exactly this reason: so that we can think ahead of the longer programme of work. It is very much my intention, while I am accounting officer, to look at that increased space for strategic thinking, not just at meeting the immediate pressures. We will look forward to engaging with the Committee on that.

Reflecting on my time in this post, if I could change one thing, it would be to tell all my senior leaders to free up a little time in the diary to think about what we need to change. It is about doing that strategic thinking and less of just being able to manage, as is the case at the moment. I try to encourage them by saying that, hopefully, there will be better days ahead. That starts with us running the most effective and efficient Department that we can and trying, where we can, to allocate resources.

We went through the transformation bid process, and that revealed a lot of things. Many were not put forward, but it still gave me a lot of food for thought for other ways that we can transform what we do, hopefully, for exactly the reason that you suggested, which is to free up a little more capacity to think about what other roles the Department of Finance can rightly carry out. As the head of the Civil Service (HOCS) mentioned last week, the transformation journey will be very much shared across all Departments but certainly between the Executive Office and DOF, and we are trying to be less territorial about that and just think about the change that is needed. Absolutely, I endorse that direction of travel, and Joanne — indeed, Jeff, when you get to meet him — will, I am sure, speak more about that.

Mr Tennyson: I have one final question, Chair. It is in a similar vein and is on net zero and climate change. We always run up against the same issue year in, year out with financial transactions capital (FTC) underspends. The Minister spoke at Question Time yesterday about the Northern Ireland Investment Fund. Do you see any scope to work with the Department for the Economy and DAERA on, effectively, a new FTC fund in order to better invest in areas like renewable energy? Is the Department actively looking at that, and will we see it in future business plans?

Mr Gibson: Yes, we have been in the foothills of thinking about that. We have been looking, and we have tried to analyse why fewer, if you want to call them this, green projects have been coming forward, and it seems that FTC did not seem to be the type of finance for that; they had other routes to financing. The first thing for any of that government intervention, even if it is just a lending vehicle, is to work out the gap in the market. Intelligence is required, and there would absolutely need to be close working with colleagues across a number of Departments. Economy is the obvious one, but I can think of Infrastructure and, thinking about housing, Communities. We are very willing to lean into any of those conversations.

We have been pushing hard to look at innovative ways to use FTC, and, as that programme — I will not say that it is coming to its end — is towards the latter stages of its life cycle, we will have to consider what lessons could be learned for any future programmes that replace it. It has been remarkably successful, but it is also filling particular gaps, and there has not been a huge demand from green projects coming forward to that programme, which suggests that they may need a different type of funding package.

Mr Tennyson: That is me, Chair. Thank you.

Mr Frew: Thank you, Neil, for your answers so far. Your set priorities are a bit of a departure from those that were in last year's business plan. Why the change?

Mr Gibson: There are a couple of things. Last year, in preparing the business plan, to be frank, I was also fairly early in my journey, and a lot of it was a business plan of, if you like, just sustaining and trying to make sure that we could deliver. Therefore, it perhaps lacked a bit of the ambition that we have been able to now think through. That is partly me being able to think more clearly about how we could take a number of areas forward and be more familiar with them, and it reflects the early direction of travel that the Minister has provided to keep everything going while starting to think long-term about what needs to change. It possibly reflects both my maturing in the role and the different circumstances in which we find ourselves.

Mr Frew: Thank you. What did you fail on last year?

Mr Gibson: A couple of things. Stewart will come in with some figures on how we looked at it. We necessarily, even last year and again this year, set a fairly ambitious plan, so there are areas where we did not quite make the deadline or did not find the budget available to achieve targets. Most of those have fallen into this year's plan if it was a case of missing the deadline. If I am being really self-reflective and honest with the Committee, I will say that perhaps some of the issues are about trying to do too much at once and maybe trying to be a little more precise about exactly what it is that we are committing to doing. Stewart, you have some figures on performance.

Mr Barnes: We had 25 targets last year. Of those, 16 were achieved in-year, and seven will be achieved in the first few months of this year. We really only had two targets that we did not achieve last year, and I suppose that, when you look at it —

Mr Frew: What were they?

Mr Barnes: The Civil Service workforce model and transforming digital public services to be in a data strategy. Those were both long-term projects. We have more or less achieved by now about 80% to 90% of those. If you have a stretching business plan, one or two targets are bound to fall by the wayside, and that was the case. Generally, I thought that we performed quite well against last year's.

Mr Frew: How did you measure the achievements?

Mr Barnes: We have specific targets, and we have tried to be more specific, measurable, achievable, relevant and time-bound (SMART) in the targets that we set. In the past, the targets have tended to be a bit woolly, in a sense, so it has been hard for people to either see or measure what the specific outcomes and outputs of them are. We have certainly got much tighter in how we now put the targets so that they can be measured specifically and made more quantifiable.

Mr Gibson: That was important work that we did last year. Ian Snowden, who was working with me at the time and is now in the Department for the Economy, lent in very much to help to make it a business plan that had more precision so that we could do better on reporting what has slipped and what has not. In reference to those two areas, we have learnt a lot over the year on workforce planning, which Jill has spoken about before, and on the data strategy. HOCS is very much leaning into that in the transformation space, so we think that we probably would have a better way of going about that now than the way that we thought about a year ago.

On workforce modelling and planning, not to get too far into the weeds this afternoon, from experience of talking to people in other areas, we have learnt that you can do detailed workforce modelling. You can do voluminous analyses of who will retire when and on what date — Stewart, I brought you back in again — but, sometimes, that does not happen because the world changes. We are trying to think

of a more fluid approach that looks at professions and the skill sets that we need rather than thinking specifically that Department x needs y people. That is a bit of a culture shift and change in how we think about it. Even where we have missed those areas, with hindsight, we are probably in a better direction or place now.

Mr Frew: This year, you have four main priorities. Last year, you had five. You can closely align those four priorities to the four of last year. There is one that disturbs me. Last year, you had a priority for providing evidence and insights, but that is now down as number 20:

"Provide high quality statistical information to support public policy."

Can you assuage my concerns that that has gone off the table, if you like, as a high priority?

Mr Gibson: If I sound a little surprised, it is because I had hoped that it had not. I will take a look at that, because our purpose still includes providing evidence and insights. Northern Ireland Statistics and Research Agency (NISRA) is one clear vehicle for doing that, but we have also talked about the analytics that come out of our HR or finance systems. That is the best that I can do verbally to assuage your concerns. It was certainly not our intention to deprioritise that area.

Mr Frew: Thank you.

Mr Barnes: Sorry. To add to that, we have put in a bid to the transformation fund for that very area.

Mr Frew: OK. Thank you.

Miss Hargey: Thanks very much. Like others, I want to reiterate something about the June monitoring round announcement. I also believe that it represents the functioning of normal, day-to-day business. We have known since we came back that there would be a June monitoring round. Ideally, we all would have liked it to take place sooner rather than later, and the Finance Minister also said that. It happened, however, and most of the public are just glad that allocations have been made to Departments, and I am sure that the Departments are also glad.

I have questions about three broad areas in the business plan. What is the difference, Neil, from having Ministers back? You kind of answered that in response to a question from another member.

Mr Gibson: There are a number of things to say to that. If I am being honest, the biggest change for me is that I can get straight to focusing on the advice and evidence that I need to present rather than having to filter it through channels to see whether I am able to look at a particular question. Having Ministers back therefore provides clarity, which is important. What has also been really encouraging is the dual rhythm of getting stuff done as well as trying to change how we do things. Getting pay agreed, getting the Budget through and signed off and agreeing the interim fiscal framework would simply not have been possible without a Minister of Finance in post.

We are moving incredibly fast with the interim public-sector transformation board, about which we spoke last week. The bids are now out, so the board is starting to look at them, alongside progressing a Fiscal Council Bill. There are lots of things that we could speak about. Having Ministers back in post provides a level of clarity about things that we can get done, but what has not changed — this is important — is the desire not to do just that. The Budget is such a pressure that it cannot be simply about getting done what we are being asked to do; rather, the way in which we do things has to change, so being able to take forward some of the change initiatives is another important boost from having a Minister in place.

Miss Hargey: Thanks. The business plan sets out achievements in managing public money. People often do not always see the impact that the Government and Departments have. The Department of Finance enabled £25.2 billion of cash to be issued to fund public services. Some 9,000 additional properties were valued and added to the valuations lists. We had part of the conversation last week with the head of the Civil Service, but we are going to hold a specific Committee session on financial power and how we look at financial power. There will also be discussion of fiscal levers and all of that.

Given the huge amount of money that local government has for services, procurement and the use of land, particularly public land, how do we start to look more at taking a community wealth-building approach? How do we ensure that that financial power works for local places and local economies,

that it has regional balance and that it addresses inequality and need, which is coming up as a pressure in our public services? What could be done, for example, if government were to take a decision to bank in a certain way? What impact would that have on localities?

Following on from that, how do we widen the enterprise models that we have? I am trying to get a sense of the work that the Department of Finance could do with the Department for the Economy and the Department for Communities on looking at widening enterprise models here. We have a small and medium-sized enterprise sector that is big and strong. It is the bedrock of our economy, but we also need to look at such things as growing our cooperatives, supporting worker buyouts and growing our social enterprise sector a lot more so that it has an impact. We also need to look at how that financial power can be used. That may mean looking at financial transactions capital or other types of funding that can really build capacity in those areas of work. I am keen to see that happen and to see whether we are learning from other places. The Scottish Government now have a Minister for Community Wealth and Public Finance. They have set up a Department for it. How do we even work with councils? Are we looking at any of that to determine the type of economy that we want to have? How can we strengthen it? How do we start to mitigate inequality while democratising it for wider society?

Mr Gibson: Thank you. The Minister has raised points about both those areas with me and the senior team. It is about trying to get through such significant financial turmoil and then starting to focus on what the bigger policy priorities might be.

I will say two things in answer to your question. You touched on one of them when you mentioned other Departments. There are matters that are truly and genuinely cross-cutting. The Minister has been encouraging all of my officials and me to continue having full and frank engagement with all other Departments. "There are no boundaries when getting the right advice" is the message that has been provided to me. We have had fruitful conversations about community wealth-building with the Minister for Communities and colleagues in that Department. As I mentioned, we are also looking at the Budget improvement plan and thinking about how we engage with the different groups that look at and think about how we can do more with our Budget process.

You also touched on some other areas. We are a huge purchaser of services and a huge employer of people. We are one of the biggest employers here, so we should be an exemplar. The Minister has been clear to me and my team of officials in asking how we can set an example by looking at our apprenticeships and the JobStart scheme in order to bring people into the Civil Service by presenting it as a career option for them. We have to think about what we can do externally through our decisions, but we also have to be that exemplar internally through how we use our resources and how we support and look after our workforce.

There are lots of areas to consider and take forward, and we are looking at those. The Committee heard from Sharon Smyth about the new procurement regulations — the Procurement Regulations 2024 — and the changes that they might bring about to modernise that side of the house. We are also trying to make sure that we continue to work with our council partners. I have lots of official engagement with them, because most of the issues that you raised are truly cross-cutting.

Miss Hargey: Does it include things such as needs-based budgeting and participatory budgeting? We raised those issues when Caoimhe was in front of the Committee. As you said, it is about the Department of Finance showing leadership across central and local government and, more broadly, in the community and on the economy.

Another of my points is about supporting staff. I can see from the business plan that huge numbers of staff registered to attend the WELL programme, with over 10,000 people participating. More than 14,000 attended the 30 online events, so there is definitely an interest in finding different ways of working, but we have to look at the inclusion piece on disability, class and gender. What more can be done to support staff while recognising the challenges around budgets and the pressure of work demands? What are you looking to do over the next period?

Mr Gibson: I am glad that you mentioned that, because our staff are our core asset. People often think it is finances, but, ultimately, nothing can be done without our people. I often talk about being a learning organisation, as many others have also said, but we have to be a listening one as well. We have to hear what our staff tell us. We are continually trying to improve how we listen to our staff in order to hear what matters to them.

A small example of that is our recent survey about bereavement and the services that we can provide. We had over 2,000 responses. More than one in 10 of our staff wanted to give us their thoughts. We know that we are looking at the right issue, and we are working at pace to think about how we can support them.

I have to be honest: demand for our support services is rising. The fact that people feel that we are providing them with services and that they are open to using those services is encouraging, but it also speaks to something about which we should have real concern, and that is the growing levels of absenteeism or of staff being unable to attend work because of mental health issues. We see a lot more worrying statistics on that side.

There is a lot more to do. I am proud of the work we do to support our people, but we can do more, as you rightly said. Hopefully, part of our Budget improvement plan will be about how we make that work effective.

For me, if I am being honest, the greatest challenge is to get beyond what we are less comfortable with today in our operations and move towards having something that could work better in the future. It is always easier to say what it is about budget allocations or processes that makes us uncomfortable. It is about asking what would truly work or be manageable. We have close relationships with colleagues in Scotland, Wales and the Republic of Ireland to see where we can learn from their processes. We may have the second-mover advantage by seeing what they have learnt from their processes that might be helpful for us. We will come back and discuss the Budget improvement plan more fully when we get past the Budget sustainability plan, which is the first priority of the three-person team.

Miss Hargey: My last question is on the overall change in technology. In the business plan, you can see the number of calls to the nirect contact centre, the large number of texts sent and the number of online visits. I want to ask about automation, artificial intelligence (AI) and future-proofing in that area. Belfast has a centre of excellence in cybersecurity, and city deals will be a key element. It is about how government, on the one hand, does business and makes it easier for people through the inclusion piece and, on the other hand, prevents fraud and cyberattacks. Will those be areas of focus for the Department over the next period?

Mr Gibson: Very much so. Digital change can be both inspiring and terrifying, depending on whom you speak to. It is a journey on which you have to tread carefully. We are not as well resourced as many private-sector organisations, but we have good partnership arrangements. The good news is that people want to do business with government, so we can tap into the local expertise in cyber that you mentioned. I have done a lot to try to improve relationships with many of those suppliers to make sure that we are a customer with whom they want to do business.

An important dimension of the digital future is thinking carefully not only about the potential that it offers but about how we take our staff on that journey with us. How do we set out, as best we can, the skill sets that we will need and how we will support and train people towards them? Also, how do we make sure that, as we do things in a more automated, AI-enhanced way, we are able to collect the data of those who, potentially, are not able to avail themselves of that way of engaging and that we therefore do not create a new inequality?

What has been encouraging to me anecdotally is that, when we do those engagements and the digital training, the public come towards that on a more cross-sectional basis than you might expect. The view that we have of elderly people often does not hold up. We have found that, with the right support, the digital journey can be exciting for all. However, you must tread carefully and be conscious of who can engage with the new way of delivering the services and ensure that your staff are trained to provide those services.

Mr Barnes: I was just going to say —.

Miss Hargey: Sorry, just to finish, there is a human rights aspect to who owns the data and how is it kept and used. It is about protections for the public.

Mr Barnes: I was just going to say, on those new technologies, that there is a further transformation bid for the new app for the public to develop it and make it more accessible. We will look at how we can better provide that service.

Miss Hargey: Thank you.

The Chairperson (Mr O'Toole): Thank you very much. I want to put on the record again my appreciation, as Chair of the Finance Committee, of the hard work of your departmental officials. Whatever one's political view on any given policy, the officials in the Department of Finance are rightly well thought of, and they work hard. Indeed, all the best to Stewart, who will be pleased to be released from that.

Finally, I gently say that the high reputation of officials in the Northern Ireland Civil Service, particularly those in your Department, is why it is really important that we maintain the highest possible standards. Politicians, regardless of their political party — candidly, we are all the same: if you give us an inch, we will take a mile — are not allowed to use resources in a way that could be perceived to compromise the integrity and impartiality of the Civil Service. I will not name the political party, but I am looking at an infographic that talks about £300 million for public services and has an election slogan next to it. I do not think that it was the intention of any departmental official to facilitate that, but I hope genuinely and sincerely that there is some reflection on the events of the past week in order to protect and, as it were, defend the high reputation of officials. I think that I have made that point. I make it sincerely, albeit robustly, because that is my job.

Thank you both very much. Thank you, Neil. Thank you, Stewart. All the best with your retirement, Stewart.

Mr Barnes: Thank you.

Miss Hargey: He is not really retiring; he is coming back one and a half days a week.

Mr Gibson: Please call him back to talk about the five-year plan. That will be your final gift.

The Chairperson (Mr O'Toole): That is still being scheduled.

Mr Barnes: That will be the day I retire.

The Chairperson (Mr O'Toole): Indeed. Thank you very much.

Mr Gibson: Thank you, members.