



RESPONSE TO CONSULTATION:

**A proposal for primary
legislation to resolve issues
in regard to the Department's
financial powers**

October 2024

Consultation on proposal for primary legislation to resolve issues in regard to the Department's financial powers

Summary of responses and next steps

Background

In June 2024 DfE [published a consultation](#) which outlined its proposals for matters to be included in a planned Department of Finance-led (DoF) Financial Provisions Bill.

The consultation gave information on the history and rationale for inclusion of the following financial issues that it proposed to resolve via primary legislation:

- a. DfE's power to provide financial assistance where it is likely to be in the interest of the economy;
- b. DfE's power to exempt or remit certain fees in exceptional circumstances for Tourism Northern Ireland (TNI), for TNI to have the flexibility to introduce new fees where appropriate, and to extend TNI's existing ability to grade or classify certified tourist establishments to also include tourist amenities;
- c. DfE's power to form companies;
- d. Updating of section 1 of the Employment and Training Act (Northern Ireland) 1950.¹
- e. the handling of smaller Departmental accounts (i.e. possible absorption within the main Departmental accounts).

It also outlined the expectation that these matters would be included as DfE provisions within possible future legislation to be led by DoF. The detail of the wording of the legislation, and timing, remains to be finalised and approved by the Executive.

¹ As amended by [The Employment and Training \(Amendment\) \(Northern Ireland\) Order 1988 \(legislation.gov.uk\)](#).

Consultation Process

DfE invited responses to the consultation by promoting it on Citizen Space, use of DfE social media accounts, targeted emails to over 300 organisations and people and engagement via DfE Partner Bodies.

Respondents were invited to give their views on the consultation document. No specific questions were asked by DfE, and respondents were free to express their views as most suited them. As a result, not all respondents offered comments on all parts of the proposals. Responses were invited to be submitted on 'Citizen Space' and via email to a dedicated mailbox.

Alongside the consultation document, DfE also published draft Equality Screening and Rural Needs Impact Assessment documents and invited additional information or feedback on these documents.

DfE held a public online information session on 25 June 2024, which was attended by five delegates from two organisations.

Summary of Responses

By the close of the consultation on 1 August 2024, DfE had received 10 responses (seven via Citizen Space, three by email to the dedicated mailbox).

Responses were received from the following organisations (in alphabetical order):

- Alliance Party
- British Holiday and Home Parks Association
- Chartered Institute of Public Finance and Accountancy NI (CIPFA NI)
- NI Local Government Association (NILGA)
- South Eastern Regional College (SERC)
- Tourism Ireland
- Tourism Northern Ireland (TNI)
- Ulster University (UU)

In addition, two responses were submitted by individuals.

With the exception of one response from an individual, the responses indicated support for the proposals and/or offered comments or questions on specific aspects of the proposals.

The response from the Alliance Party broadly welcomed the proposals, but reserved its position on any Bill emerging, pending the remainder of the Assembly scrutiny process, which its MLAs will participate in.

The response from an individual did not comment on the proposals directly, but expressed a preference for a free market model with very limited government role in the economy and this has been noted.

Analysis of Responses

DfE's power to provide financial assistance where it is likely to be in the interest of the economy.

Overall, responses welcomed the effort to clarify DfE's powers in this respect. There was support for the principle to increase devolved financial powers to Departments and others, where it enables them to achieve their objectives and improve the lives of citizens, although it was noted in this regard that this should not dilute DfE's public accountability responsibilities.

Where respondents commented, they expressed support for the proposals in relation to Financial Transactions Capital.

Responses in relation to the proposed 'guiding statement' noted that it should be an effective tool which is regularly reviewed and updated and expressed an interest in contributing to the development of this statement.

DfE's power to exempt or remit certain fees in exceptional circumstances for Tourism Northern Ireland (TNI), for TNI to have the flexibility to introduce new fees where appropriate, and to extend TNI's existing ability to grade or classify certified tourist establishments to also include tourist amenities.

Again, where respondents commented, they welcomed or did not object to the DfE proposals. Where they commented, responses agreed that Tourism Amenities should fall within the scope of the grading remit.

Responses in relation to tourism fees noted the importance of appropriate consultation with key stakeholders.

DfE's power to form companies.

Where respondents commented, they welcomed or did not object to the proposal. One response noted the need for effective governance arrangements and clarity on the relationship between the company and DfE.

Updating of section 1 of the Employment and Training Act (Northern Ireland) 1950²

Responses were positive or expressed no view on this proposal.

the handling of smaller Departmental accounts (i.e. possible absorption within the main Departmental accounts).

Responses were positive or expressed no view on this proposal.

A small number of additional points were raised in the responses that are beyond the scope of legislation or this consultation, and these have been issued to the appropriate business area and will be considered through normal Departmental operations.

Next Steps

DfE is grateful to those who took the time to consider and respond to our consultation document. The responses demonstrated overall support for the proposals and will inform the work of the Department as it progresses further in the drafting of its clauses, for inclusion in a DoF-led Bill. The timing of the introduction of the Bill will be a matter for DoF, subject to Executive approval.

Where responses related to matters outside the scope of this work, these have been shared more widely in the Department or with DoF.

No responses were received in relation to the draft Equality Screening and Rural Needs Impact Assessment, and these draft documents will now be finalised and published.

2 As amended by [The Employment and Training \(Amendment\) \(Northern Ireland\) Order 1988 \(legislation.gov.uk\)](#).