These Notes refer to the Financial Provisions Act (Northern Ireland) 2009 (c.9) which received Royal Assent on 15 December 2009

FINANCIAL PROVISIONS ACT (NORTHERN IRELAND) 2009

EXPLANATORY NOTES

INTRODUCTION

1. These explanatory notes relate to the Financial Provisions Act (Northern Ireland) 2009 which received Royal Assent on 15 December 2009. They have been prepared by the Department of Finance and Personnel in order to assist the reader in understanding the Act. They do not form part of the Act and have not been endorsed by the Assembly.

2. The notes need to be read in conjunction with the Act. They do not, and are not meant to be, a comprehensive description of the Act. So where a section or part of a section or Schedule does not seem to require any explanation or comment, none is given.

BACKGROUND AND POLICY OBJECTIVES

3. A Financial Provisions Act is normally required at intervals of every two or three years to deal with routine financial matters, including non-controversial amendments to financial legislation or to regularise an existing practice. On this occasion the Act contains a number of miscellaneous financial provisions authorising expenditure for which there is no other suitable legislative vehicle at present and a repeal of a redundant statutory obligation.
The Bill contains provisions

- Conferring absolute privilege for reports of the Comptroller and Auditor General;
- Authorising expenditure for consumer purposes; expenditure relating to social economy enterprises; expenditure for purposes of children and young persons; and expenditure for purposes of sustainable development; and
- Repealing a requirement to prepare Finance Accounts.

CONSULTATION

4. The Act is technical and non-controversial in nature and therefore no consultation has been undertaken.

OPTIONS CONSIDERED

5. The main options considered by each of the Departments with policy responsibility were either to take the provisions forward through their own Acts separately or to add the provisions to some other suitable legislative vehicle. It was considered that the provisions would not justify separate Acts and the most appropriate method of dealing with the provisions was through the Financial Provisions Act promoted by the Department of Finance and Personnel.

OVERVIEW

6. The Act consists of 7 Sections and a Schedule. A commentary on the provisions follows. Comments are not given where the wording is self-explanatory.

COMMENTARY ON SECTIONS

Section 1: Absolute privilege for the reports of Comptroller and Auditor General

This section is intended to ensure that the Comptroller and Auditor General is free to present all relevant evidence gathered during the course of his studies and/or audits to the Assembly without having to defend an action for defamation.

Section 2: Expenditure for consumer purposes

This section empowers the Department of Enterprise, Trade and Investment to incur expenditure for activities which the Department considers are of benefit to consumers in Northern Ireland. Expenditure may also be incurred for the provision of -

- Advice or information about consumers matters;
- Educational materials and activities relating to consumer matters;
- Advice or information to that Department in connection with the formulation of policy in respect of consumer matters.

It is intended that section 2 be used to provide statutory power for funding the delivery of specialist advice to consumers on the management of debt.

The powers in section 2 are, however, wide enough to enable the Department to incur expenditure for other activities considered, in the future, to be of benefit to consumers in Northern Ireland or for the other purposes set out in this section.

Section 3: Expenditure relating to social economy enterprises

This section empowers the Department of Enterprise, Trade and Investment to incur expenditure for any purpose which the Department considers will benefit the development of the social economy in Northern Ireland. Expenditure may also be incurred for the provision of advice and information, educational materials or policy advice to the Department about the social economy.

It is intended that section 3 be used to provide statutory powers to provide funding to the Social Economy Network (NI) Ltd or any other body to represent the interests, and facilitate the development, of social economy enterprises in Northern Ireland. The powers in section 3 are, however, wide enough to enable the Department to incur expenditure for other activities considered, in the future, to be of benefit to the development of the social economy in Northern Ireland or for the other purposes set out in this section.

Section 4: Expenditure for purposes of children and young persons
This section provides for expenditure on activities related to the work of the Office of the First Minister and deputy First Minister which promotes the interests of, or are otherwise of benefit to, children or young people.

Section 5: Expenditure for purposes of sustainable development.
This section empowers the Office of the First Minister and deputy First Minister to incur expenditure for any purpose calculated to contribute to the achievement of sustainable development. In particular, that Office may provide financial assistance to bodies which have among their objectives, the promotion of sustainable development. Financial assistance may include grants or loans (on condition that that Office may determine).

Section 6: Repeal of requirement to prepare Finance Accounts
This section repeals a redundant statutory obligation (section 10 of the Exchequer and Financial Provisions Act (Northern Ireland) 1950) which required the Department of Finance and Personnel to prepare and lay, before the Northern Ireland Assembly, the Finance Accounts of Northern Ireland. The information previously only contained within the Account is now available in other published Departmental Accounts.

Section 7: Short title

7. This section provides that the new legislation shall be known as the Financial Provisions Act (Northern Ireland) 2009.

HANSARD REPORTS

8. The following table sets out the date of the Hansard reports for each stage of the Act's passage through the Assembly.

STAGE	DATE
Introduction of the Act to Committee for Finance and Personnel – pre-introduction briefing	4 February 2009
Introduction to the Northern Ireland Assembly	23 February 2009
Second stage debate in the Assembly	3 March 2009
Committee stage	3 March – 6 May 2009
Committee's Report on the Act – Report No. 31/08/09R	6 May 2009
Consideration stage in the Assembly	3 November 2009
Further consideration stage in the Assembly	16 November 2009
Final stage in the Assembly	24 November 2009
Royal Assent	15 December 2009

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