Submission to Australian Parliamentary Joint Select Committee on the Parliamentary Budget Office: Inquiry into the proposed Parliamentary Budget Office

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At present there is no plan to establish an Assembly Budget Office or similar attached to the Northern Ireland Assembly. This was one of a range of options put before the Assembly's Committee for Finance and Personnel during its Inquiry into the role of the NI Assembly in scrutinising the Executive's Budget and Expenditure.¹ This Inquiry is ongoing and no final recommendations have been made.

Many of the issues to be considered by the Joint Select Committee on the Parliamentary Budget Office have been, or are still being, actively considered.

In the interim, it was proposed to establish on a pilot basis a Financial Scrutiny Unit within the Assembly's Research and Library Service. The intention was to staff the Unit with a senior finance officer, 2 economics/public finance researchers (in post – I am one), an econometrician and 2 auditors (to be seconded from the NI Audit Office). The Unit would also be supported by the Research and Library Service's statistics unit in relation to demographic and other analysis.

At present, however, the Northern Ireland Executive is facing a difficult fiscal climate, in large part due to the fiscal consolidation being undertaken by the UK Government. This has resulted in reductions to the level of funding available to the Executive. The Northern Ireland Assembly Commission (the corporate body charged with providing the Assembly with resources) is also planning expenditure reductions.

In this context, the Commission introduced a moratorium on recruitment which is still in place. If Assembly's Research and Library Service does not secure the necessary resources to establish a Financial Scrutiny Unit, then support for budget analysis/advice, etc for Committees will be provided in the same way as it is now i.e. the 2 Economist/Public Finance Research Officers will continue to take the lead in this area with some support from the Statistics Unit.

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¹ <u>http://www.niassembly.gov.uk/finance/2007mandate/inquiries/executive_budget.htm</u>