

## **MINUTES OF THE ECONOMIC ADVISORY GROUP MEMBERS' MEETING**

**10 December 2015, 08:30am, NETHERLEIGH**

**Present:** See [Annex A](#)

### **WELCOME & APOLOGIES**

EAG Chair Ellvena Graham welcomed members to the meeting, particularly Bridget Rosewell who joined the panel for the first time.

In addition the Chair welcomed Colin Sullivan, Strategic Policy & Reform Director, DFP and Joe Reynolds, OFMDFM who joined the meeting for agenda items 1 and 2.

### **1. NI GOVERNMENT REFORM AGENDA – UPDATE**

- 1.1 Colin Sullivan from DFP gave a presentation on the progress of Government Reform, followed by a short panel discussion, for which members expressed their appreciation. BR suggested publication of exemplar projects with time frames, focusing on what has worked well may help determine where to make next investments to lever greatest impact.

### **2. PROGRAMME FOR GOVERNMENT – UPDATE**

- 2.1 Joe Reynolds from OFMDFM gave a short presentation on the progress of PfG, followed by a panel discussion. The group undertook to feed back their endorsement of the long term outcomes based approach undertaken by OFMDFM and to underline their willingness to embrace the next stage of the process with more detailed input. AMcC advised that the timeframe for EAG to engage with PfG was very tight.

The Group felt that they were best placed to make a significant contribution in relation to metrics (linked to competitiveness approach); timeframe; ambition of targets; connection of business issues and longer-term economic policy decisions.

Members agreed to meet in January 2016 to provide a response to emerging work, in advance of providing detailed input at indicator level. AMcC advised that he would pursue how EAG's input could be provided most effectively at PSG workshop with OFMDFM during the afternoon of 10<sup>th</sup> December. AMcC also suggested that he and the EAG Chair should seek a conversation with the Minister in the immediate term.

It was also proposed that Ministers from other departments (e.g. Finance) should be invited to future EAG dinners to maintain engagement.

- Action 1:** AMcC to provide further feedback in relation to the nature of engagement required following PfG planning meeting on 10<sup>th</sup> December.
- Action 2:** EAG to communicate its endorsement of the OFMDFM's approach to the PfG.
- Action 3:** EAG Secretariat to liaise with Members to secure a date for January meeting.

### **3. MINUTES OF LAST MEETING / MATTERS ARISING / PROGRESS ON ACTION POINTS**

- 3.1 Members agreed the minutes of the September meeting with minor amendment. All actions were completed.

**Apologies were noted from: Minister Bell and Michael Ryan.**

### **4. COMPETITIVENESS REPORT**

- 4.1 Members welcomed the suggested design format for the summary report. The imbalance between the number of indicators presented in each pillar was noted and so it was agreed that there was need to review this and make it more consistent across all 11 pillars. As a result it was agreed that UUEPC would select 3-5 indicators for each 'basket' that would give a good summary of each pillar. Indicators should be selected to include the full range of good-v-bad and not to exclude any significant indicator. For the avoidance of doubt it was confirmed that the main results (as set out in the dashboard) would continue to be based upon the full indicator set and not just the 3 to 5 selected indicators.
- 4.2 The report is to be a key facts document which points to future intent by signalling those areas where further deep-dives will be expected to follow. Policy recommendations not appropriate at this stage.
- 4.3 The need to add in NI sectoral productivity data and to draw out productivity narrative differently was discussed. Members felt it was important that differences within productivity across the whole of NI economy were highlighted. Also important to reflect sectors which are growing and with high value-add which will impact many of the changes required (e.g. youth unemployment). NG undertook to develop a 1-2 page piece which references the productivity data published in December 2015.
- 4.4 Supply chain data was raised as an important consideration.
- 4.5 Illustration of what success looks like for key areas was also raised.
- 4.6 Chair undertook to 'socialise' report findings with key stakeholders and media commentators in advance of publication.

4.7 Members agreed to present a summary report with input to the following sections, as outlined:

**Action 4: As below.**

Agreed Summary Report Content	Actions Arising
<p><b>Chair's Foreword:-</b></p> <ul style="list-style-type: none"> <li>• <b>3-4 high level messages re relative position; and personal view of what is surprising / stands out</b></li> </ul>	<p>Shane Murphy to draft with input from Neil Gibson which reflects Members' personal views.</p>
<p><b>Introduction to the report + summary narrative:-</b></p> <ul style="list-style-type: none"> <li>• <b>High level messages</b></li> <li>• <b>Set in international context</b></li> <li>• <b>Improvements in competitiveness = long journey</b></li> <li>• <b>Flavour of a small number of indicators</b></li> </ul>	<p>Members commentary around the one/two key take-always for them to Secretariat asap.</p>
<p><b>Infographics</b></p>	<p>UUEPC to review indicators, following which EAG secretariat will develop info graphics.</p>
<p><b>Productivity</b></p>	<p>Neil Gibson to draft (1-2pp).</p>

## 5. CORPORATION TAX UPDATE

5.1 Shane Murphy provided an update on the position on the implementation of devolved Corporation Tax powers. Members stressed the need to ensure that any potential barriers to success are dealt with, to enable effective implementation of 12.5% rate for April 2018.

## 6. FUTURE WORK PROGRAMME

6.1 BREXIT – SM advised that DETI has joined the Oxford Research Group study on this topic and would receive the NI results in February 2016. A few caveats were raised, particularly around the potential destabilising effect of the process, whatever the outcome and the possibility that the UK view may make too many assumptions to be valuable to NI. SM outlined that the need for qualitative analysis for NI was understood and that the research would analyse 4 or 5 different scenarios. Members were keen to receive findings of the study in the New Year. FR suggested Members may be interested to review the ROI study which aligns with the work being undertaken and which includes an NI element. Secretariat to circulate link to study.

**Action 5: SM to arrange presentation of report findings on possible BREXIT scenarios and their effect on the NI economy to EAG, once available.**

- 6.2 National Living Wage – Shane Murphy advised that while some good work had been done on the voluntary living wage, his department has undertaken a re-run of the ONS analysis using the statutory living wage. Members expressed their interest in receiving the work outlined by SM, which includes an additional piece on how business reacts / how it might impact the economy.

**Action 6: Shane Murphy to present report on the statutory living wage to EAG in 2016.**

## **7. ANY OTHER BUSINESS**

- 7.1 Chair provided members with an update on the meeting with the ETI Committee in November 2015. Chair to request future meeting with ETI at an opportune juncture in 2016 (ETI suggested they would be keen to hear from EAG on an annual basis going forward).
- 7.2 Chair advised members that Gerry Mallon would be leaving the group after the next meeting and invited Members to identify the specific skill-set required from a new Member.
- 7.3 Secretariat advised that they would circulate an online contact form to be completed by all members to ensure that details were kept up to date.
- 7.4 Secretariat advised that the Group had an opportunity to set a proactive FOI policy in relation to EAG's advice to the Minister. It was agreed that the policy should be that EAG advice could be published after a reasonable delay to enable the Minister to address any matters raised. It was agreed that the Minister should establish the time period required.

**Action 7: Secretariat to circulate contact form to members**

**Action 8: Secretariat to liaise with Private Office and draft an appropriate EAG FOI policy document**

## ANNEX A

### EAG MEMBERS' MEETING – 10 December 2015

#### ATTENDEES

Mark Nodder	Wrightbus
Neil Gibson	Ulster University Economic Policy Centre
Bryan Keating	MATRIX
Mark Ennis	Invest NI
Frances Ruane	Economic and Social Research Institute
Ellvena Graham	EAG Chair
Bridget Rosewell	Volterra
Gerry Mallon	Danske Bank
Patricia O'Hagan	Core Systems
Bill McGinnis	Northern Ireland Adviser on Employment and Skills
Andrew McCormick	DETI
Shane Murphy	DETI
Diarmuid McLean	DETI
Gillian Gregg	EAG Secretariat (DETI)
Vicky Newman	EAG Secretariat (DETI)
Colin Sullivan	DFP
Joe Reynolds	OFMDFM

## ANNEX B

### ACTION POINTS AGREED AT DECEMBER 2015 EAG MEMBERS' MEETING

NO	ISSUE	ACTIONS ARISING	LEAD RESPONSIBILITY	UPDATE
1	PfG	Further feedback to be provided in relation to the nature of engagement required following PfG planning meeting on 10th December.	Andrew McCormick	
2	PfG	Draft letter of endorsement of the OFMDFM's approach to the PfG.	EAG Secretariat	
3	PfG	Secure date for January meeting	EAG Secretariat	Request Issued 14/12/15.
4	Competitiveness Report (as per table at 4.7)	<ul style="list-style-type: none"> <li>i. Members to provide (to Secretariat) personal view on one/two key 'take-aways' from the report findings.</li> <li>ii. Draft narrative for summary report.</li> <li>iii. Review indicators for summary report.</li> <li>iv. Develop full range of info graphics to reflect indicator selection, as above.</li> <li>v. Draft 1-2pp re Productivity.</li> </ul>	<ul style="list-style-type: none"> <li>i. All Members</li> <li>ii. Shane Murphy</li> <li>iii. UUEPC</li> <li>iv. EAG Secretariat</li> <li>v. Neil Gibson</li> </ul>	
5	BREXIT	Present report findings on possible BREXIT scenarios and their effect on the NI economy to EAG, once available.	Shane Murphy	To be scheduled early 2016.
6	National Living Wage	Present report on the statutory living wage to EAG in 2016.	Shane Murphy	To be scheduled

NO	ISSUE	ACTIONS ARISING	LEAD RESPONSIBILITY	UPDATE
				when complete in 2016.
7	FoI	Circulate contact form to members	EAG Secretariat	Completed at 11/12/15.
8	FoI	Liaise with Private Office and draft an appropriate EAG FOI policy document	EAG Secretariat	