

FROM THE MINISTER



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To: Assembly Business Office, OFMDFM

Date: 1 March 2016

From: Paul McCarthy

Please find enclosed seven copies of Legislative Consent Memorandum on Apprenticeship Levy: Data Sharing being laid under Para 2 of Standing Order 42A.

The Executive and Committee Members will receive a copy of this.

PAUL McCARTHY

PRIVATE SECRETARY TO MINISTER FOR EMPLOYMENT AND LEARNING

N.I. ASSEMBLY
01 MAR 2016
BUSINESS OFFICE

LEGISLATIVE CONSENT MEMORANDUM

ENTERPRISE BILL

(apprenticeships information sharing provisions)

Draft Legislative Consent Motion

1. The draft motion which will be tabled by the Minister for Employment and Learning, is
“That this Assembly endorses the principle of the extension to Northern Ireland of the provisions of the Enterprise Bill dealing with Apprenticeships: Information Sharing as contained in clause 26 of the Bill as amended in Committee Stage in the House of Commons.”

Background

2. This memorandum has been laid before the Assembly by the Minister for Employment and Learning. It relates to provisions of the Westminster Enterprise Bill (the Bill) introduced by way of amendment at Committee Stage in the House of Commons regarding apprenticeship levy information sharing.
3. The Bill was originally introduced in the House of Lords on 16 September 2015 as part of the UK Government's commitments aimed at supporting the growth of enterprise in the United Kingdom. The Bill covers a range of business related policies including provisions for appropriate data sharing gateways between the relevant Northern Ireland department and Her Majesty's Revenue and Customs (HMRC) so that relevant data relating to their functions with regard to Northern Ireland apprenticeships can be shared.
4. The current version of the Bill is that amended following Committee Stage in the House of Commons. The Bill can be found at:
<http://services.parliament.uk/bills/2015-16/enterprise.html>

Summary of the Enterprise Bill and its policy objectives

5. The Bill is sponsored by the Department for Business, Innovation and Skills (BIS).

The Bill contains measures to:

- establish a Small Business Commissioner to empower small businesses to resolve disputes with larger businesses and avoid future issues;
 - expand the deregulation target to include regulators;
 - require regulators to report on the effect the Regulators' Code and/or the Growth Duty have had on the way they exercise their functions;
 - extend the Primary Authority scheme to make it easier for businesses to join it and benefit from advice on regulatory compliance, and to simplify the way businesses deal with local authorities;
 - require insurers to pay insurance claims within a reasonable time;
 - simplify and update the Industrial Development Act 1982;
 - cap public sector exit payments at £95k; and
 - part-privatise the Green Investment Bank.
6. On 7 December 2015 the Assembly rejected a Legislative Consent Motion brought forward by the then Minister of Finance and Personnel in respect of the extension to Northern Ireland of the provisions in the Bill relating to the capping of Public Sector Exit Payments. On 29 February 2016 the Assembly approved a motion brought forward by the Minister of Enterprise, Trade and Investment in relation to provisions in the Bill dealing with the Small Business Commissioner.

Provisions which deal with a Devolution Matter

7. The provisions, agreed at House of Commons Committee stage on 25 February 2016, relate to the sharing of information on apprenticeships, deal with a transferred matter (training and employment) and change the functions of the relevant department and consequently they require the consent of the Assembly.

Reasons for making the provisions

9. In relation to the Apprenticeship Levy, a data sharing gateway with HMRC is a practical and important matter. The absence of data sharing would lead to an information deficit, specific to revenues from Northern Ireland, which would result in a distinct disadvantage.
10. The provisions will allow HMRC to disclose information to a Northern Ireland Department or other relevant Northern Ireland Authority (the latter to be prescribed in the regulations made by the Secretary of State) for the purposes of functions in relation to apprenticeships. They will also enable a Northern Ireland Department or other relevant Northern Ireland Authority to receive and request information from HMRC for the purposes of functions in relation to apprenticeships.
11. The powers will allow a Northern Ireland Department and other Northern Ireland authorities, if prescribed, to share data, but they will not be under a duty to share information, and will therefore be able to consider the types of information which should be shared, and how it should be shared.

Reasons for utilising the Bill rather than an Act of the Assembly

12. The provisions put in place a UK-wide information gateway relating to apprenticeships. An Assembly Bill could only make provision for information to be provided by devolved authorities to HMRC and not vice versa. Having all the relevant data-sharing provisions in the one legislative vehicle is considered a more appropriate way to proceed.

Consultation

13. There has been no formal consultation on the proposed apprenticeship information sharing provisions by the Department for Employment and Learning.

Human Rights and Equality

14. No convention rights are engaged and therefore there are no differential impacts as regards equality and good relations.

Financial Implications

15. Financial implications of apprenticeship data sharing with HMRC are unknown at this time, but are limited to administrative costs only. Therefore, agreement to the data sharing provisions in the Enterprise Bill relating to the supply of information from HMRC is not expected to have significant implications for Northern Ireland in terms of Annually Managed Expenditure (AME) or Departmental Expenditure Limits (DEL) funding.

Regulatory Impact Assessment

16. A Regulatory Impact Assessment examines the impact on businesses of any new burden. There are not considered to be any new regulatory impacts on businesses arising from the transfer of information to and from HMRC.

Engagement with the Committee for Employment and Learning

17. The Chair and Deputy Chair of the Committee for Employment and Learning have been made aware of the need for a Legislative Consent Motion. It is intended to fully brief the Committee for Employment and Learning on the need for a Legislative Consent Motion week commencing 29 February 2016.

Conclusion

18. It is the view of the Minister for Employment and Learning, that in the interests of transparency and effective sharing of information for the purposes of the Apprenticeship Levy in Northern Ireland, the Assembly should support a Legislative Consent Motion in terms of the draft set out in paragraph one of this Memorandum.

Department for Employment and Learning

March 2016