NIA 290/11-16

Committee for Enterprise, Trade & Investment Report on its Consideration of the Legislative Consent Memorandum Concerning the Enterprise Bill (Small Business Commissioner Provisions)

Background

- 1. The Minister wrote to the Committee on 20th October to advise that the UK Government had introduced the Enterprise Bill to the House of Lords. The Minister informed the Committee that, in addition to a number of other provisions, the Bill includes a range of measures which are intended to support the growth of enterprise in the UK.
- 2. The Minister informed the Committee that he would be seeking the agreement of the Executive for a Legislative Consent Motion (LCM) to the Assembly to enable the extension to Northern Ireland of provisions in the bill relating to the establishment of a UK Small Business Commissioner.
- 3. The Enterprise Bill also deals with provisions for public sector employment relating to restrictions on exit payments. There is a separate LCM for those provisions which was considered by the Department of Finance & Personnel and the Committee for Finance & Personnel.

Committee Consideration

- 4. The Committee noted the following in the Legislative Consent Memorandum:
 - The Enterprise Bill includes provisions for the establishment of a Small Business
 Commissioner to empower small businesses to resolve disputes with larger businesses and
 avoid future issues. These provisions deal with transferred matters as far as Northern
 Ireland is concerned and, therefore require an LCM. The provision will afford small
 businesses in Northern Ireland equal access to the Small Business Commissioner as those
 elsewhere in the UK.
 - The Department states that an Assembly Bill could not establish a UK-wide commissioner but that the Enterprise Bill will allow Northern Ireland businesses to take advantage of the expertise of a UK-wide commissioner in the most cost and time effective manner and will ensure they are not put at an unfair disadvantage.
 - The Westminster Government undertook a public consultation However, it is stated that
 time pressures precluded consultation in Northern Ireland. However, the Department states
 that, use was made of existing industry research, the assessment of the UK consultation
 responses and bilateral discussion with Northern Ireland business representative
 organisations.
- 5. It was unclear from the information provided why it would have taken additional time to consult in Northern Ireland. The Committee heard <u>oral evidence</u> from Departmental official at its meeting on 8th December 2015.
- 6. In oral evidence to the Committee on 8th December 2015, Departmental officials stated that an open UK-wide consultation was led by the Department for Business, Innovation and Skills, with limited response from businesses in Northern Ireland. The Department conversed with a number of representative bodies regarding demand for the Small Business Commissioner and learned that late payments are an issue for small businesses in Northern Ireland. The Department also

came to the understanding that businesses would welcome the extension of the Commissioner's remit to Northern Ireland.

7. The Department officials also confirmed, in their oral evidence to the Committee, that the Commissioner will be based in England, will provide an advisory service, and will direct issues or complaints specific to Northern Ireland to the appropriate mediation or arbitration services based in Northern Ireland or the Republic of Ireland. The Commission will not have the legal basis to make a legal ruling on any issues and will be obliged to report on any specific Northern Ireland items or issues on an annual basis.

Committee Position

- 8. Having carefully considered the proposals in the LCM, the Committee is of the view that this Legislative Consent Motion is the most appropriate means of enabling small businesses in Northern Ireland to access the services of a UK-wide Small Business Commissioner.
- 9. The Committee therefore supports DETI in seeking the Assembly's endorsement of the Legislative Consent Motion:

"That this Assembly endorses the principle of the extension to Northern Ireland of the provisions of the Enterprise Bill dealing with: The Small Business Commissioner"

List of Appendices

Appendix 1 – The Legislative Consent Memorandum

Appendix 2 – Departmental Papers

Appendix 3 – Minutes of Evidence