



COMMITTEE FOR FINANCE AND PERSONNEL

Gearóid Cassidy
DFP Assembly Section
Clare House
Airport Road West
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BT3 9ED

4 November 2015

Dear Gearóid

Legislative Consent Motion (LCM) on the proposed cap on Public Sector Exit Payments

At its meeting today, the Committee received an initial briefing from Departmental officials on the LCM to extend the provisions of the Westminster Enterprise Bill to cap public sector exit payments in Northern Ireland.

As members agreed that any issues not fully addressed in the evidence session would be forwarded to the Department for urgent response, I would be grateful if officials could address the following issues:

- in relation to the proposal to give DFP a regulation-making power to prescribe what payments are within or exempt from the scope of the restriction, it would be helpful for the Committee to receive more detail on the examples of the types of payments which will and will not apply in this regard;
- further information would also be helpful in respect of the Waiver Process within the cap, including how such a waiver will be granted in the Northern Ireland context and some examples of how the Department envisages this waiver may take effect;
- clarification on whether the proposed changes arising from the LCM could have potential implications in terms of some retrospective changes to the TUPE protections, which would be contrary to European Law or erosions of the Acquired Rights Directive; and
- detail of the further reforms being considered by the UK Government in relation to the calculation of compensation terms and to employer-funded

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early retirement in circumstances of redundancy; and in terms of what steps DFP will take to ensure that the LCM procedure is avoided in the event of such further reforms being proposed for Northern Ireland.

In addition, the Committee agreed to request an urgent detailed response from the Department to each of the issues raised in relevant correspondence received from key stakeholders. The correspondence received includes: submissions made to the Committee by trade unions and NILGOSC in response to the proposed LCM provisions; and responses by the FDA, NIPSA and FBU to the Treasury consultation on these proposals.

All the responses are documented on the Committee webpage at the following link:

<http://www.niassembly.gov.uk/assembly-business/committees/finance-and-personnel/legislative-consent-motions/enterprise-bill-public-sector-employment-restriction-on-exit-payments/>

Given the tight timescale associated with the LCM process and to facilitate the Committee's next scheduled consideration of the matter, I would request a response by **12noon on Tuesday 10 November 2015**.

Yours sincerely



Shane McAteer
Committee Clerk