

COMMITTEE FOR FINANCE AND PERSONNEL

MINUTES OF PROCEEDINGS

**WEDNESDAY, 20 NOVEMBER 2013
ROOM 30, PARLIAMENT BUILDINGS**

Present: Mr Dominic Bradley MLA (Deputy Chairperson)
Mrs Judith Cochrane MLA
Ms Megan Fearon MLA
Mr Paul Girvan MLA
Mr John McCallister MLA
Mr Ian McCrea MLA
Mr Mitchel McLaughlin MLA
Mr Adrian McQuillan MLA

In Attendance: Mr Shane McAteer (Assembly Clerk)
Mr Phil Pateman (Assistant Assembly Clerk)
Mrs Clairita Frazer (Assistant Assembly Clerk)
Mr Jim Nulty (Clerical Supervisor)
Ms Heather Graham (Clerical Officer)

Apologies: Mr Leslie Cree MBE, MLA
Mr Peter Weir MLA

The meeting commenced at 11.35am in public session, in the absence of the Chairperson the Deputy Chairperson took the chair.

Agreed: that agenda item 5 is recorded by Hansard and the Official Report published on the Assembly's website.

1. Apologies

Apologies are detailed above.

2. Draft Minutes of Proceedings of 13 November 2013

Agreed: that the minutes are published on the Assembly website.

3. Matters Arising

Table of Requests for Information from the Department of Finance and Personnel (DFP)

The Committee noted the summary table of requests for information from DFP which provided an update on any matters arising not covered elsewhere on the agenda.

Access to Finance case-study research

Members were updated on progress of the Assembly research into access to finance by local businesses, which will be submitted to the Northern Ireland Affairs Committee as part of its inquiry into the banking structure in Northern Ireland.

Agreed: that, in order to supplement the research, members will consider submitting a short summary of the experiences they have had in dealing with the local banks with, or on behalf of businesses, and that this information will be submitted to the Clerk by Friday 29 November.

Agreed: that, subject to the agreement of the other parties involved, the chairpersons of the Assembly Finance and Personnel Committee and the Enterprise, Trade and Investment Committee would address the Northern Ireland Affairs Committee on this matter at its planned meeting in Parliament Buildings on 17 December 2013.

4. Public Service Pensions Bill – Consideration on Issues Outstanding

The Committee noted correspondence from the Minister of Health, Social Services and Public Safety, providing the information sought previously by the Committee in relation to provisions in clause 10 of the Bill. It was noted that a response had not yet been received to the correspondence issued to the First Minister and deputy First Minister in this regard.

Judith Cochrane left the meeting at 11.45am

Michel McLaughlin left the meeting at 11.51am

Mitchel McLaughlin rejoined the meeting at 11.53am

5. Public Service Pension Bill – Clause-by-Clause Scrutiny

The Committee carried out formal clause-by-clause consideration of the Public Service Pensions Bill as follows:

Clause 1: Schemes for persons in public service.

Agreed: that the Committee is content with clause 1 as drafted.

Clause 2: Responsible authority for schemes.

Agreed: that the Committee is content with clause 2 as drafted.

Clause 3: Scheme regulations.

Agreed: that the Committee is content with clause 3 as drafted.

Clause 4: Scheme manager.

Agreed: that the Committee is content with clause 4 as drafted.

John McCallister joined the meeting at 12.05pm

Clause 5: Pension board.

Agreed: that the Committee is content with clause 5, subject to the Minister tabling an amendment at Consideration Stage, as undertaken, to replace ‘must’ with ‘may’ at subsection (2), line 6.

Clause 6: Pension board: information.

Agreed: that the Committee is content with clause 6 as drafted.

Clause 7: Scheme advisory board.

Agreed: that the Committee is content with clause 7 as drafted.

Clause 8: Types of scheme.

Agreed: that the Committee is content with clause 8 as drafted.

Clause 9: Revaluation.

Agreed: that the Committee is content with clause 9 as drafted, though it was noted that Mr McLaughlin, Ms Fearon and Mr McCallister wished to reserve their position on the clause.

Clause 10: Pension age.

During the deliberations on this clause, some members raised concerns with some of the provisions therein whilst other members required additional information.

Agreed: to seek an update from DFP on any developments in the negotiations on future pension arrangements for firefighters in Scotland, which might provide a model for the

firefighters scheme in Northern Ireland; particularly in terms of flexibilities for early departure with minimal actuarial reductions for firefighters aged between 55 – 60 years who are unable to maintain the operational fitness standards.

Agreed: that the Committee could not agree clause 10 as drafted.

Clauses 11: Valuations

Agreed: that the Committee is content with clause 11 as drafted.

Clauses 12: Employer Cost Cap

Agreed: that the Committee is content with clause 12, subject to the Minister tabling an amendment at Consideration Stage, as undertaken, to include further provisions to the effect that DFP directions and regulations may only be made after DFP has consulted with the relevant stakeholders.

Clause 13: Employer contributions in funded schemes.

Agreed: that the Committee is content with clause 13 subject to the following proposed Committee amendment which the Chairperson will table at Consideration Stage:

Clause 13, Page 9, Line 20

After 'qualified' insert-

'and must not be-

(a) an employee of the responsible authority;

(b) the scheme manager;

(c) a scheme member; or

(d) an employee of the Department of Finance and Personnel.'

Clause 14: Information about benefits.

Agreed: that the Committee is content with clause 14, subject to the Minister tabling an amendment at Consideration Stage, as undertaken, to insert 'a' after 'which is' at subsection (1), line 24.

Clause 15: Information about schemes.

Agreed: that the Committee is content with clause 15 as drafted.

Clause 16: Records.

Agreed: that the Committee is content with clause 16 as drafted.

Clause 17: Regulatory oversight.

Agreed: that the Committee is content with clause 17 as drafted.

Clause 18: Restriction of existing pension schemes.

Agreed: that the Committee is content with clause 18 as drafted.

Clause 19: Closure of existing injury and compensation schemes.

Agreed: that the Committee is content with clause 19 as drafted.

Clause 20: Final salary link.

Agreed: that the Committee is content with clause 20 as drafted.

Clause 21: Consultation.

Agreed: that the Committee is content with clause 21 as drafted.

Clause 22: Procedure for protected elements.

Agreed: that the Committee is content with clause 22 as drafted.

Clause 23: Procedure for retrospective provision.

Agreed: that the Committee is content with clause 23 as drafted, though it was noted that Mr Bradley wished to reserve his position on the clause.

Clause 24: Other procedure.

Agreed: that the Committee is content with clause 24 as drafted, though it was noted that Mr Bradley, Mr McLaughlin and Ms Fearon wished to reserve their position on the clause.

Clause 25: Extension of schemes.

Agreed: that the Committee is content with clause 25 as drafted.

Clause 26: Non-scheme benefits.

Agreed: that the Committee is content with clause 26 as drafted.

Clause 27: Consequential and minor amendments.

Agreed: that the Committee is content with clause 27 as drafted.

Clause 28: Existing local government scheme.

Agreed: that the Committee is content with clause 28 as drafted.

Clause 29: Existing schemes for civil servants: extension of access.

Agreed: that the Committee is content with clause 29 as drafted.

Clause 30: New public body pension schemes.

Agreed: that the Committee is content with clause 30 as drafted.

Clause 31: Power to restrict other existing public body pension schemes.

Agreed: that the Committee is content with clause 31 as drafted.

Clause 32: Existing public body pension schemes: pension age.

During its consideration of this clause, the Committee invited the following DFP officials to come to the table to clarify the Department's response to an issue raised previously by the Committee:

- Grace Nesbitt, Head of Pensions Division, Corporate HR;
- Stephen Ball, Policy and Legislation, Civil Service Pensions, Corporate HR.

Agreed: that the Committee is content with clause 32 as drafted, though it was noted that Mr McLaughlin and Ms Fearon wished to reserve their position on the clause.

Clause 33: General interpretation.

Agreed: that the Committee is content with clause 33 as drafted.

Clause 34: Regulations, orders and directions.

Agreed: that the Committee is content with clause 34 as drafted.

Clause 35: Financial provision.

Agreed: that the Committee is content with clause 35 as drafted.

Clause 36: Commencement.

Agreed: that the Committee is content with clause 36 as drafted.

Clause 37: Short title.

Agreed: that the Committee is content with clause 37 as drafted.

Schedule 1: Persons in Public Service: Definitions

Agreed: that the Committee is content with schedule 1 as drafted.

Schedule 2: Responsible Authorities

Agreed: that the Committee is content with schedule 2 as drafted

Schedule 3: Scope of Scheme Regulations: Supplementary Matters

Agreed: that the Committee is content with schedule 3 as drafted.

Schedule 4: Regulatory Oversight

Agreed: that the Committee is content with schedule 4 as drafted.

Schedule 5: Existing Pension Schemes

Agreed: that the Committee is content with schedule 5 as drafted.

Schedule 6: Existing Injury and Compensation Schemes

Agreed: that the Committee is content with schedule 6 as drafted.

Schedule 7: Final Salary Link

Agreed: that the Committee is content with schedule 7 as drafted.

Schedule 8: Consequential and Minor Amendments

Agreed: that the Committee is content with schedule 8 as drafted.

Schedule 9: Existing Schemes for Civil Servants: Extension of Access

Agreed: that the Committee is content with schedule 9 as drafted.

Long Title of the Bill – “A Bill to make provision for public service pension schemes; and for connected purposes.”

Agreed: that the Committee is content with the Long Title of the Bill.

Megan Fearon left the meeting at 12.20pm

Megan Fearon rejoined the meeting at 12.25pm

Ian McCrea left the meeting at 12.32pm

Ian McCrea rejoined the meeting at 12.44pm

The session was recorded by Hansard.

6. Public Service Pensions Bill – Initial Consideration of Draft Report

The Committee considered a working draft of its report on the Public Service Pensions Bill.

Agreed: that members will forward any comments on the working draft report to the Clerk by close of play on Friday 22 November and that a final draft will be considered at next week's meeting.

Megan Fearon left the meeting at 12.50pm

7. Correspondence

Members noted the following pieces of correspondence:

- Letter from Belfast City Airport regarding Airline Route Development;
- DFP: Letter to Enterprise, Trade and Investment Committee regarding closure of Exploris;
- Correspondence regarding delay in implementing 1% pay increase awarded to Northern Ireland Housing Executive staff in July 2013 (referred to the Committee by Mr McLaughlin).

Agreed: that, given the cross-cutting role of DFP in this area, the Committee will enquire what, if any, involvement the Department has in this matter. Members also agreed to draw the issue to the attention of the Committee for Social Development.

8. Committee Work Programme

Members considered a draft of the Committee work programme.

Agreed: that the work programme is updated to reflect any agreements made today and published on the Committee's website.

9. Any other business

There was no other business.

10. Date, Time and Place of Next Meeting

The next scheduled meeting of the Finance and Personnel Committee will be held on Wednesday 27 November 2013 at 10:00 am in Room 30, Parliament Buildings.

The Deputy Chairperson adjourned the meeting at 1.00pm

Mr Daithí McKay MLA
Chairperson
Committee for Finance and Personnel
27 November 2013