

Assembly Section

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Mr Shane McAteer
Clerk
Committee for Finance and Personnel
Room 419
Parliament Buildings
Stormont

Our Ref: CFP73/11-15

15 February 2012

Dear Shane,

At its meeting on 1 February the Committee sought clarification in relation to the policy commitment to the Green New Deal, given that there is no reference to it within the draft PfG or draft Economic Strategy.

As Members will be aware the Minister has given a commitment that savings from the 'green' rate rebate schemes could be used to supplement the Executive's funding of the Green New Deal project, following the closure of the energy efficiency and low carbon homes schemes.

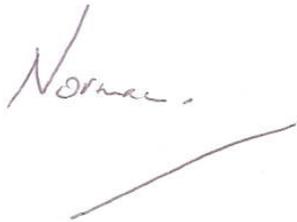
Members will wish to note that there have been no savings to date for the low carbon homes scheme, given that slightly more has been paid out in 2011/12 in relief than last year. This is to be expected given that the Minister decided to allow a year's grace for houses in the process of being built to the required standards, in response to calls from the construction industry.

Land and Property Services have advised that for the Energy Efficiency Homes Scheme discharges to the rate account 2010/11 at 31 March 2011 were just under £95,000. By comparison discharges associated with cases processed in 2011/12 were around £55,000.

Savings from the schemes will only be allocated to the Green New Deal project following a positive assessment of the business case by DSD and DFP. DFP officials are aware that DSD is producing a business case to assess options for a Green New Deal project and the business model proposed by the Green New Deal Coalition is one of the shortlisted options under consideration. As funding decisions are dependant on business case approval, it would be at that stage that funding, including the resources released by the cessation of the Energy Efficiency and the Low Carbon Homes Schemes, would be made available.

In terms of a reference to Green New Deal in the Programme for Government and Economic Strategy Commitments as DSD are the lead Department in this area it would be for that Department to determine what was to be included. We have been advised by DSD that the economic appraisal for Green New Deal is currently with their Minister, Nelson McCausland for consideration.

Yours sincerely,

A handwritten signature in blue ink that reads "Norman". Below the signature is a long, sweeping horizontal line.

NORMAN IRWIN