

## **COMMITTEE FOR SOCIAL DEVELOPMENT**

*End of Session Report 2014 – 2015*

### **Membership and Powers**

The Committee for Social Development is a Statutory Departmental Committee established in accordance with paragraphs 8 and 9 of the Belfast Agreement, section 29 of the Northern Ireland Act 1998 and under Standing Order 48.

The Committee has power to:

- consider and advise on Departmental budgets and annual plans in the context of the overall budget allocation;
- consider relevant secondary legislation and take the Committee stage of primary legislation;
- call for persons and papers;
- initiate inquiries and make reports; and
- consider and advise on any matters brought to the Committee by the Minister for Social Development.

The Committee has 11 members including the Chairperson and Deputy Chairperson, and a quorum of 5.

The membership of the Committee since 23 May 2011 and as at the end of the 2014/2015 session on 31 August 2015 was as follows:

Mr Alex Maskey (Chairperson)

To be announced<sup>18</sup> (Deputy Chairperson)

Mr Jim Allister<sup>7</sup>

Mr Roy Beggs<sup>14</sup>

Ms Paula Bradley<sup>1</sup>

Mr Gregory Campbell<sup>3</sup>

Mr Stewart Dickson<sup>11</sup>

Mr Sammy Douglas<sup>8,12,13, 15,16,17</sup>

Ms Dolores Kelly<sup>10</sup>

Mr Fra McCann

Mr Sammy Wilson<sup>2,4,5,6,9</sup>

<sup>1</sup> With effect from 20 February 2012 Ms Paula Bradley replaced Mr Gregory Campbell

<sup>2</sup> With effect from 26 March 2012 Mr Alastair Ross replaced Mr Sammy Douglas

- <sup>3</sup> With effect from 01 October 2012 Mr Gregory Campbell replaced Mr Alex Easton
- <sup>4</sup> With effect from 01 October 2012 Mr Sammy Douglas replaced Mr Alastair Ross
- <sup>5</sup> With effect from 11 February 2013 Mr Sydney Anderson replaced Mr Sammy Douglas
- <sup>6</sup> With effect from 07 May 2013 Mr Sammy Douglas replaced Mr Sydney Anderson
- <sup>7</sup> With effect from 09 September 2013 Mr Jim Allister replaced Mr David McClarty
- <sup>8</sup> With effect from 16 September 2013 Mr Trevor Clarke replaced Ms Pam Cameron
- <sup>9</sup> With effect from 16 September 2013 Mr Sammy Wilson replaced Mr Sammy Douglas
- <sup>10</sup> With effect from 30 September 2013 Mrs Dolores Kelly replaced Mr Mark H Durkan
- <sup>11</sup> With effect from 01 October 2013 Mr Stewart Dickson replaced Mrs Judith Cochrane
- <sup>12</sup> With effect from 06 October 2014 Mr Sammy Douglas replaced Mr Trevor Clarke
- <sup>13</sup> With effect from 17 November 2014 Mr Maurice Devenney replaced Mr Sammy Douglas
- <sup>14</sup> With effect from 09 February 2015 Mr Roy Beggs replaced Mr Michael Copeland
- <sup>15</sup> With effect from 25 March 2015 Mr Maurice Devenney retired as a Member
- <sup>16</sup> With effect from 20 April 2015 Mr Gary Middleton was appointed as a Member to the committee
- <sup>17</sup> With effect from 18 May 2015 Mr Sammy Douglas replaced Mr Gary Middleton
- <sup>18</sup> With effect from 03 June 2015 Mr Mickey Brady resigned as a Member; his replacement has yet to be announced

## End of Session Report 2014 – 2015

During the period 1 September 2014 to 31 August 2015, the Committee for Social Development completed a substantial work programme including a total of 44 meetings. 83% of business was conducted in open session. Business conducted in closed session included taking legal advice and discussing sensitive or procedural issues relating to the Committee's Inquiry.

In the 2014-15 session, the Committee held 1 meeting outside Parliament Buildings at the offices of the Housing Rights Service in Belfast.

The Committee's work programme during this period covered:

- [Primary Legislation](#) – committee consideration stage
- [Subordinate Legislation](#) – consideration and approval
- [A Legislative Consent Motion](#)
- [EU Scrutiny](#)
- [Budget Scrutiny](#)
- [Policy Scrutiny](#)
- [Conducting an evidence-based Inquiry](#)
- [Engagement with stakeholders](#)

The Committee for Social Development held a strategic planning session on Thursday 20 November 2014. The Committee identified a number of important areas of work which included insight into social housing reform in other jurisdictions, homelessness and regulation of the Private Rented Sector.

The Committee however noted that the pressures of its upcoming work programme in relation to legislation and its ongoing Inquiry limited the extent to which it might include these other work streams.

Details of the key items of business considered by the Committee during the session are set out in the following sections.

## Primary Legislation

- *The Pensions Bill*

The Pensions Bill was part of a wider range of pension reforms but the key aspect of this Bill was the introduction of a new single tier pension.

The Committee received 7 written submissions to its call for evidence for this Bill and took oral evidence from 3 stakeholders.

The Committee broadly welcomed the Bill and did not propose any amendments to it. It did however make a number of recommendations to the Department in the areas of Bereavement Support; Official Recognition of Carers; and ensuring 'service to society' is more effectively captured for those with multiple part-time jobs or in zero hours contracts.

The Committee published its report on the Pensions Bill on 19 February 2015. The full report is available online [here](#).

The Bill reached Final Stage in the Assembly on 11 May 2015 and received Royal Assent on 23 June 2015.

- *The Regeneration Bill*

The Regeneration Bill confers certain regeneration and community development powers on, and transfer of certain functions relating to Laganside, to the new district councils. The Department will continue to exercise policy responsibility for the powers and functions that are proposed to be transferred. Councils will have a statutory duty to have regard to guidance issued by the Department in respect of these powers and functions.

Central to the Committee's consideration and which became a critical issue, were concerns raised by some members that regeneration should be centred on economic regeneration rather than social need and agreed two amendments to that effect.

Some members were of the view that the Bill should also be amended to prevent a council from assisting a project that sought to promote or refer to an individual with a serious criminal conviction and the Committee, by majority vote, agreed an amendment to that effect.

The Committee also made a number of recommendations in its Report on the Committee Stage of the Bill in the area of encouraging councils to work together on regionally important schemes; effective cross-departmental working with DARD; incorporating qualified majority voting; and the provision of information to investors.

Committee Stage for the Bill was completed on 28 May 2015 and the full report can be viewed [here](#).

- *The Pension Schemes Bill*

The Minister for Social Development attended the meeting of the Committee for Social Development on 4 June 2015 to discuss the potential accelerated passage of the Pension Schemes Bill. The Committee noted that, although pensions are a devolved matter, in effect there is a single pension system and regulatory regime across the UK and that many private pension schemes operating here are UK-wide schemes. The Committee noted the arguments in support of the Bill receiving accelerated passage to ensure consistency of approach, timing and regulation.

The Department had provided the Committee with several thorough and detailed briefings in relation to Pension Schemes legislation and, in January 2015, the Committee agreed to support a [legislative consent motion](#) in relation to extending the new 'Pension Flexibilities' outlined in the Westminster Bill to Northern Ireland.

The Committee was therefore content that it has considered the proposals both in the context of the Westminster Bill and the proposed Assembly Bill, noting that the remainder of the Assembly Bill was of a technical nature. It was therefore supportive of the Bill proceeding by accelerated passage.

- *Pre-introductory Briefings*

The Committee received pre-introductory briefings from the Department on the Houses in Multiple Occupation Bill and the Housing (Amendment) Bill. The Housing Amendment Bill was introduced to the Assembly in June 2015 and the Houses in Multiple Occupation Bill, although delayed, was introduced on 7 September 2015.

- *Welfare Reform Bill*

The Committee Stage of the Welfare Reform Bill was completed and reported on 14 February 2013 and the report can be viewed [here](#).

Two years later, the Department briefed the Committee on 9 February 2015 on the various changes to the Bill brought about as a result of the Stormont House Agreement of December 2014.

The Final Stage of the Bill failed to pass in the Assembly on 26 May 2015.

## **Subordinate Legislation**

The Committee considered 46 statutory rules associated with pensions and social security benefits. Where necessary the Committee sought additional information and briefings from the Department before reaching a decision.

## **Legislative Consent Motion (LCM)**

- *The Westminster Pension Schemes Bill*

The Westminster Pension Schemes Bill was introduced in the House of Commons on 26 June 2014 and the House of Lords on 26 November 2014. As the Bill contained provisions dealing with certain devolved matters, some of these matters were the subject of a Legislative Consent Motion.

The Committee welcomed the changes to legislation in so far as the people who will benefit from the changes will have access to informed decisions regarding their private pensions.

However, the Committee expressed concern that the number of people who will actually be able to afford to save during their working life are likely to be in the minority and therefore not benefit from this legislation.

On 8 January 2015 the Committee for Social Development agreed that it would support the draft motion:

*“That this Assembly endorses the principle of the extension to Northern Ireland of the provisions of the Pension Schemes Bill dealing with independent advice, drawdown, conversion of benefits and lump sums, rights to transfer benefits and the Financial Assistance Scheme as contained in clauses 51 to 53 and 60 to 64 of, and Schedules 2 and 4 to, the Bill as brought from the House of Commons to the Lords.”*

The Committee prepared a short report which was sent to all MLAs on 19 January and prior to the debate. The Committee’s report can be viewed [here](#).

## Committee Inquiry

On 4 July 2013 the Committee agreed to hold an Inquiry into allegations, arising from a BBC NI Spotlight programme aired on 3 July 2013, of impropriety or irregularity relating to NIHE managed contracts and consideration of any resulting actions. The Terms of Reference for this Inquiry were agreed at the Committee's meeting on 3 October 2013.

The Inquiry was split into three distinct phases.

The Committee published its Report on phase 1 on 3 July 2014 and was debated by the Assembly in September 2014.

Phase 1 of the Inquiry focused on allegations that the Committee was misled by the Minister for Social Development over his decision to seek a review of the specification for the supply and fitting of double-glazing. The key conclusion of this report was that the then Minister for Social Development, Mr McCausland, deliberately misled the Committee for Social Development. The report is available to view [here](#).

Phase 2 of the Inquiry examined the adequacy of actions proposed by the Minister, the Department for Social Development and the NIHE to address previous, well documented failings in relation to procurement and contract management.

Overall the Committee agreed that good progress had been made in relation to the range of issues relating to procurement, governance and contractual management. However, the Committee also agreed that there was significant work still to be done if public confidence in these three key areas is to be achieved and sustained. The Committee made a number of recommendations in this regard and the Committee's report on phase 2, which was published on 26 February 2015, is available to view [here](#).

During phase 3, the Committee considered decision making relating to the award, modification and cancellation of NIHE maintenance contracts to establish any impropriety or irregularity and, in particular, whether the actions of Ministers were appropriate.

The Committee drew a number of conclusions throughout its report but on the key issue of whether the Minister McCausland acted inappropriately the Committee concluded, based on the evidence it received, that he did. The Committee's report on phase 3, which was noted by the Assembly on 16 April 2015, contains a number of urgent procedural review recommendations. The Report can be viewed [here](#).

The Committee awaits a response from OFMDFM on its views on how to take the recommendations of the phase 3 report forward. The Assembly and Executive

Review Committee are to consider the inclusion of a review of the Ministerial Code of Conduct as part of its work programme.

The Committee believes there are issues to be addressed and lessons to be learned from this inquiry by the individuals concerned, the Department for Social Development, the wider civil service, and the political institutions in order to underpin public confidence in the accountability for those in ministerial office.

### **EU Scrutiny**

On 2 July 2015, Departmental officials briefed the Committee for Social Development on European Activity for 2015 in terms of the action that is being taken to source EU funding. The Committee agreed to schedule an overview session of European Funding streams in the new session.

### **Budget Scrutiny**

#### *2015/2016 Spending and Savings Proposals*

On 4 December 2014, the Committee received a presentation from the Department on its spending and saving proposals for 2015/2016. The Committee expressed concern that it had not been given sufficient time for robust scrutiny of the Department's proposals.

The Committee agreed with the Minister's four priorities which guided the reductions which should be made in order to protect services as far as possible. The Committee welcomed the Department's view that the Social Fund and Supporting People budgets should be protected.

The Committee agreed that the Department's settlement did not reflect the contribution that the Department makes to the Programme for Government across a wide range of issues to tackle disadvantage. It also noted that the additional allocation of 2.3% (£15.1m) was the lowest provided to any department. Taking into account this along with the ring-fenced monies and contractual obligations the Department was in the position that it had to reduce expenditure by 16%.

The Committee called on the DFP Minister to review the level of allocation to the Department to ensure that the Department can effectively tackle disadvantage. The Committee was of the view that greater savings on administration costs should be provided to address the proposed cuts and that that all options for budget reduction should be considered in order to minimise job losses and impact on tenants. The Committee urged the Department to consider innovative

ways of obtaining funds to ensure the target for social home new build is reached. The Committee is supportive of the Co-ownership Scheme and welcomed the Department's intention to explore whether Financial Transactions Capital could be used to finance this programme.

### *Monitoring Rounds.*

The Committee received briefings from the Department on the October, December and June Monitoring Rounds. This detailed examination of budgets contributed to ensuring that departmental financial targets were met.

The official report of these sessions can be found [here](#).

## **Policy Scrutiny**

The Committee received a large number of briefings from the Department in various areas of its remit including the Social Housing Reform Programme; Review of the Social Housing Allocation Policy; Review and Regulation of the Private Rented Sector; Review of the Supporting People Programme; the new Affordable Warmth Scheme; the Improving Benefit Uptake Strategy; the evaluation of the Neighbourhood Renewal Strategy; and the Departmental Business Plan 15/16.

## **Engagement**

During 2014 -15, stakeholder engagement undertaken by the Committee was, again, somewhat limited. This was primarily due to the large volume of work to be undertaken in respect of the Committee's Inquiry and its legislative workload. At its meeting on 2 July 2015, the Committee agreed that Housing should be a key focus in the new session and that it will engage with key housing stakeholders as early as possible in the Autumn in relation to its work programme. The Committee has also agreed to meet with a group of Young Advisers from the Speak-up Project who have experienced homelessness in the new session.

## **Meetings Outside Parliament Buildings**

The Committee held a meeting outside Parliament Buildings at Housing Rights in Belfast on 23 October 2014. During this meeting the Committee received a Departmental briefing on the Review of Social Housing Allocations Policy and the SSA briefed it on Improving Benefit Uptake.

The Committee also met informally with the Private Tenants Forum to discuss approaches to the regulation of the private rented sector.

## **Committee Motions**

The Committee raised Assembly Motions to extend the Committee stage of the Pensions Bill and the Regeneration Bill.

The Committee also raised a motion that the Assembly note its Report on Phase 3 of its Inquiry which passed following debate on 16 April 2015.

## **Key Priorities for Next Session**

- Legislative Programme – Housing (Amendment) Bill; Houses in Multiple Occupation Bill, Liquor Licensing Bill.
- Key Housing issues.

ANNEX A

Committee for Social Development

Expenditure for the period 1 September 2014 – 31 August 2015

Budget area	Details	Expenditure
Committee Travel - committee members and staff travel and subsistence in relation to visits and meetings outside Parliament Buildings		£0
Printing of committee reports	Includes the cost of 4 committee reports on: <ul style="list-style-type: none"> <li>• Inquiry into allegations, arising from a BBC NI Spotlight programme aired on 3 July 2013, of impropriety or irregularity relating to NIHE managed contracts and consideration of any resulting actions – Phase 2 report and Phase 3 report</li> <li>• The Pensions Bill</li> <li>• The Regeneration Bill</li> </ul>	£3,937.61
Advertising – the cost of public notices relating to committee inquiries, the committee stage of Bills and meetings held outside Parliament Buildings	Includes the cost of public notices in relation to: <ul style="list-style-type: none"> <li>• Pensions Bill</li> <li>• Regeneration Bill</li> <li>• Housing (Amendment) Bill</li> </ul>	£1,903.12
Specialist Advice - the cost of specialist advisers appointed by the committee and commissioned research, also the cost of drafting Standing Orders		£0
Refreshments & Hospitality	Includes the cost of all refreshments and hospitality provided by the committee; to include meetings, working lunches, seminars and any other such expenditure.	£1,464.71
General expenses	Witness travel expenses for Pensions Bill	£253.43
<b>Total Expenditure</b>		<b>£7,558.87</b>