



**Northern Ireland
Assembly**

Committee for Communities

Room 430

Parliament Buildings

Tel: +44 (0) 28 90521895

RESPONSE TO THE COMMITTEE FOR THE ECONOMY ON ITS CALL FOR EVIDENCE IN RELATION TO THE REGIONAL BALANCE BILL

Agreed 17 September 2026

Introduction

1. This paper sets out the formal response from the Committee for Communities to the Committee for the Economy in respect of its Call for Evidence on the Regional Balance Bill (“the Bill”). This submission has been prepared following a request for views issued on 25 June 2026 (EC2026:924).
2. The Committee notes that the Bill is a Member’s Bill sponsored by Ms Sinéad McLaughlin MLA. It was introduced on 8 June 2026, and its Second Stage was agreed by the Assembly on 8 September 2026. The Bill stands referred to the Committee for the Economy.
3. To inform its position, the Committee has considered the Bill as introduced, its accompanying Explanatory and Financial Memorandum (EFM) and the Official Report of the Second Stage debate on 8 September 2026.
4. Unlike many Bills on which the Committee is invited to comment, this Bill would impose direct statutory duties on the Department for Communities (DfC) and names on its face a number of indicators that fall within DfC’s statutory remit. This submission sets out the Committee’s observations on each of the areas in which DfC’s responsibilities are engaged, with particular reference to the relationship between the proposed Regional Balance

General Position

5. The Committee notes that the Second Stage of the Bill was agreed without division, that Members from each party represented in the Assembly indicated support for the Bill's progression to Committee Stage, and that the Minister for the Economy stated that she supports the aims and principles of the Bill and recommends to the Executive that the Bill be supported, subject to amendment.
6. The Committee acknowledges that a number of the matters raised at Second Stage, including whether the duty to develop the Regional Balance Framework should rest with the Executive or with individual Ministers, the sub-regional performance of Invest Northern Ireland, cross-border co-operation and the appropriate statistical geographies, are matters properly reserved to the Committee for the Economy in its scrutiny of the Bill and to the Department for the Economy (DfE) as the Department on which the Bill confers lead functions. The observations that follow are confined to those provisions and policy implications having tangible relevance to the DfC remit.

Key Scrutiny Points from a Communities Perspective

Direct statutory duties on the Department for Communities (clauses 2 and 3)

7. Clause 2 would require every Executive Department to have due regard to the need to reduce regional disparity and to the Framework in developing, adopting, implementing or revising any policy, strategy or plan, and, so far as reasonably practicable, to exercise its functions in a manner calculated to contribute to the Framework's outcomes and targets.
8. Clause 3 would require each Department to compile and retain information on the exercise of that duty, to evaluate progress against the Framework criteria in its own areas of responsibility, and to provide information annually to DfE. The EFM describes the clause 2 duty as "a justiciable, yet proportionate duty". The Chairperson of the Committee for the Economy noted at Second Stage

that the Bill would place a duty on all Departments, including the Department for Communities.

9. DfC's policy, strategy and plan-making extends across housing supply and allocation, social security, the Anti-Poverty Strategy, urban regeneration and Neighbourhood Renewal, support for the voluntary and community sector, sport, culture, languages and the historic environment. The clause 2 duty would attach to all of that.
10. The Committee notes the concerns expressed at Second Stage, including by the Minister for the Economy, about the risk of unnecessary bureaucracy and of additional scope for legal challenge, and the observations of a number of Members that the Bill should not result in a further reporting process without a corresponding effect on delivery. The Committee would welcome the Committee for the Economy's consideration of the resource and administrative implications of the clause 2 and clause 3 duties for Departments with extensive policy portfolios, noting the EFM's acknowledgement that the financial implications of the Bill fall mainly in departmental resources, and of how "due regard" is expected to be evidenced in practice, including through any guidance issued under clauses 3(3) and 6.
11. The Committee further notes that DfC discharges a substantial proportion of its functions through arm's-length bodies, including the Housing Executive, Sport NI, Libraries NI, the Arts Council and the Charity Commission. The Bill Sponsor indicated at Second Stage that the duties and responsibilities of Departments and their arm's-length bodies would be a factor in the operation of the Framework. The Committee would welcome clarity on whether, and by what mechanism, the Framework is intended to apply to functions exercised by arm's-length bodies.

Interaction with existing statutory duties and the Executive's Anti-Poverty Strategy 2025–2035

12. The Minister for the Economy stated at Second Stage that the Bill should support rather than cut across existing statutory duties, referring to equality

duties and to the duty under the Rural Needs Act (NI) 2016. A Member raised the question of whether the clause 2 duty would duplicate or contradict the rural needs duty; the Bill Sponsor stated that the Bill is intended to complement the 2016 Act and to go further by providing for a baseline, measurable targets and review.

13. Under section 28E of the Northern Ireland Act 1998, the Executive Committee is required to adopt a strategy setting out how it proposes to tackle poverty, social exclusion and patterns of deprivation based on objective need. The Executive's Anti-Poverty Strategy 2025–2035, for which DfC is the lead Department, is to be the vehicle through which that duty is addressed. The Committee has taken a close and continuing interest in the Strategy, most recently through its Report on Engagement with Local Government on the draft Anti-Poverty Strategy, which was debated in the Assembly on 26 May 2026.
14. The Bill Sponsor stated at Second Stage that the Bill is part of an anti-poverty strategy and referred to the inclusion in clause 7 of deprivation indices relating to poverty and child poverty. The Committee observes that the indicators listed in clause 7 include: average and median disposable household income, employment and economic inactivity rates, health data, educational attainment, indices of deprivation and affordable housing. These overlap substantially with the drivers and measures of poverty with which the Anti-Poverty Strategy is concerned. Both the Framework and the Strategy would operate across all Departments; both would require cross-departmental data collection, evaluation and reporting; and each would be led by a different Department. The Committee's Report recommended the introduction of mandatory anti-poverty impact assessments across government, the establishment of a cross-departmental data-sharing framework, action on the structural drivers of poverty including social and affordable housing supply, and dedicated action on rural poverty. A number of Members at Second Stage similarly emphasised the importance of cross-departmental data linkage to the operation of the Framework.
15. **Recommendation:** The Committee for Communities recommends that the Committee for the Economy, in taking forward the Minister's stated intention that the Bill should support rather than cut across existing statutory duties, seek from the Bill Sponsor and from the Department for the Economy a

statement of how the Regional Balance Strategic Framework would be aligned with the Executive's Anti-Poverty Strategy 2025–2035 in respect of objectives, indicators, baselines, targets, data collection, reporting and governance; whether the information and reporting duties in clauses 3 and 4 could be designed to serve both; and how the clause 2 duty would relate to any anti-poverty impact assessment introduced across government.

Affordable housing and the Housing Supply Strategy 2024–2039 (clause 7(h))

16. Clause 7 specifies “affordable housing” as an indicator of regional disparities. Housing is one of the largest elements of DfC's remit. The Executive-endorsed Housing Supply Strategy 2024–2039 sets an ambition of at least 100,000 additional homes by 2039, of which at least one third are to be social homes, delivered through the Housing Executive and registered housing associations under the Social Housing Development Programme. Housing was identified by several Members at Second Stage as a determinant of regional balance; one Member referred to more than 11,400 applicants on the social housing waiting list in the Derry City and Strabane District Council area and to house prices in that area now exceeding those in Belfast.

17. The Committee would welcome clarity on how the Framework's affordable-housing indicator and any associated targets would relate to the targets and monitoring arrangements established under the Housing Supply Strategy; whether the Framework is intended to set sub-regional housing targets and, if so, how those would be reconciled with the allocation of social housing investment on the basis of objectively assessed housing need; and how the Framework would take account of the infrastructure constraints, in particular wastewater capacity, that limit housing delivery in a number of areas. The Committee notes concerns expressed at Second Stage about the creation of parallel reporting processes and observes that two sets of housing targets set on different bases could present that risk.

Indices of deprivation, sub-regional targeting and area-based programmes (clause 7(g))

18. Clause 7 names “indices of deprivation” as an indicator and defines “sub-regions” as any division of a region. The EFM (paragraph 16) identifies deprived wards, in particular in North and West Belfast, as within the

contemplation of the Bill, and Members at Second Stage referred to deprivation in both urban and rural communities and to the three areas of lowest life expectancy being West Belfast, North Belfast and Derry/Londonderry. A Member asked at what level — city, town, constituency, district electoral area or ward — sub-regions are intended to operate.

19. The NI Multiple Deprivation Measure is the principal evidence base for DfC's Neighbourhood Renewal programme, its urban regeneration functions and its area-based community development work, which operate at neighbourhood level. Depending on the answer to the question of scale, the Framework could operate at the same spatial level as those programmes. The Committee would welcome consideration of how the Framework would relate to Neighbourhood Renewal and to DfC's regeneration functions, so as to align targeting and avoid duplication of designation, reporting and funding streams at neighbourhood level.

Household income, employment and economic inactivity (clause 7(b) and (c))

20. Disposable household income is shaped substantially by the social security system, which DfC administers largely on the basis of parity with Great Britain. Economic inactivity, which the Bill Sponsor identified at Second Stage as a factor within the purview of DfC, is the subject of the DfC-led Pathways to Work and Well-being project supported by the Public-sector Transformation Fund, and employment rates engage DfC's employability programmes. These are DfC-operated levers against which the Framework would measure progress and on which DfC would report under clause 3. The Committee would welcome clarity on how the Framework is expected to treat indicators that are substantially determined by parity-based social security policy, and on the extent to which DfC would be expected to account for movement in those indicators.

Regional distribution of public capital expenditure (clause 7(j))

21. DfC is a significant public capital investor through social housing new builds, regeneration schemes, community and sports facilities and libraries. Clause 7(j) would make the regional distribution of public capital expenditure an indicator of regional disparity. Members at Second Stage called for the Framework to be connected to the Executive Budget, the investment strategy

and the Programme for Government, and for a regional impact assessment to accompany major spending decisions. The Committee notes the potential for tension between targets for the regional distribution of capital and the allocation of DfC capital on the basis of objective need, most obviously housing need, and would welcome assurance that the Framework would not displace objective need as the primary basis for the allocation of capital within DfC programmes.

Consultation and the community and voluntary sector (clause 1(4))

22. Clause 1(4)(c) would require the Executive, before adopting the Framework, to consult such bodies as it considers representative of the community and voluntary sector. DfC is the sponsor Department for that sector. The Committee notes the engagement of the Rural Community Network with the Bill Sponsor's consultation, the Bill Sponsor's stated intention to engage with rural organisations during Committee Stage, and the suggestion of a Member that the consultation provision be strengthened. Consistent with its recommendation that lived experience be embedded in the governance of the Anti-Poverty Strategy, the Committee suggests that the Committee for the Economy may wish to consider whether the consultation provision should extend expressly to persons with lived experience of poverty and of regional disadvantage.

23. **Recommendation:** The Committee for Communities recommends that, given the weight of DfC-relevant indicators on the face of the Bill, the direct duties it would impose on the Department, and the commitment given by the Minister for the Economy that her officials will work with the Committee for the Economy as the Bill progresses, the Committee for the Economy consider inviting Department for Communities officials to give evidence at Committee Stage on the practical operation of the clause 2 and clause 3 duties, the treatment of arm's-length body functions, and the alignment of the Framework with the Anti-Poverty Strategy and the Housing Supply Strategy.

Conclusion

24. The Committee for Communities has identified a direct engagement between the Bill and the responsibilities of the Department for Communities, arising from the statutory duties that clauses 2 and 3 would impose on the

Department, from the inclusion on the face of the Bill of indicators relating to affordable housing, indices of deprivation, household income, employment and the regional distribution of capital expenditure, and from the relationship between the proposed Framework and the Executive's Anti-Poverty Strategy 2025–2035. The Committee's observations are offered in the context of the Minister for the Economy's stated intention that the Bill should support rather than cut across existing statutory duties.

25. The Committee for Communities trusts that these observations and recommendations will be given due consideration in the Committee for the Economy's scrutiny of the Bill. The Committee would welcome continued engagement at official level as the Committee for the Economy's consideration of the Bill proceeds.



**Northern Ireland
Assembly**

**Committee for Agriculture, Environment and Rural
Affairs**

Room 285
Parliament Buildings
Ballymiscaw
Stormont

From: Dr Janice Thompson
Clerk to the Committee

Date: 6 July 2026

To: Peter McCallion, Clerk to the Committee for the Economy

Subject: Regional Balance Bill - Call for Evidence

Dear Peter

The Committee for the Economy wrote to the AERA Committee on 25 June seeking its views on the objectives, proposals and potential consequences of the Bill.

The AERA Committee considered the Bill at its meeting on 2 July 2026 and agreed to respond highlighting some aspects it wished the Committee of the Economy to consider during its Committee Stage.

This Committee proposed that the Committee for the Economy give consideration whether the Regional Balance Framework should include a clear rural dimension, rather than treating regions as uniform areas.

The Committee understands that assessing deprivation in rural areas (and indeed in some urban areas) is particularly challenging, as it is often geographically dispersed, hidden within wider regional averages and poorly captured by conventional statistical measures. As a result, pockets of rural deprivation can be overlooked, leading to an underestimation of regional disparities.

The Committee would also request that the Economy Committee considers whether the Bill and Framework will adequately reflect the rural-specific economic and social challenges.

The AERA Committee recognises that although both rural and urban communities face imbalances, rural residents face distinct challenges, such as limited access to services such as public transport, healthcare, education and digital connections.

Regards,

Dr Janice Thompson, Committee Clerk



**Northern Ireland
Assembly**

**Committee for Education
Room 428
Parliament Buildings**

Tel: +44 (0)28 9052 1240

Email: committee.education@niassembly.gov.uk

To: Peter McCallion, Clerk, Committee for the Economy
From: Aoibhinn Treanor, Clerk to the Committee for Education
Date: 03 July 2026
Subject: Regional Balance Bill

Peter

At its meeting on 01 July 2026 the Committee for Education considered your memo regarding Regional Balance Bill.

Please record a nil return from the Committee for Education.

Regards

Aoibhinn Treanor
Clerk to the Committee for Education



**Northern Ireland
Assembly**

**Committee for Infrastructure
Room 416
Parliament Buildings**

Tel: +44 (0)28 9052 1787

To: Peter McCallion, Clerk to the Committee for the Economy
From: Michael Potter, Clerk to the Committee for Infrastructure
Date: 3 July 2026
Subject: Regional Balance Bill

Dear Peter,

Thank you for your memo 26 June inviting the views of the Committee on the Regional Balance Bill.

At its meeting of 1 July 2026, the Committee considered the Bill and agreed that it had no comment to make.

Best Regards

Michael Potter
Clerk to the Committee for Infrastructure

From: Kathy O'Hanlon, Clerk to the Committee for Justice
Date: 8 July 2026
To: Peter McCallion, Clerk to the Committee for the Economy
Subject: Regional Balance Bill – Nil Response

Dear Peter,

At its meeting of 2 July 2026, the Committee for Justice considered your correspondence, dated 25 June 2026, in respect of the Call for Evidence for the Regional Balance Bill.

The Committee agreed to provide a nil response.

If you require further information or clarification in respect of the above, please do not hesitate to contact me.

Kind regards,

Kathy O'Hanlon

Kathy O'Hanlon
Clerk to the Committee for Justice