



Northern Ireland
Assembly

Committee for the Economy

Minutes of Proceedings

Wednesday 25 September 2024

Meeting Location: Room 30, Parliament Buildings, Stormont

Present: Mr Phillip Brett MLA (Chairperson)

Mr Colin Crawford MLA

Mr David Honeyford MLA

Mr Philip McGuigan MLA

Ms Sinéad McLaughlin MLA

Ms Kate Nicholl MLA

Present via Video-Conferencing:

Mr Gary Middleton MLA (Deputy Chairperson)

Apologies: Mr Jonathan Buckley MLA

Mr Pádraig Delargy MLA

In Attendance: Peter McCallion (Assembly Clerk)

Anthea Matthews (Assistant Assembly Clerk)

Karen O'Hare (Clerical Supervisor)

Michael Doran (Clerical Officer)

The meeting commenced in public session at 10:09am.

1. Apologies

Apologies were as indicated above.

2. Declarations of Interest

There were no declarations of interest.

3. Chairperson's Business

3.1 Informal Meeting

The Chairperson informed the Committee that he had met informally with the Permanent Secretary to discuss the Department's business plan. A note of the informal meeting had been circulated to Members.

Agreed: The Committee agreed to write to the Department seeking clarity on the timing of the introduction of the anticipated Employment Bill.

3.2 Sub-Regional Action Plan

The Chairperson informed the Committee that it was anticipated that the Minister would make an oral statement during the following week on his overarching sub-regional action plan.

3.3 NIAO Skills Report

The Chairperson reminded the Committee that the Northern Ireland Audit Office (NIAO) had published a report on skills. The Public Accounts Committee has scheduled scrutiny sessions on this for November 2024 and as it has primacy, the

Economy Committee will not therefore deal with the substance of this report until after the Memorandum of Response has been considered by PAC - likely around Easter 2025.

Agreed: The Committee agreed that it would write to the Department for the Economy and the Department of Education in order to seek an explanation as to why the response of 24 June 2024, made no reference to the Gateway Review of the 14-19 Implementation Framework which achieved a Red rating and which was referenced in the NIAO skills report.

4. Draft Minutes

Agreed: The Committee agreed the minutes of the Economy Committee meeting of 18 September 2024.

5. Matters Arising

There were no matters arising.

6. Regional Imbalance – Oral and Written Evidence Session

The witness joined the meeting at 10:12am.

The Committee received oral evidence from:

- Dr Conor Patterson, Newry and Mourne Co-operative and Enterprise Agency

Key issues discussed included: the value of local decision-making and subsidiarity; the legacy of regional underdevelopment; the importance of the City and Growth Deals in addressing regional imbalance; the opportunity provided by non-profit organisations delivering public services; the possible need for regional imbalance-proofing legislation; how to support the transition to new industries by animating local partnerships; local enterprise organisations supporting pull-thru of developing businesses to Invest NI local and central tiers; and the likely timeline for the roll-out of economic partnerships based on a new model of localism.

The Chairperson thanked the witness for his evidence.

The witness left the meeting at 11:33am.

Proceedings were suspended at 11:34am.

Proceeding resumed at 11:40am.

7. Renewable Heat Association - RHI Tariff Revisions – Oral and Written Evidence Session

Witnesses joined the meeting at 11:41am.

The Committee received oral evidence from:

- Andrew Trimble, Executive Chair, Renewable Heat Association Limited;
- John Martin, Director, Renewable Heat Association Limited; and
- Alan Hegan, Hegan Biomass Limited.

This evidence session was reported by Hansard.

Noted: The Committee noted a number of submissions including: the Grant Thornton report, the Optimal Economics report, the Buglass report and extensive information from a number of RHI boiler owners etc..

Key issues discussed included: the history of tariff development of the non-domestic RHI scheme; the calculation of internal rate of return; the differences between the tariffs offered by the Department and those set out in the Grant Thornton report (adjusted for inflation); the need to address reportedly unfair tariffs during 2019-2024; the hardship experienced by good faith participants of the non-domestic RHI scheme; and details of the various disputes between the RHA and the Department.

The Chairperson thanked the witnesses for their evidence.

The witnesses left the meeting at 12:39pm.

8. Department for the Economy – SL1 RHI Tariff Revisions – Oral and Written Evidence Session

Officials joined the meeting at 12:40pm.

The Committee received oral evidence from:

- Sarah Brady, Director, Energy Operations, Department for the Economy; and
- Peter Neill, Head of Policy and Legislation Branch, Department for the Economy.

This evidence session was reported by Hansard.

Noted: The Committee noted Departmental documents including a draft report on the 2021 RHI consultation and the 2023 tariff overview document etc..

Key issues discussed included: the history of tariff development of the non-domestic RHI scheme; the calculation of internal rate of return; the likelihood of costs arising from further legal challenges and the impact on the AME budget; the reported flaws in the Grant Thornton report; the reported absence of a public interest case to address tariffs during 2019-2024; and the overall cost of the scheme.

The Chairperson thanked the officials for their evidence

Officials left the meeting at 1:07pm.

Noted: The Committee noted: the importance of the careful consideration of the complex matters relating to RHI tariffs; the value in allowing the relevant parties the opportunity to set out their views so as to inform Committee deliberations; and Departmental assurances that the proposed rule would likely meet legal requirements while providing a fair settlement for good faith boiler owners and value for taxpayers.

Agreed: Members indicated that despite their dissatisfaction, the relevant delegated legislation appeared to be an appropriate way forward for the non-domestic RHI scheme. The Committee therefore agreed that although any Member might elect to oppose the delegated legislation at plenary, it was content, subject to the reservations set out above, for the Department to make the rule.

9. Correspondence

9.1 Index

Noted: The Committee noted an index of incoming correspondence.

9.2 Westminster Great British Energy Bill

Noted: The Committee noted correspondence advising of the introduction of the Westminster Great British Energy Bill.

9.3 Model Law on Enterprise Group Insolvency.

Noted: The Committee noted Ministerial correspondence in respect of the United Nations Commission on International Trade Law (UNCITL) Model Law on Enterprise Group Insolvency which is to be brought into UK law at Westminster via delegated legislation. The Committee noted that the Minister indicated that he had agreed that the Insolvency Service of England and Wales would extend the regulations they are making to also cover Northern Ireland.

9.4 Consumer Council Partnership Agreement

Noted: The Committee noted a copy of the Consumer Council and Department for the Economy partnership agreement.

9.5 Budget Timelines for 2025-26

Noted: The Committee noted correspondence received from the Committee for Finance on the anticipated budget timelines for 2025-26.

9.6 DoF Monthly Financial Outturn

Noted: The Committee noted a copy of the DoF monthly financial outturn information.

9.7 Transformation Proposals

Noted: The Committee noted DoF information on transformation proposals including confirmation that DfE's public sector apprenticeship plans are not progressing.

9.8 DoF Financial Provisions Bill

Noted: The Committee noted further information on the DoF Financial Provisions Bill.

9.9 NIAO Report on Skills

Noted: The Committee noted correspondence confirming that PAC is to consider the NIAO report on skills in November 2024 and that primacy will be exercised until the Memorandum of Response (MoR) is received from DfE, which is likely to be around Easter 2025.

9.10 Caleb's Cause post-19 SEN event

Noted: The Committee noted an invitation to a Caleb's Cause post-19 SEN event on 18 November 2024 in the Long Gallery.

9.11 Biomethane Event

Noted: The Committee noted an invitation to a biomethane event in Parliament Buildings on 15 October 2024.

10. Forward Work Programme

The Committee considered its Forward Work Programme.

Agreed: The Committee agreed its Forward Work Programme, as amended including an oral evidence session from Disability Action and a rescheduled evidence session on the PfG from the Department.

11. Any Other Business

There was no other business.

12. Date, Time and Place of Next Meeting

The next Economy Committee meeting is scheduled to begin on Wednesday 2 October 2024 at 10:00am in Room 30, Parliament Buildings.

The meeting was adjourned at 1:12pm.

Phillip Brett MLA

Chairperson, Committee for the Economy

2 October 2024