
Northern Ireland Assembly

Monday 20 June 2011

The Assembly met at 12.00 noon (Mr Speaker in the Chair).

Members observed two minutes' silence.

Matters of the Day

Rory McIlroy: US Open Champion

Mr Speaker: Mr Peter Weir has sought leave to make a statement on Rory McIlroy's success at the US Open Championship, a matter that fulfils the criteria set out in Standing Order 24. I will call Mr Weir to speak for up to three minutes on the subject. I will then call representatives from the other parties, as agreed with the Whips. Those Members will also have up to three minutes in which to speak. Members will know there is no opportunity for interventions, questions or a vote, and I will certainly not take any points of order until the matter is dealt with. If that is clear, we shall proceed.

Mr Weir: Like many Members in the House, I stand here tired but elated. Many spent last night huddled around a television set or a radio listening to the prodigious victory of our native son Rory McIlroy. Above all today, there is a sense of pride — throughout Northern Ireland but particularly in north Down and his native town of Holywood — at his great achievement last night.

As many Members will be aware, Rory McIlroy is not someone who was born with a silver spoon in his mouth or, indeed, a golden putter. He is the product not only of prodigious talent but of the strong support of his parents, who made sacrifices to ensure that he was given the opportunities in life to make the best use of that talent. Their success in bringing him up is shown not only on the golf course but in the wider sporting world, where his down-to-earth attitude marks him out as a true sportsman. His attachment to his roots, his humility in victory and his resilience in defeat — not that many weeks ago we witnessed him face with great dignity his defeat at Augusta — mark him out as a true sports superstar and a tribute to those

who guided him, particularly his parents. It was perhaps fitting that his was a famous Father's Day victory. He has shown a strong mental attitude, combined with natural flair, and has shown himself to be a keen supporter of other local sports. He cheers on the Northern Ireland football team and his is a very regular face at Ravenhill. Indeed, his support for Manchester United makes him about the perfect sports fan, not simply a sportsman.

The magnitude of the success of last night is shown by the fact that what is a very small country of 1.7 million people has provided the last two winners of the US Open, following on the success of Graeme McDowell. Indeed, the scale of the victory — by eight strokes — has been achieved only once or twice in the post-war era. Of 498 major championships, it is in the top 10 in relation to the level of achievement. It is the lowest ever under-par score in the US Open, and, at 22, he is younger than Jack Nicklaus, Severiano Ballesteros or Tiger Woods when they won their first major. I hope that the House will soon celebrate that in a more tangible way with a reception for Rory McIlroy, and I suspect that today's Matter of the Day welcoming his first success at a major will be the first of many. Therefore, I commend it to the House.

Mr Murphy: Go raibh maith agat, a Cheann Comhairle. I share the sentiments expressed by Mr Weir and offer my congratulations and those of my party to Rory McIlroy on a fantastic achievement. I left Clones football ground yesterday afternoon a very dejected Armagh supporter — *[Interruption.]* It is a temporary relief for some Derry people, but it will not last very long.

The golf last night proved the ability of sport to lift. When you see the human endeavour, the professionalism, the skill and the class of people involved in all sports, it proves the

ability to lift. That is not confined to sports fans; right across the country people were lifted. You can hear, from talking to colleagues and listening to the radio this morning, the huge lift, in particularly difficult economic times, that that victory, on the back of Graeme McDowell's victory last year, has given people right across the area.

It is a great tribute to Rory McIlroy — a humble and grounded young man, when you hear him being interviewed — his parents and the people who have supported him, particularly in the golf club in Holywood. It is a huge achievement, as Mr Weir said, particularly on the back of the Augusta defeat, which many people felt would have a psychological impact on him as a young player. He is clearly made of tougher stuff, and he displayed that last night in the United States.

I join in the congratulations. On the back of McDowell's victory last year and, indeed, Pdraig Harrington's couple of majors, it shows that this small island continues to punch way above its weight not just in golf but in many sports across the world. I heard people speaking this morning about those going to the Special Olympics and about the lift that it had given the golfing team going out there. Right across the land generally, not just people involved in sports, there is huge pride in the achievement of Rory McIlroy and huge optimism for his future and the future of sport generally in this area.

Mr Cree: It gives me great pleasure to congratulate Rory McIlroy on behalf of the Ulster Unionist Party on a magnificent achievement. Those of you who followed the game over the past few days will know that it was one of the most exciting and brilliant four days of golf that I have ever seen. There was one particular shot when the ball actually did a tour of the green before finally disappearing down the hole. It was superb golf. He is a young man who deserves this. As Peter Weir said, he comes from a humble family in Holywood.

I heard this morning that Gerry Kelly had interviewed him on UTV many years ago when he was 8, I think he said. At that stage, he was taking golf so seriously that he used to take his golf club to bed with him, with the correct grip as he went to sleep. Maybe that is his secret; maybe there is a lesson there for all of us. Mr Murphy referred to Graeme McDowell, who achieved this last year. For our small population

to do that magnificent job two years running is some achievement.

The noise in Holywood was still going, and we could hear the club's celebrations in Bangor. It is one fantastic achievement. Apart from being a personal triumph, this is a great victory for tourism in Northern Ireland, particularly today, when we have such poor tourism results. He is going to be a great ambassador for sport and tourism, and he deserves our credit.

Mrs McKeivitt: Hearty congratulations to Rory McIlroy, the US Open golf champion of 2011. Rory's success in the US Open at the Congressional Country Club is quite phenomenal. This young man of 22 years from Holywood, County Down — my own county — broke a series of records as he won his first major title with an eight-shot victory. What an achievement.

Rory became the youngest US Open champion since Bobby Jones in 1923 and the youngest golf major winner since Tiger Woods, whoever he is, when he triumphed at the Masters in 1997. Well, we have got our own Tiger; our Celtic Tiger. Someone said that it is dead, but it is not. The worldwide coverage that Rory McIlroy has given to the whole of Northern Ireland and to the tourists who watched all around the world over the weekend proved that he is our star of the County Down. He sold the brand of Northern Ireland so well. It was the way he did it. Yes, it was brilliant golf but in a very modest way. He was spectacular yet calm and showed that he was as gracious in winning as he was when he was losing and being continually reminded about the Masters. Most importantly, he was a very proud son on Father's Day and dedicated the tournament victory to his father. It reminded me of the time when I was a youngster, when Barry McGuigan lifted his world title. It was the same feeling then. The goosebumps are being felt all over the country. I wish Rory all the best. It would be only fitting that you, Mr Speaker, should hold a reception to honour what he has done, or whatever is in order, to show the extreme pride of people here. Well done, Rory.

Mr Lyttle: It gives me, as a former juvenile member of Holywood Golf Club, immense pride to congratulate Rory today. I recall him as a toddler with a half-size set of golf clubs, owning the golf course. It is quite a feat to become US Open champion 2011. His historic sporting feat has, quite simply, united and inspired the whole of Northern Ireland. I was also a juvenile

member of CIYMS sports club in east Belfast, where Rory's dad, Gerry, was a member of staff. Like colleagues, I send special congratulations to Gerry and to Rory's mum, Rosie; to Rory's uncle, Colm; to everyone at Holywood Golf Club; and to all his family and friends. I also want to mention the former Holywood golf professional and Rory's coach, Michael Bannon — from whom I had the pleasure of receiving lessons, admittedly with a different level of success from Rory — former Holywood Golf Club juvenile captain Eddie Harper and former teachers at Sullivan Upper School. I want to congratulate them on the faith and commitment that they invested in Rory and so many other young men and women in recent years.

I am sure that there are more than a few people in Holywood who have asked themselves why a young kid who had barely learned to walk was being allowed on a golf course and why Gerry McIlroy installed a custom-built putting green in his back garden. There are a few who also asked whether Rory could recover from the collapse at the US Masters tournament. However, on the eighteenth green of the Congressional golf course in Maryland last night, we got the answers to all those questions and more. The sacrifice, hard work and belief associated with Rory and his family is an inspiration and a lesson to us all but particularly to any young person, from whatever background, that anything is possible.

The manner of Rory's victory was dignified and truly unique. He broke all manner of records in the process. As has been mentioned, he became the youngest US Open champion since World War II and the youngest winner of a major since Tiger Woods. He posted the best score in the 111-year history of the US Open tournament. The probability of Northern Ireland producing back-to-back winners of the US Open was, as one commentator put it, lottery numbers. No country outside the US had ever won back-to-back US Open titles. Graeme McDowell and Rory McIlroy have ensured that it was Northern Irish golfers who achieved that. Some people have gone so far as to say that our Celtic Tiger could be as good as one of the most talented sportsmen on the planet: Mr Tiger Woods. I have to disagree. I would argue that he could be even better.

Rory, the whole of Northern Ireland is immensely proud of you. We thank you for promoting our country in all the right ways on a global scale

and for lifting the spirit of everyone in Northern Ireland. Mr Speaker, we congratulate him, and I agree that we have to give him the homecoming that he deserves.

12.15 pm

Mr Allister: It is a pleasure to join in the Assembly-wide congratulations to Rory McIlroy. It certainly was a remarkable achievement. In fact, it does not take very many words to convey the pride that we all feel, because the event itself speaks volumes. To see a young man from our own Province cross the world and attain what he attained — to beat the world's best — fills us all with pride, and he and his family have every right to be extremely proud of their achievement. It is also a measure of the young man that he has been able to cope with the disappointment of defeat as effectively as the great joy of success, and, in that, we see the future of a prolific champion in the years to come. So, I join in congratulating him. For those of us who have never mastered the intricacies of golf, it is a marvel to stand back in amazement and witness the control that he can exercise. One of our morning papers summed it up with the headline "Land of Hope and Rory".

Mr McClarty: I am delighted to add my congratulations to Rory on a magnificent achievement. All the superlatives that can be used have been used to describe his victory last night just outside Washington DC. There are now tourism opportunities for Northern Ireland. Of course, in this area, we cannot promise sunshine, so we have to have events, and golfing is a strong tourist attraction.

Rory's achievement this year and Graeme McDowell's achievement last year — BBC and Sky commentators please note that it is pronounced "McDo'ell", not "McDow-ell" — have set Northern Ireland apart, making it a destination for golfers. If Northern Ireland, with a population of 1.7 million, can produce two US Open champions, there must be something special about Northern Ireland that will attract golfers from across the world to play our links courses. Moreover, it is about time that the British Open returned to Northern Ireland. It was last played here in 1951, so, with the calibre of golfers such as Graeme McDowell and Rory McIlroy, we should have that competition back again, and there is no reason on this earth why it cannot be played again at Royal Portrush in 2016.

Mr Agnew: On behalf of the Green Party, I am delighted to congratulate Rory McIlroy on what was clearly a tremendous achievement.

Mr Wilson: On the greens. *[Laughter.]*

Mr Agnew: I wish I was quicker. Why did I not think of that? And for it to come from Sammy — I am speechless. To be out-greened by Sammy was not what I expected. *[Laughter.]*

Winning a major golf tournament at the age of 22 is clearly a great accomplishment in itself, but to do so by such a margin and by breaking so many records is remarkable. The world already knew that Rory McIlroy was an incredible golfing talent, but, after his disappointment at Augusta, questions were raised about his temperament. Facing such a major disappointment in full public view must have been difficult to recover from, but to recover and go on to that tremendous victory at one of the most prestigious golf tournaments in the world sets an example to all young people: whatever your personal goal might be, in a sporting career or whatever, you must learn from your disappointments, move on and come back stronger, as Rory clearly did.

It is often assumed of golfers, as, indeed, it is sometimes of politicians, that they come from affluent backgrounds. Mention has been made already of Rory's modest background. He and I have a few things in common. Obviously, we are both residents of north Down. I have just learned from Mr Weir that Rory, like me, is a Man United fan. I did not know that. Also —

Mr McDevitt: You should follow him on Twitter.

Mr Agnew: Well, yes. I also believe that Rory's father once worked as a taxi driver, as my father does. It is important to note that Rory has not come from an affluent background. The road was not paved with money. He is an example of how, with hard work and, clearly, the support that he has received from his family, anything is possible. That applies to anyone who may be deciding their future path.

It is clear that Rory now has the potential to be one of the world's leading golfers for at least the next decade and beyond. However, people will always remember this tournament as the one where he came of age. I second Mr Weir's call that we hold a reception here in Stormont. We cannot let it pass by. Well done, Rory.

Executive Committee Business

Suspension of Standing Orders

Mr Wilson (The Minister of Finance and Personnel): I beg to move

That Standing Orders 10(2) to 10(4) be suspended for 20 June 2011.

Mr Allister: On a point of order, Mr Speaker.

Mr Speaker: I will take your point of order after I deal with this issue.

Before I proceed to the Question, I remind Members that the motion requires cross-community support.

Question put and agreed to.

Resolved (with cross-community support):

That Standing Orders 10(2) to 10(4) be suspended for 20 June 2011.

Mr Speaker: I will now take your point of order, Mr Allister.

Mr Allister: I seek your guidance on how the Assembly, which is the only body to which there is supposedly accountability for Executive actions, can address and discuss the events and process that relate to the disciplining of Mr Paul Priestly, a senior civil servant. That unfolds a remarkable series of events. It strikes me that it would be equally remarkable if the House did not have the opportunity to debate that. I sought this morning to lodge an urgent oral question, but I was advised that it could not be accepted. If that cannot be accepted, how and when does the House address that issue and its important ramifications?

Mr Speaker: I hear what the Member is saying in his point of order. He will know that these are all complex issues. However, let me have some thoughts around the issue, and allow me to come back either to the Member directly or to the House. I encourage the Member to maybe go down the road of questions on the particular issue or even a motion to the House. Let me have some thoughts around it, and let me come back to the Member.

Ms Ritchie: Further to that point of order, Mr Speaker. Would it not be in order for the appropriate Minister, either the Minister of Finance and Personnel or the First Minister and deputy First Minister, to come to the House with

a statement on the issue, as it raises serious questions about the alleged subversion of the will of the Assembly and a Committee of the Assembly by a senior civil servant?

Mr Speaker: I have some sympathy on the issue that has been raised this morning. Members on all sides of the House know that I continually encourage Ministers to come to the House with statements, especially important statements. At the end of the day, however, it very much rests with the Executive and the Minister what statements they bring to the House. However, I continually encourage Ministers, when I meet with them, especially the First Minister and deputy First Minister, to bring statements to the House because Members from all sides feel that that is very important.

Ministerial Statement

Public Expenditure: June Monitoring 2011-12

Mr Speaker: I have received notice from the Minister of Finance and Personnel that he wishes to make a statement to the House.

Mr Wilson (The Minister of Finance and Personnel): Before I start my statement, I add my congratulations to Rory on his remarkable achievement. Many cynics might think that the reason for so much interest in golf in the House is that golfers have outdone us when it comes to the way in which they can lie. There are preferred lies, provisional lies, embedded lies and bad lies, and that might be why the press think that we have some interest in the issue. His is a remarkable achievement, and we should all be proud of it.

Mr Speaker, thank you for the opportunity to update the Assembly on the 2010-11 provisional out-turn and the 2011-12 June monitoring round. I will start with the provisional out-turn before I go on to the detail of the June monitoring round. The provisional out-turn exercise is important, because it highlights the financial management performance of Departments in 2010-11. The outcome will also determine the resources that will have to be surrendered to Her Majesty's Treasury.

The context of the 2010-11 provisional out-turn exercise was the unwelcome decision by the UK Government to abolish the existing end-year flexibility (EYF) scheme. The impact of that decision was that the Northern Ireland Executive were not allowed to carry forward any unspent resources at the end of 2010-11 for drawdown in future years. As Members will be aware, separate arrangements apply to the Department of Justice (DOJ), which can carry forward resources under the deal that was struck as part of the devolution of policing and justice powers. I will say more about the impact of the Department of Justice on the overall provisional out-turn in a moment.

The provisional out-turn returns from Northern Ireland Departments, recorded underspends of £153.2 million in current expenditure and £28.1 million in capital investment respectively. That represented underspend at the total departmental level of 1.4% for current expenditure and 2% for capital investment

respectively. The detail for each Department is included in the annexes to this statement.

As I mentioned, it is important to separate out the figures for the Department of Justice. Of the total departmental underspend, that Department accounted for £83.8 million of current spending and £17.6 million of capital investment. That is not surprising, because the Department of Justice has access to automatic end-year flexibility. With some key financial pressures crystallising in 2011-12 and beyond, the incentive to minimise any underspend did not exist to the same extent for that Department as for the rest of the Northern Ireland Departments.

The provisional out-turn outcome shows that the trend of improved financial management since the restoration of devolution continued in 2010-11. As Members will be aware, any resources that are not used at the end of the year have to be surrendered to Her Majesty's Treasury, and that is why the Executive took the decision, as part of the 2010-11 February monitoring round, to task Departments with proactively identifying areas where further allocations could be made. That decision has reduced dramatically the resources that are now being handed back to Her Majesty's Treasury.

There were three ring-fenced current expenditure items that, if they were not spent, unavoidably had to be surrendered to Her Majesty's Treasury. That included £30 million provided by Her Majesty's Treasury for potentially increased depreciation costs for the Department for Regional Development (DRD) in converting to international financial reporting standards (IFRS). That was always allocated on the understanding that, if it was not needed, it would be returned to Her Majesty's Treasury.

Also, £7 million was surrendered from the Department for Employment and Learning's (DEL) student loans subsidy. Again, that money was allocated specifically by Her Majesty's Treasury for that purpose on the understanding that any unspent resources would be returned. Finally, we returned an underspend of £6.1 million from ring-fenced depreciation/impairment budgets. All those areas are tightly controlled by HM Treasury, and we could not reallocate unspent money or resources to other areas of our departmental expenditure limit. So, once those ring-fenced items have been stripped out along with the Department of Justice underspend,

the Executive will return just £1.6 million of current expenditure and £5.9 million of capital investment departmental expenditure limit to Her Majesty's Treasury.

12.30 pm

The surrender of some resources was always unavoidable, and, although I would have preferred not to have returned a single penny, that was never a realistic prospect. I do, however, believe that such a low level of effective underspend represents excellent performance by Departments, and that has undoubtedly helped to deliver vital public services to the people of Northern Ireland.

I will now turn to the second part of the statement and inform Members about the outcome of the June monitoring round. The starting point for the June monitoring round was the final 2011-15 Budget position, which included a £30 million overcommitment in both current and capital expenditure. There were also some modest Barnett allocations resulting from the 2011 UK Budget that was announced in late March. For 2011-12, that amounted to £9.1 million in current expenditure and £11.3 million in capital investment. As I have already mentioned, the UK Government's decision to abolish the end-year flexibility system means that the Northern Ireland Executive end-year flexibility stock of £316 million current expenditure has now been removed by Her Majesty's Treasury. I will continue to press Treasury Ministers on that issue and have, along with my Scottish and Welsh colleagues, argued strongly that that EYF stock should be returned.

As part of the 2010-11 December monitoring round, the Executive took the strategic decision to carry forward £23 million of capital departmental expenditure limit into 2011-12 under the HM Treasury one-off scheme. However, that has already been allocated as part of the 2011-15 Budget process, and, since there will be no end-year flexibility drawdown in 2011-12, no additional resources are available from that source at this time.

Before I set out the impact of those issues along with the resource movements in the monitoring round, I will highlight three issues, the first of which is the schools end-year flexibility scheme that the Executive have now agreed. That has been raised with me by a lot of Members who either are on boards of governors or have been contacted by boards of governors. Members will be aware that, in January 2011, I agreed

with the then Minister of Education that we should honour the previous Executive's commitment to guarantee that our schools can continue to have access to both past and, importantly, future savings. That is good management and enables schools to manage their budgets well. We have now agreed a new scheme that means that individual schools can continue to call on their reserves to plan financially and also build up savings in one year with access to those in future years if desirable. The scheme is not dependent — I want to make this clear — on Her Majesty's Treasury funding and is a local solution to a local problem. It is a real, tangible example of devolution working for our schools and for the people of Northern Ireland.

So, how will it work? In any one year, some schools draw down their reserve while others add to their savings. That means that, at an aggregate level, there will be either a net reduction or a net increase in the schools end-year flexibility stock in each year. Under the scheme, the Department of Education will bid for resources in the first monitoring round to cover any estimated pressure arising from the situation where the total aggregate drawdown on reserves exceeds what is saved in the specific year.

The Department of Education will then get the opportunity to revise that estimated pressure in the next monitoring round, which will lead to either a further bid for resources or a reduced requirement. If the schools end-year flexibility pressure is smaller than originally estimated, the schools end-year flexibility stock will be adjusted accordingly at that stage. Any changes after the second monitoring round declaration will have to be managed within the Department of Education, and there will be no further opportunity to amend the schools end-year flexibility stock. That means that the Department of Education and schools, individually, have an incentive to accurately estimate the net pressure at that stage, since any risk thereafter will lie with them. I think that that is a fair and sensible scheme, which will provide our schools with continuity in financial planning and allow much-needed flexibility to allocate resources between financial years.

The second issue that I will flag up relates to the Public Prosecution Service (PPS) and its ring-fenced position in monitoring rounds. The Public Prosecution Service has recently identified potential funding deficits in each

of the four years of the Budget 2010 period. I understand that steps have already been taken to address the deficit for the first two years. However, the Public Prosecution Service has said that years 3 and 4 will be difficult. Although the sums involved will be significant for PPS, they will be small in the overall Executive Budget.

The Public Prosecution Service is currently ring-fenced for budgeting purposes. However, given the additional pressures now identified, the Executive have agreed that the Public Prosecution Service will be brought into the mainstream monitoring process. That will afford the service the flexibility to bid for additional resources, if required. The decision does not impact on the Department of Justice, which remains ring-fenced.

The third and final issue that I will highlight is progress on the Presbyterian Mutual Society (PMS). Members will know that Budget 2011-15 made £50 million of current expenditure and £170 million loan facility under the reinvestment and reform initiative available to fund the resolution of the Presbyterian Mutual Society issue. That funding was to be held at the centre until the detail of the rescue package was agreed. I can confirm that the PMS rescue package has been finalised and was agreed with PMS creditors and members in May 2011. I understand that the administrator expects to be in a position to start making payments this summer. The £50 million current expenditure was, therefore, transferred to the Department of Enterprise, Trade and Investment (DETI) as part of this monitoring round. The funding from the reinvestment and reform initiative borrowing will be made available to the Department when it confirms that it is needed.

I turn to Executive decisions in June monitoring. I will first deal with the reduced requirements. We entered this monitoring round with an overcommitment of £30 million in current and capital expenditure. Offset against that were Barnett consequential of some £20 million, arising from the UK 2011 Budget. The level of reduced requirement declared by Departments at this monitoring round was very modest: £6.6 million current expenditure and £0.3 million capital investment. That was not unexpected at this early stage of the financial year, particularly in the context of the tight Budget settlement. Full details in relation to those

reduced requirements are provided in the tables accompanying the statement.

A number of internal reallocations were made from that. In the highly constrained resource position, it is essential that Departments seek to manage any emerging pressures within their existing allocations before bringing forward bids for additional allocations. I welcome any such proactivity by Ministers in managing emerging pressures. Although the public expenditure control framework allows Departments the scope to unilaterally undertake many such movements, proposed movements in excess of the de minimis threshold of £1 million are subject to Department of Finance and Personnel (DFP) prior approval.

In some instances, Departments have also sought to move allocations across spending areas to facilitate the transfer of responsibility for a particular function from one business area to another. Where such movements exceed the de minimis threshold, they also need DFP prior approval. All approved movements are detailed in the tables attached to the statement. In addition to proactive movements of resources, there are some departmental allocations that, for technical reasons, were incorrectly classified. All proposed reclassifications require Executive approval, and those have been included in the tables accompanying the statement.

All of the above issues will impact on the effective overcommitment that the Executive will have to manage in this financial year. The net impact of those issues, including the 2011-15 Budget overcommitment, additional Barnett allocations, reduced requirements and reclassifications, was a residual overcommitment of £14.7 million in respect of current expenditure and £18 million in respect of capital investment. That was the financial context in which the Executive considered departmental bids for resources.

Departments submitted bids for additional resources of £61.7 million for current expenditure and £75.3 million for capital investment. Again, the individual bids by Departments are shown in the attached tables.

The Executive decided to make four current expenditure allocations and one capital allocation. The first expenditure allocation was £20.5 million to the Department of Education to cover the anticipated total net drawdown of school reserves in 2011-12. As

highlighted earlier, that represents the first initial estimate of the net drawdown in 2011-12, and the Department of Education will have an opportunity to revise that estimate in the next monitoring round. In that context, it is important to recognise that, should the estimated drawdown subsequently be revised downwards, the balance will have to be surrendered as a reduced requirement.

The second resource allocation was £3.7 million to the Department for Employment and Learning. That was to address a pressure in respect of employment services arising from the migration of individuals from incapacity benefit to employment and support allowance or jobseeker's allowance. That allocation will ensure that the Department for Employment and Learning has the necessary resources to assist those individuals into active employment or training.

The third allocation was £3 million to the Department for Regional Development to fund the operation, maintenance, inspection and testing of street lighting in Northern Ireland. That funding will ensure that Roads Service can continue to meet its statutory duty to periodically test the highway power supply network. It will also allow Roads Service to properly maintain the street lighting system, which will promote road and pedestrian safety.

The fourth current expenditure allocation was £2 million to the Department of the Environment (DOE) to help address the significant pressure associated with the ongoing shortfall in planning receipts. The Department has already taken significant steps during the previous financial year to address that issue, but a residual pressure of £4.5 million remains in this financial year. In recognition of the increasing difficulty in managing that pressure within the Department of the Environment, the Executive agreed to provide £2 million to help the Department address the issue.

As I mentioned, there was only one capital allocation agreed by the Executive, which was £3.3 million to the Department for Social Development (DSD) to implement a first buy scheme in Northern Ireland. As part of the UK 2011 Budget, the UK Government announced a scheme to help first-time buyers. The Department for Social Development submitted a bid as part of the June monitoring round to implement a similar scheme locally. Under the proposed Northern Ireland scheme, first-time

buyers can obtain a mortgage to buy 80% of a new house, with the remaining 20% owned by the housing association. An alternative arrangement is one in which the housing association also acts as the developer. Given the difficulties facing first-time buyers in obtaining finance, the continued constrained banking situation locally and the absence of recovery in the local property market, the Executive agreed to fund that scheme.

12.45 pm

Those five allocations increased the residual overcommitment following the June monitoring round to £43.9 million of current expenditure and £21.2 million of capital expenditure. The Executive believe that that is a reasonable position at this stage of the financial year, although the scope to make further allocations later in the year will depend heavily on the amount of reduced requirements surrendered during the next monitoring rounds.

In conclusion, I would like to congratulate the Northern Ireland Departments on another year of strong spending performance and financial management. Ultimately, that ensures that we maximise the delivery of public services for people in Northern Ireland. Although it was always unavoidable that we would have to surrender some resources to Treasury, the amounts surrendered were limited to 0.1% of current spending and 0.4% of capital spending. Although I would have preferred to hand back nothing, I believe that Departments have done their best in the most difficult of circumstances.

Members will be aware that I have engaged extensively with the Chief Secretary to the Treasury over recent months on the new end-year flexibility scheme proposed by the UK Government. The scheme is termed the Budget exchange scheme and does not allow any end-year carry-over of resources. That does not meet Northern Ireland's needs. Therefore, I have proposed an alternative scheme, which will allow for some capped amount of end-year resource carry-over. The caps that I have proposed amount to £50 million of current spending and £10 million of capital investment. I believe that that alternative scheme will provide a much better financial management incentive and improve value for money for the taxpayer. The Chief Secretary said that he would like to discuss any proposal further. I will meet

him at the end of June to discuss that and other financial issues.

As we exit June monitoring, it is clear that some Ministers have been left disappointed. In a context in which the demand for resources vastly exceeded the supply, that was always going to be the case. I do, however, believe that the allocations agreed by the Executive during the June monitoring round will make a real difference to the people of Northern Ireland. They will ensure that schools can continue to plan financially; that there will be further assistance for many unemployed people; and that street lighting will remain intact. Furthermore, there is now hope for first-time buyers who find it very difficult to access finance in the current economic climate. For those reasons, I commend the provisional out-turn 2010-11 and the June 2011-12 monitoring round to the Assembly.

Mr Speaker: Before I call the Chair of the Finance Committee, Conor Murphy, I once again warn Members from all sides of the House that we do not want further statements; what we need are questions to the statement. I recognise that Members feel that, following statements on monitoring rounds, they should continually make statements to the House before coming to their question. Of course, there is some latitude for the Chairs of Committees. I recognise that Conor Murphy is speaking for and representing the Committee. As Chair, he has some latitude in developing his question.

Mr Murphy (The Chairperson of the Committee for Finance and Personnel): Go raibh maith agat, a Cheann Comhairle, and thank you for that advice. I will try to adhere to it as best I can. I thank the Minister for his statement. I welcome its content, which, encouragingly, shows a continued trend of improving financial management by Departments under the devolved Assembly. In the Treasury's plan for a Budget exchange scheme to replace EYF, it is regrettable that there is no recognition of our substantially improved situation in which Departments spend out year on year. The Treasury's unwelcome decision, as the Minister described it, to replace the EYF scheme with a Budget exchange scheme will have negative implications for Departments and the Executive.

In an attempt to reallocate money, Departments will now have to declare by October what they

consider might be their underspend, and there will be a lack of flexibility when it comes to the later monitoring rounds, towards the end of the financial year. The Minister referred to that as an unwelcome decision. Perhaps he can elaborate on what he considers the implications of that will be for Departments and the Executive. Will he also elaborate on his ongoing discussions with the Treasury and what arguments he is putting to it?

He raised the issue of the EYF stock that was raided from us last year. Has he had any success in trying to recover some of that from the Treasury? How are those discussions progressing?

Mr Wilson: I thank the Chairman for those questions. The EYF issue is something that we will continue to pursue with the Treasury, because I believe that it lies at the very heart of good, sound financial management in Northern Ireland. If we do not have a scheme that is workable, the implication is that, by October, we will have to try to anticipate what projects might fall by the wayside and what spending might not materialise over the last six months of this year. Members will know that if, for example, a capital project is going forward, there can be delays owing to planning permissions not coming through or contracts and procurement processes getting slowed down. Sometimes with some of the current spending, situations that we thought were going to materialise do not and things that we could never have anticipated occur. Therefore, we need flexibility. To try to anticipate all that six months from the end of the year is very difficult. If there were then a big reduction in spending because some big project falls by the wayside, we would finish up either handing the money back or spending it at the last minute on projects that were not really a high priority in the first place but that we just happen to be able to spend the money on. That is not good, sound financial management. However, if something is identified early on, there is plenty of time to reallocate that money. That is where the Treasury scheme is a bit of a nonsense. There really is no flexibility built into it.

The Member asks what arguments we will be employing with the Treasury. The first argument is that we have now got to a level of financial management that no direct rule Minister was ever able to get anywhere near. Indeed, our capital underspend this year is one tenth of the average when we had direct rule Ministers. Our

current underspend is half of the average during the period of direct rule. We have improved. The Treasury was concerned that we were building up huge stocks of underspend, which would mean that financial planning over future years would be difficult. The first thing that we will be saying is that, as we have tightened our spending to such a level, we are not going to carry massive amounts of underspend from one year to the next.

The Government are always talking about making sure that we get value for money when it comes to how public resources are used. Therefore, the second thing that we will say is that, if the Government want devolution to work, devolved Administrations should not be given incentives simply to squander money at the end of the year rather than endure the embarrassment of giving it back.

The third thing that we will say is that we are proposing a scheme that we believe is workable. It is a very modest cap, yet it gives us a safety valve at the end of the year if money is declared in the last couple of months of the financial year. Those are the kinds of arguments that we will be employing.

As for the EYF stock, there will be ongoing discussions with the Treasury, but I do not want to build up Members' hopes. The issue has been kicked to death with the Treasury. The First Minister and deputy First Minister have also raised it at joint ministerial council meetings, and we will continue to press it. The Scottish and Welsh Administrations are solid with us on the issue and, every time we have a quadrilateral meeting, the issue is raised. However, I do not want to raise expectations in the Assembly that we will be able to recoup some of the money.

Mr Girvan: I thank the Minister for his statement. In light of the comments that have been made, is the Minister confident that the residual capital and current expenditure can be met within the current financial year? With the removal of EYF and how that will factor later, is there any progress on the rescheduling of EYF for later in the year, say, in October?

Mr Wilson: I assume that the Member is referring to whether we can deal with the overcommitment. We are now sitting with a larger overcommitment than we started off with; I think it is about £5 million more. I explained how the EYF for education was to operate. It will

be tight, and the Department of Education is quite right to be prudent at this time, but I am fairly convinced that it will find that it does not need all the £25.5 million that it was allocated. That money was allocated on the basis that we wished to give schools the assurance that they could safely budget for putting money aside for future years without any danger of that money being lost. Getting confidence into the system was quite important.

Furthermore, it is only two months into the financial year, and, when the returns were made, we were less than two months into the financial year. At this stage, Departments are always very cautious about whether they are likely to have underspends or reduced requirements in some areas, especially in a tight spending situation, and they will probably firm up that position around September. However, I think that we should be able to deal with the overcommitment or start bringing it down at that stage.

When I made the Budget statement, I said that we will require absolute diligence and financial management. We wanted to get to a situation where we ensured that we used all our resources and did not have to give any back to Treasury, hence the reason for putting the overcommitment in. Even in relation to tighter management of finances, we believed that the overcommitment was still realistic, and I think that we will finish the end of the year being able to see out that overcommitment and not find ourselves running against the Treasury because we have overspent.

Mr Cree: I also thank the Minister for his statement. It made fairly good reading. I will stay with end-year flexibility, particularly with respect to schools. From what I understand of the Minister's statement, he is suggesting that EYF for schools will be self-financing. Is that realistic, bearing in mind that all schools are under a lot of financial pressure at this time and that it will be a big demand on their budgets?

Mr Wilson: It will be self-financing, and it has been self-financing in previous years, but I accept the point that the Member has made. School budgets will be tighter this year than they have ever been. Therefore, schools may wish to make some drawdown, but, do not forget, when drawdown has been made once, it cannot be made again. Therefore, it creates a pressure in this year or whatever year there is a net drawdown, and the liability of the Executive is

reduced because it is only as savings are made that the liability increases again.

Most schools have part of their budget allocated, because they have thought ahead to whether they will need to replace computers, repaint or get new equipment, etc.

Some schools, including ones in my constituency, have worked on the basis that, by making savings, they might be able to employ an extra classroom assistant to help pupils with special needs or whatever. School governors make those decisions.

1.00 pm

Even when schools knew that they would face a tight budget this year, some of the mad spending that occurred when they thought that they would lose money in January was not, in my view, the way to manage public resources. For that reason and because there was such uncertainty, we wanted to give them assurance. The Minister of Education is happy that the statement and the resources that have been made available mean that schools can have absolute certainty that, if they need to use resources, they will be available. Of course, if schools continue to behave in the same way, they have nothing to fear. Why would they not, when it makes for a school's good financial management? That is a commitment. If there is a net drawdown, we have made a commitment to meet that net drawdown. I have made that commitment publicly. Whatever we have to do to meet that net drawdown, we will do it.

Mr D Bradley: Go raibh maith agat, a Cheann Comhairle. I thank the Minister for his statement and for indications that there have been improvements in financial management. Several things are to be welcomed, in particular the first-time buyers scheme. What factors did most to sway the Minister in favour of DSD's bid for a first-time buyers scheme as opposed to a similar amount for a mortgage rescue scheme?

Mr Wilson: The first factor was the case that was made by DSD. Secondly, the money was allocated as a Barnett consequential. I think that the Treasury allocated a total Barnett consequential of £7 million to Northern Ireland for our apportionment of that scheme. Thirdly, the message came through that many people who did not want to get into the rented sector were prevented from buying their first home because they could not afford a deposit. The

availability of 20% equity in a house will help many young buyers. Fourthly, we have given a commitment that we will do everything that we can to kick-start Northern Ireland's construction industry and get the market moving again. As building new houses is fairly labour-intensive, it is a useful means by which to help the construction industry.

The amounts of money that are involved in the mortgage support scheme and, indeed, how long and effective it would be were other factors that we took into consideration. Such schemes have not been all that effective in other places. For all the reasons that I have given, our judgement was that the first-time buyers scheme is a better way of doing it. I know that DSD welcomes the fact that that money has been allocated to that scheme. Do not forget that, on the basis of the average house price, it represents about 600 houses. I am trying to work it out off the top of my head. Potentially, it could affect 600 people.

Ms Lo: I welcome the allocation of £2 million to the Department of the Environment to make up for the shortfall in planning receipts. However, the Committee recognised the need for £4.5 million to cover the full shortfall. It supported the Department's bid for £4.5 million accordingly. Can the Minister tell the House how, he anticipates, the Department will make up the difference of £2.5 million and what impact he thinks that might have on jobs and the Department's statutory functions?

Mr Wilson: As the Member will know, because she is an assiduous member of the Committee, the Department published its savings delivery plan. That plan was predicated on the fact that there would be a further reduction this year in the receipts from planning permissions. DOE has already started the process by moving some people out of the Planning Service to other Departments. Indeed, my Department has taken on some of those people to work in Land and Property Services (LPS), which will hopefully reduce our EU fines for the single farm payment scheme.

I suppose the savings delivery plan will continue to look to reallocate some of the workforce. There are savings from a reduction in the number of people employed and reallocations to other Departments. If it eventually leads to redundancies — I am not really past the detail of the DOE savings delivery plan — that

will be the ultimate step that has to be taken. However, DOE was happy that it could take half the burden of the reductions, if it could get an allocation that provided money for the other 50% through the June monitoring round.

Mr Hilditch: I thank the Minister for his statement. In trying to develop an alternative to the Budget exchange scheme, will you give us any detail of the discussions that you have had with Her Majesty's Treasury?

Mr Wilson: So far, the discussions with Her Majesty's Treasury — we have been doing it on a joint basis as the three Administrations — have been to the effect that the stock that has gone back should not have gone back. As I said, it will be an uphill struggle to get any movement on that. The first position, of course, was, "OK. You have taken the stock off us. You have dealt with the large surpluses that you were concerned about being carried forward, so at least now reintroduce the scheme". That has not found favour with the Treasury.

I am meeting the first secretary of the Treasury at the end of June, because we are making a Northern Ireland-tailored proposal. The Scottish and Welsh would still prefer that we just reverted to the old scheme. The second step is that we have a scheme that is capped. The attraction of that for the Treasury is that it will not become an open-ended commitment with huge surpluses. Do not forget that some of the huge surpluses were a result of underspends that happened before this Assembly was set up. Direct rule Ministers did not run budgets very well, hence the big surpluses that accumulated. I do not believe that you would get that level of surplus even if you introduced the same scheme again. Nevertheless, to try to anticipate some of the Treasury's objections, we have suggested that they be capped at fairly modest amounts. From experience and from looking at what happened in the February monitoring round last year, for example, if we had that degree of flexibility, we could probably manage any surprise underspends by Departments in the last couple of months of the year.

Mr A Maskey (The Chairperson of the Committee for Social Development): Go raibh maith agat, a Cheann Comhairle. I also welcome the Minister's statement. On behalf of the Committee for Social Development, I particularly welcome the allocation of £3.3 million to the first-time buyer scheme. The Minister outlined

that that may help a number of people, particularly younger people, who are trying to get on the housing ladder and get themselves a home.

The Committee has been briefed that, because of the welfare reform programme, anything between £450 million and £500 million could be taken out of the local economy over the next number of years. Given that that would probably bear down more heavily on the poorest or most disadvantaged in our community, will the Minister give some commitment or assurance that, in future monitoring rounds, bids for proposals such as the mortgage relief or first-time buyer schemes are given very positive consideration?

Mr Wilson: The Member will be aware that we are still finalising the details of the social investment fund, which will have £80 million over the next four years, and the social protection fund, to which £20 million has been allocated for this year. Bids can be made to those two schemes. Many in the Assembly were cynical about those schemes, but they are genuine attempts, despite what the cynics might think, to help areas and people who were disadvantaged as a result of the current recession. I am unsure how many or what type of bids will be made for those schemes. However, a total pot of £100 million is available, and that should help with some of the things that the Member mentioned.

As the Member has given me the opportunity, I also want to say something about the money that will be given to first-time buyers. I may have said that 600 first-time buyers would be affected by the scheme. However, it is probably more like 200, although that is still a substantial number of people who will have an opportunity to purchase a house at current prices.

Mr Humphrey: I thank the Minister for his statement. I want to take the opportunity to thank the Minister, the First Minister, the deputy First Minister and the Minister of Enterprise, Trade and Investment for all their hard work on the Presbyterian Mutual Society. I also welcome the transfer of the funding to the Department of Enterprise, Trade and Investment for the Presbyterian Mutual Society and the rescue package. The Minister mentioned that payments would be made this summer. When will those with investments with the Presbyterian Mutual Society actually receive their money?

Mr Wilson: The payments will not be processed by the Department of Finance and Personnel or the Department of Enterprise, Trade and Investment; that will be up to the administrator. We have said that the money is now available for the administrator to draw down. The Department of Enterprise, Trade and Investment has the first £50 million. That was made available from current spending, and it is made up of £25 million from the Treasury and £25 million from our own resources. Any drawdown from the £175 million of borrowing available will be on the basis of demand.

The Member's question is one for the administrator to answer. All I can say at this stage is that there will be no delay as a result of funds not being made available by the Executive, and I wanted to make that clear in my statement.

Ms Ritchie: I thank the Minister for his detailed statement. Will the Minister explain why the £30 million budget cover in respect of DRD — the IFRS depreciation — was not required and was, therefore, returned? Similarly, will the Minister say why there was an underspend at block level in the depreciation resource budget? Finally, will the Minister tell the House whether, in advance of the conclusion of the consultation on corporation tax, he has had discussions with the Office for Budget Responsibility about the actual figure that could be deducted from the block grant, if we were to get a reduction in corporation tax?

Mr Wilson: Moving to a new accounting system changed the way in which depreciation figures were treated. It was a Treasury requirement that we moved to the new system. The Treasury understood that it was a non-cash cost that would need to be attributed to the Budget, and it estimated the cost of that new accounting treatment on the basis of the physical assets that we have in Northern Ireland. It was inevitably going to be an estimate until the value of the assets and the way in which depreciation was going to be entered into the books was worked through. However, there was always an understanding that, if our and the Treasury's estimates were wrong, since this was a one-off thing in which we were simply changing the accounting method, the money would go back to Treasury and we would be unable to keep it. That is a pity, but that was the way of it and it was an outcome of the changes that were made. Please do not ask me to explain the changes to the way in which the accounts were dealt with. As a

qualified accountant, Mr Hamilton might be able to deal with that better than I can; nevertheless, that is the way that it worked.

1.15 pm

Once the consultation is over and we decide on the way forward, the whole issue of how much corporation tax is paid by Northern Ireland at present will have to be determined. Some people say that that should be easy, but it is not. What year do you take? Do you take an average over a number of years? Which years do you choose for that? Even then, it is not always transparent where the corporation tax liability arose. In some cases, companies might have individual profit centres, and so you can say, "That profit centre is in Scotland, that one is in Northern Ireland, and the third is the company's branch in England". In other cases, it might be that a total figure is presented and you must apportion where the profit arose. So there are a lot of imponderables.

Furthermore, the amount of corporation tax is only one issue in those discussions. Also discussed will be the question of how much corporation tax the Treasury assumes. It does not have to do this, but it does it at the moment. Europe does not require the Treasury to do that, even under the Azores ruling. How much does it assume the amount of profit that will be moved from other places into Northern Ireland? They have put down a figure for that, which we believe is extremely high and about which Europe has said, "Wait and see for a couple of years and then make the judgement". Also, what other tax revenues, as a result of new investment in Northern Ireland, can be written off against tax? So there are a lot of areas for discussion. I have made it clear time and again that we must not imperil the things that we do, the services that we give and the support we give to industry by accepting a huge, unreasonable and unfair burden for the devolution of corporation tax.

Mr Speaker: Mr Hussey, do you want to speak? No, I see that the Member is all right.

Mr Storey: I welcome the Minister's statement in relation to the EYF scheme. Other Members have commented on it. Along with them, I welcome the fact that he has been able to find a way that, I trust, will give some comfort to schools in how they manage their budgets, given the current financial problems in the Department of Education. I understand that some resource allocation plans, including one in

my education and library board area, have been returned to the board by the Minister, and I have grave concerns —

Mr Speaker: I invite the Member to come to his question.

Mr Storey: I thought, Mr Speaker, that you said that Committee Chairs would have some degree of latitude. It must have been curtailed.

Mr Speaker: Order. No. I ask the Member to take his seat. Most Members have been here long enough to know that latitude is given to the Chair of the appropriate Committee. For example, had the Education Minister made a statement, the Chair of that Committee would have had priority. If it were the Minister of the Environment making a statement, the Chair of that Committee would have priority. Today, Mr Conor Murphy, the Chair of the Committee for Finance and Personnel, was given latitude to say what he needed to prioritise and then ask his question. I remind the whole House of that.

Mr Storey: Thank you, Mr Speaker. I will try again. In the light of that issue with regard to the financial delays in the Department of Education and given the situation in relation to the out-turns from that Department for 2010-11, what steps will the Minister take to ensure that the Department of Education and the Department of Finance and Personnel sing off the same hymn sheet to ensure that no additional pressure is put on that Department?

Mr Wilson: As I outlined in my statement, we have been generous in the allocation made in the June monitoring round. The Department has probably made a fairly liberal estimate in its bid of what it needs. It should not have any difficulty meeting the demand from schools. However, as the year goes on, the Department of Education and schools have a duty to decide realistically how much they will need for the EYF scheme; in other words, they must make an assessment. They will probably know better by September what the drawdowns will be and what the schools' savings patterns will be. At that stage, they can make a decision on exactly how much is required. There is an incentive: if they have too much, they will end up with a big underspend and will be penalised, and, if it is too little, they will have an overspend. Schools and the Department have to monitor the situation fairly closely. We have not agreed that there is an open chequebook so that they can draw down as much as they want

and then hand it all back at the end of the year. I have mentioned time and again that we have a problem at the end of the year if too much is held in the education budget and it is all returned in March. That would mean the Department of Education being responsible for money that could have been used somewhere else being returned to the Treasury.

There is a discipline both ways: we have to commit to give whatever the Department deems necessary, and the Department has to provide more realistic figures later in the year so that it does not finish up with an overspend, which would have implications for the Department, or an underspend, which would have implications for public spending in Northern Ireland as a whole. I am sure that no Education Minister, given how tight the budgetary situation is, would wish to be held responsible for giving the Treasury back a pile of money that he had held until the last minute in the hope that schools might draw it down.

Mr Dickson: I thank the Minister for his statement, and I particularly welcome the allocation of £3.7 million to the Department for Employment and Learning to at least partly address the pressures arising from the incapacity benefit migration under the welfare reforms. Does the Minister agree that it is important that Northern Ireland retains parity with but does not just parrot Great Britain with respect to the level of benefits, as well as delivering the quality of service and programmes that we have and need for Northern Ireland?

Mr Wilson: Yes. The allocation of £3.7 million was made because we wanted to ensure equality. If people are being moved off benefit and told that they have to go either on to jobseeker's allowance or into work, they will have all sorts of reasons why they have not been working. Some of them may be difficult cases and will not have worked for a long time, and it is important that we give them the training opportunities that will enable them to be more marketable in the workplace.

Do not forget our general economic strategy of making Northern Ireland a more attractive place for firms to come. We have to have people with skills at all levels, from graduate level right down the scale to people who might be described as semi-skilled. There is a need to increase the economically active percentage of the population. One reason why I do not think

that we should totally turn our back on a lot of the welfare reform that is being introduced is that it is important that we give people the dignity of work. If benefit changes are pushing them in that direction, it is important that we as a Government create the opportunities and make the resources available to give them the training that they require to move into work.

Mr Douglas: I congratulate the Minister on his statement. I welcome the remarks that he made about the social investment fund and the social protection scheme, as well as his decision to fund the first-buy scheme. Does the Minister agree that, given the difficulties that many young people face in getting mortgage finance, support for such a scheme is vital and will undoubtedly assist the kick-starting of the property sector?

Mr Wilson: Yes. I outlined four or five reasons in earlier answers why it is important that we make that allocation. Many of the people who come into my advice centre cannot get a home of their own because they cannot get into the property market. Those people really do not want to go into the rental sector and would prefer to own their home. Builders want to start building homes, and the prices of houses for first-time buyers have been brought down to a realistic level. I look around east Antrim, and I see that there are plenty of houses coming on to the market at £80,000 and £85,000, which pushes prices down more towards the realm of affordability. This scheme, with 20% equity being taken by the housing association, reduces that even further, which makes housing affordable and gives people the opportunity to take responsibility for their own housing.

Mr McDevitt: Most people will recognise the good work done by the Executive in putting together the Presbyterian Mutual Society rescue package. Will the Minister inform the House whether the Executive's loan element of £175 million is legally secured against the assets of the PMS?

Mr Wilson: The £175 million is an increased borrowing facility — I want to make that clear — that has been made available to us, so it does not impact on, for example, any of the capital schemes. That money is simply borrowed under the normal terms for government borrowing in Northern Ireland. In fact, it is not even borrowed over the timescale of the resale of a lot of the assets of the Presbyterian Mutual Society; it is borrowed under normal borrowing requirements,

whether the repayment period is over 20 years, 50 years or whatever it happens to be. So, it is not secured against those assets. However, with the due diligence exercise that has been undertaken, we have always believed that, given sufficient time, the sale of the assets of the Presbyterian Mutual Society, if sold in a controlled way over a longer period, will enable us not only to repay the loan but to pay the interest on it.

Mr Allister: I take the Minister back to some of what he had to say about the provisional out-turn and seek some clarification from him. He identified that, in current expenditure, there was an underspend of £153.2 million. He then proceeded to tell us that we could discount £83.8 million of that, because it was money that went to the DOJ, which had an exemption. Then there were three ring-fenced items, which totalled £43.1 million. He then told us that, as a consequence of the Department of Justice's underspend and those ring-fenced items being stripped out, the Executive will return just £1.6 million of current expenditure. When you look at the table at annex A1 in the Minister's statement or do the mathematics of subtracting £126.9 million from £153.2 million, you can see that you do not get £1.6 million. So, how do we arrive at £1.6 million? Would it not be better to have at annex A1 a table with a column to show exactly how that figure was arrived at?

Mr Wilson: If further detail is needed, I will write to the Member. We also made allocations in February to Departments. When we debated the statement of accounts last week, he queried the £23 million — I cannot remember the figure off the top of my head — that went to the Department of Agriculture and Rural Development (DARD). That money has filled some of the gap. I will supply figures to show where the money has gone.

If we take the ring-fenced money, the Department of Justice money and the money that was allocated towards the end of the year after the February monitoring round, the gap closes to £1.6 million. I will supply the Member with those figures; I cannot remember off the top of my head what went where. I think that money went on teachers' superannuation and to the Department of Agriculture and Rural Development. There might have been an allocation somewhere else, but I cannot remember. Since I cannot remember the figures off the top of my head, I will supply him with them.

1.30 pm

Executive Committee Business

Budget (No. 2) Bill: Second Stage

Mr Wilson (The Minister of Finance and Personnel): I beg to move

That the Second Stage of the Budget (No. 2) Bill [NIA 1/11-15] be agreed.

Today's Second Stage debate follows the Assembly's approval last week of the Supply resolution for the expenditure plans of Departments and other public bodies as detailed in the 2011-12 Main Estimates and the second Supply resolution for the excess expenditure by two Departments in 2009-2010. That excess expenditure was the gap that Mr Allister referred to in the question that he just asked.

As Members will appreciate, and given that the Budget 2011-15 was not approved until March, accelerated passage for the Bill is necessary to ensure that Royal Assent is received prior to the end of July. If the Bill does not proceed by accelerated passage and receive Assembly approval before the summer recess, Departments and other public bodies could run out of cash, and public services could grind to a halt prior to our return to the Chamber in September. However, I am glad to note that the Bill can be given accelerated passage, because the Committee for Finance and Personnel has confirmed that, in line with Standing Order 42, it is satisfied that there has been appropriate consultation with it on the Bill's public expenditure proposals. The Committee of the previous mandate took evidence on several occasions during the development of the Budget 2011-15, of which the Bill represents the first year. Indeed, that Committee also played a useful and constructive role in co-ordinating the responses of all the Committees.

I thank the Committee for agreeing to accelerated passage, especially as I know that it has concerns, which I share, that some Ministers and Departments did not engage adequately with their Committees or provide timely and sufficient evidence to facilitate their scrutiny role during the Budget process. That is to be regretted, and I feel strongly that the Assembly must tackle that sooner rather than

later during this mandate. I hope, of course, that having a new bunch of Ministers means that we will not have a repeat performance during this mandate, even though some of them were the ones who complained about that issue.

Mr McNarry: Name them.

Mr Wilson: I will name them, but you might be embarrassed.

In accordance with the nature of a Second Stage debate as envisaged in Standing Order 32, and for Members' benefit, I shall endeavour to confine my remarks to the general principles of the Bill and its provisions. The main purpose of the Bill is to make further provision of cash and resources for use on services in addition to the Vote on Account, provided in the Budget Act (Northern Ireland) 2010 in March, up to the requirements of Departments and other public bodies set out in the Main Estimates for 2011-12. In addition, the Bill makes provision for excess expenditure by two Departments in 2009-2010 over the amounts approved in the 2009-2010 spring Supplementary Estimates (SSE) and the related Budget Act (Northern Ireland) 2010. Copies of the Budget Bill and the explanatory and financial memorandum have been made available to Members today, and the 2011-12 Main Estimates and the 2009-2010 Statements of Excess were laid in the Assembly on 6 June.

The Bill will authorise the issue of a further — I love saying this — £8,141,695,000 from the Consolidated Fund and a further use of resources totalling £8,656,468,000 by the Departments and certain other bodies listed in schedules 1 and 2 to the Bill. The cash and resources are to be spent and used on the services listed in column 1 of each schedule. Of course, those amounts are in addition to the Vote on Account that the Assembly passed in March, bringing the total amount of cash provided in 2011-12 to almost £15 billion.

In addition, the Bill sets for the current financial year a limit for each Department on the use of accruing resources. For the uninitiated, accruing resources are current and capital receipts, and they total £2,116,272,000. The resources authorised in the Vote on Account in March, and the resources and accruing resources now provided in this Bill, bring the total resources for use by Departments in 2011-12 to over £18 billion. Those amounts include not only the departmental expenditure limits (DEL) on

which our Budget process mainly focuses, but the departmental demand-led annually managed expenditure (AME).

Clause 2 of the Bill provides for the temporary borrowing by my Department of £4,070,847,000. That is approximately half the sum authorised by clause 1(1) for issue from the Consolidated Fund. I must stress that clause 5 does not provide for any additional cash out of the Consolidated Fund or convey any additional spending power, but it does enable my Department to run an effective and efficient cash management regime and ensure minimum drawdown of the Northern Ireland block grant on a daily basis, which is very important when contemplating the daily borrowing of our nation.

Clauses 5 and 6 make provision for the excesses of over £23 million cash and over £14 million resources by the Agriculture Department in an excess use of resources and of some £3.7 million by the Department of Education's superannuation scheme. The Public Accounts Committee (PAC), in its seventh report on the 2010-11 session of the last Assembly, has recommended, on the basis of its examination of the reasons for the excesses, that the Assembly provides the necessary amounts by means of Excess Votes. Finally, clause 7 removes from the statute book two Budget Acts from 2008 that are no longer operative.

As we progress into the first year of the Budget 2011-15, Departments must strive to live within budget, making efficiencies wherever possible. I appreciate that that will not be easy for Departments and that many difficult decisions will have to be made — decisions that may mean reducing spending on lower-priority areas in order to maintain spend on front line services and high-priority areas. At the same time, capital receipts identified in the Budget must be realised by Departments, and the work of the central asset management group must produce additional capital receipts over the Budget period, including £10 million that is factored into this year.

Much hard work lies ahead for all concerned. The Budget review group will continue to consider further revenue-raising options. Once those have been considered sufficiently robust, they will be incorporated into departmental allocations through the in-year monitoring rounds or in a future Budget process. On that note, I will conclude, and I will be happy to

deal with any points of principle or detail of the Budget Bill that Members may wish to raise.

Mr Murphy (The Chairperson of the Committee for Finance and Personnel): Go raibh maith agat, a Cheann Comhairle. At its meeting on 1 June 2011, the Committee for Finance and Personnel took evidence from senior Department of Finance and Personnel (DFP) officials on the Budget (No. 2) Bill, the general principles of which are being debated.

As outlined, the Bill makes provision for a balance of cash and resources required to reflect departmental spending plans in the 2011-12 Main Estimates. Those are based on the first year of the former Executive's 2011-15 Budget, approved on 9 March in the previous mandate of the Assembly. The Budget (No. 2) Bill also includes provision for excess cash and resource requirements by the Department of Agriculture and Rural Development (DARD) and the Department of Education for 2009-2010, which were not anticipated in the 2009-2010 spring Supplementary Estimates. The Committee noted that that matter had been considered by the Comptroller and Auditor General (C&AG) and the Public Accounts Committee, which recommended that the necessary sums be provided by Excess Votes by the Assembly. The relevant statutory Committees have noted the PAC recommendation in that regard.

The Committee is aware of the potential consequences for departmental spending should the Bill not progress through the Assembly before summer recess. In that context, although the new Committee will be taking forward recommendations from its predecessor aimed at enhancing the role of Assembly Committees in Budget scrutiny, members were satisfied that, on this occasion, there had been appropriate consultation with the Committee on the public expenditure proposals in the Bill in accordance with Standing Order 42(2). The Committee was, therefore, content that the Bill can proceed by accelerated passage. I wrote to you on 8 June, Mr Speaker, to confirm that.

The Committee is mindful of the concerns raised in its predecessor's report on the Executive's draft Budget 2011-15 that a majority of the other Committees had reported a lack of engagement by their respective Departments on departmental spending proposals. Its concerns

were over the level of detail provided and the fact that there was insufficient time for scrutiny. Those issues were examined further in the previous Committee's third Budget scrutiny inquiry report. Concerned that such lack of engagement by Departments compromises the ability of the Assembly to fulfil its scrutiny role effectively, the third report set out measures aimed at establishing stronger procedures and processes.

In particular, it was considered that early structured engagement between Departments and Statutory Committees is essential, as there is less opportunity to influence plans once a draft Budget has been produced. Indeed, senior DFP officials told the previous Finance Committee that movements between draft and final Budgets tend to be minimal. It was also considered that formal engagement at an early stage would facilitate the streamlining of the latter stages of the Budget and Estimates process, including plenary debates.

My Committee is scheduled to have informal discussions with DFP officials on Wednesday on the Executive's forthcoming review of the financial process. The review's terms of reference state that the overall aim is:

"to create a single coherent financial framework that is effective, efficient and transparent and enhances scrutiny by and accountability to the Assembly, taking into account the needs of the Assembly."

The Finance Committee will be taking a proactive approach to ensuring that the needs of the Assembly and its Committees are set out at an early stage in the review process, with a view to ensuring that issues regarding the Assembly's important role in the Budget and financial scrutiny are addressed as part of that review.

The previous Committee also recommended that the wording of Standing Order 42(2) be reviewed in order to clarify that the Finance Committee, when considering whether to grant accelerated passage to Budget Bills, should also have regard to the views of other appropriate Committees on the level of engagement with their respective Departments. That recommendation has been endorsed by the new Committee, and, in the coming weeks, we will examine how that can be best taken forward.

In the meantime, I will return to the more immediate issues before us. On behalf of the Committee, I support the Bill's general principles. I note that the Minister and many other Members salivate at the prospect of billions of pounds being allocated towards the deal, but the Minister will be aware, as will all Members, that, despite that allocation of billions, we are still far short of the requirement of the Assembly and the Executive to do the many programmes that we would like to do in the community.

Mr Girvan: I, too, stand to speak in favour of the Bill and to give an outline of what happened and how we came to this stage, as has already been alluded to. It was not without pain. A number of us were not necessarily that happy with the way in which some of the information was presented. I know that some of the Committees had difficulty in engaging and coming forward with some detail. I appreciate that the Budget has been set to allow Departments to make the necessary spend. Very much a legislative approach has been taken; otherwise, the country would run out of money, and we cannot allow that to happen.

We were to rebalance our economy. That was the main focus. Our economy strongly depends on the public sector, so it is necessary that we grow our private sector. It is interesting to note that, during May, an announcement was made of a further 600 job losses in the Province, the majority of which were in the private sector. That is a sector that we identified as a necessity to grow.

The Department of Enterprise, Trade and Investment (DETI) has identified a further £18.8 million to be spent on growing that section of our economy. For example, a number of businesses in neighbourhood renewal areas and those involved in knowledge-based processing and outsourcing will be identified. That money, if it is properly identified, and the predictions are that it will be, will be invested in those areas, and that could create up to 9,000 long-term jobs. We hope that that will go some of the way towards rebalancing our economy.

1.45 pm

During the Budget process, it was also vital to hold down rates for property by not introducing water charges. That issue could have arisen, and I appreciate that we have managed to hold it back. That is something for which we

should thank the Department of Finance and Personnel. I know that the Executive have made a commitment not to introduce water charges, and that is something that we should stick to.

Northern Ireland has some of the lowest rates in the United Kingdom. We need to help those who are disadvantaged. As was commented on in the previous Budget statement, a lot of people are living on the breadline. The Budget, and spending in Departments, has been targeted to make the best use of the money available in areas where there is need.

The social investment fund was mentioned. The money that was set aside for that, along with that for the social protection fund, is intended to be used for work in areas of serious disadvantage, for those communities that perhaps feel that they have been left behind, and to target areas of spend to deliver for those communities. That is something that we need to do.

It is also important to point out that the efficiencies that are to be brought out through the process are to be targeted. We have the Budget review group, the invest to save initiative and the issue of end-year flexibility, which may create its own problems in the long run. We have to target those areas and make sure that we deliver for the overall economy. I am a relatively new member of the Committee for Finance and Personnel, and some people have said that the process has been as painful as putting pins in your eyes, but for those of us who quite enjoy interrogating figures, there is benefit to be gained from working our way forward.

Although I am not sure that they are all overly interested, it is evident from the number of Members in the Chamber that this is one of the most important debates that is taking place today. There will be people who will not get opportunities if we do not get the Bill through today. I appreciate that we can use the accelerated passage procedure to allow that to happen, but if we do not get a commitment in the Chamber today, there is the potential for bigger problems down the road. We have to move this forward. It is unfortunate that things came very late in the day. We mentioned that the Budget was set in March, and that has created its own problems, because it was extremely difficult to obtain all the statistics and

relevant information. I am happy to support the Bill as presented.

Mr Hussey: First, I welcome the opportunity to speak on the Second Stage of the Budget (No. 2) Bill as a member of the Committee for Finance and Personnel. I also take the opportunity to reiterate what my colleague Mr Leslie Cree said during last week's debate, namely that the Budget process is long and drawn out and needs to be simplified. That should happen as quickly as possible, not least to improve the transparency of the process, for the public as well as politicians.

Last Monday's debate on the Supply resolution motions was important in that it fulfilled the legal position to enable us to have the Budget (No. 2) Bill debate today. Last week, the Ulster Unionist Party set out its support for those resolutions. Today's vote is important, because it will give legislative effect to the Budget for 2011-12. The Ulster Unionist Party will support this stage of the Budget process for the same reasons that we gave in support of last week's motions. We will not frustrate what is an essential process in the provision of services to the people of Northern Ireland, as outlined in the Estimates. Previous contributors to the debate have indicated that, without that process, essential funding would not be available.

The Budget must be looked at in context. We are facing a reduction in spending in the region of £4 billion between 2011 and 2015 as we seek to address the UK economy deficit. That, of course, is down to the problems in the United Kingdom's banking sector, which were compounded by the Labour Government spending spree that saddled the UK with a mountain of debt.

That debt now has to be repaid. Thanks to the actions of an irresponsible Labour Government, the UK is spending in the region of £280,000 a minute, or £120 million a day, on debt interest. That equates to £43 billion a year, and that situation obviously needs to be addressed.

In Europe, the plight of Greece, which is once again in the news today, Portugal and the Republic of Ireland —

Mr Campbell: Will the Member give way?

Mr Hussey: Not at the minute, if you do not mind.

Mr McNarry: Good move. *[Laughter.]*

Mr Hussey: I am too young and innocent, so I will carry on.

International Monetary Fund (IMF) bailouts and strict controls over public spending are the order of the day. Those are the circumstances that we are in, and Northern Ireland is not immune to its share of that pain.

It is also useful to note David Cameron's words to the Assembly just 11 days ago:

"Northern Ireland continues to receive 25 more per head in public spending than England. The days are over when the answer to every problem is simply to ask the Treasury for more money."

That was a clear sign that we must get on with things in Northern Ireland and seek to use the Budget that we have as best we can.

That is not to say that we do not have concerns about the Budget, and a number of party colleagues dealt with issues relating to specific Departments; for example, the Maze/Long Kesh site. In previous debates, before my time in the Chamber, Members from my party outlined their concerns about the four-year Budget for 2011-15. The Ulster Unionist Party believes that there are still issues in that Budget that have not been adequately addressed, including the one relating to Belfast port, which has been cited as a source from which to raise tens of millions of pounds. However, that would require a change in legislation in Westminster. In addition, over £80 million is supposed to be raised from housing association reserves over four years; EU funding access might equate to £64 million over four years; and a review of arm's-length bodies could lead to savings of £10 million over four years. We should not forget the £177 million shortfall in the Health budget foretold by my party during the draft Budget stage. Issues relating to such areas were not clarified, and they will have a knock-on effect on the viability of the Budget in the year ahead. Therefore, the Ulster Unionist Party's arguments about the four-year Budget largely remain with respect to the Budget (No. 2) Bill.

Moving on to specific points in the Bill, I pay particular attention to the Department of Justice's budget. As a former RUC Reservist and a current member of the Policing Board, I am particularly keen to ensure that we have adequate funding to tackle the dissident threat. It is fundamental that the Department has the

necessary funding to do that. The extra £200 million security funding from the Treasury will be vital in that respect. Although this is perhaps unrelated to the Bill, I take this opportunity to express my disappointment with the current situation with the RUC GC part-time Reserve gratuity scheme, which still has to be paid. I hope that that situation can be resolved soon.

I must also mention end-year flexibility, which is an extremely pertinent consideration for Departments this year due to the changes that have occurred. With excess money now being handed back to the Treasury if unspent, we must ensure that budgetary discipline is as tight as possible. I am sure that Ministers are acutely aware of that. In fact, the Finance Minister agrees with that; he would prefer not to return a single penny. I wholeheartedly concur.

In conclusion, the Ulster Unionist Party has approached the Budget in a positive manner, and, despite some concerns, it will not seek to stop the Bill's course through the legislative process. For that reason, we support the Bill.

Mr D Bradley: Go raibh maith agat, a Cheann Comhairle. At the outset, I state that the SDLP will not divide the House on this issue. We have engaged robustly with the Minister throughout the process. My predecessor —

Mr Campbell: You have forgotten him.

Mr Hamilton: The electorate forgot him.

Mr D Bradley: — Mr O'Loan, is gone but not forgotten.

We raised many issues during the debate on the Supply resolutions; however, there are a number of details that I would like to interrogate further today. In particular, I am interested in the £1.6 billion of additional revenue, about which I have asked the Minister several times. Earlier this year, we heard from Ministers and Ministers in waiting about the tremendous fund of money that would help to soften the winds of austerity blowing from London.

Indeed, some parties claimed that they were solely responsible for providing that £1.6 billion. However, when one went to —

Mr Wilson: Will the Member give way?

Mr D Bradley: Yes.

Mr Wilson: So that the Member does not lead himself even further into error, it is quite clear

that the additional revenue in the Budget is £900 million. I have said time and again that there are other revenue-raising measures that we are looking at. They have not been included in the Budget, and they will not be included until we are absolutely sure that they can be realised.

Mr D Bradley: I thank the Minister for his intervention. Lead us not into temptation. I realise that he is trying to keep me on the straight and narrow, as difficult as that is. I will try to tread that narrow edge which is the road of righteousness.

The Minister told us that he had allocated £862 million of revenue. Is that new money, or is it money that is usually in the system? Is it money raised, for example, from the sale of Housing Executive properties or land, or money that has come back from the unfreezing of the rate? The Minister will probably update us on that. Out of the £1.6 billion that was postulated at the beginning, the remaining £738 million has still to be raised. I expect that that will be made up from the money that could potentially come from the Harbour Commissioners' reserves or the single-use plastic bags levy. All of that is potential; it has not yet been delivered.

As the Minister said, this Budget was the best possible Christmas present. Perhaps when we unpack it, however, there are not as many goodies as we were led to believe. I am loath to strike a critical note because the Minister will come back in his stand-up routine at the end of the day and describe me as the dark cloud. I do not think that I could deal with that today. In any case, I await the Minister's response.

Is there any new money in the package, or are we being sold a pup? I am sure that the Minister will be eager to clarify that. The Budget review group has often been mentioned as a body that will deliver on the new revenue. As far as I can see, however, that group has not delivered very much to date. Much is expected of it in the future, and I hope that it delivers. As the Chair of the Committee said earlier, the Budget settlement falls short of what we would like to implement all of the projects that need to be implemented.

Will the Minister confirm whether legislation is required to enable the Harbour Commissioners' reserves to be accessed? Will he tell us whether the Belfast Harbour Commissioners have been as helpful as they could be in dealing with that issue? Another question that I have

for the Minister is about the Scottish Futures Trust model. I believe that my colleague, the former Minister for Social Development, raised that model with the Minister. It has enabled the Scottish Government to borrow over £1 billion at low interest rates for capital projects, with annual interest payments being funded by the Government. However — this is crucial — it is off-balance-sheet; the borrowing has no impact on the London block grant. What is the Minister's view of that approach? Will he consider it and pursue it in the future?

(Mr Deputy Speaker [Mr Molloy] in the Chair)

2.00 pm

I would also like to hear the Minister's view on the Budget allocation for the social protection fund. Has any of that money been spent to date? What has been his response and that of the Office of the First Minister and deputy First Minister (OFMDFM) to the then Minister for Social Development's costed proposals for that money to go to people in mortgage stress and other financial stress? Is there any likelihood of any of the social protection fund being spent in this quarter or the next quarter? Given this week's motion on mortgage rescue and the evidence that lenders are now pushing repossession orders through the Enforcement of Judgments Office, does the Minister support money from the social protection fund going towards a form of mortgage relief scheme? Given that nothing from either the social inclusion fund or the social protection fund has been spent to date, can he give me any reassurances that moneys from either of those two funds might be spent any time during this financial year?

Does the Minister consider, as we in the SDLP do, that accelerated work should be undertaken on North/South health co-operation? With up to 40% of all money on this island being spent on health, is it not imperative that, where possible, we access co-operation, integration and a shared approach to health throughout the length and breadth of the island?

Those are only some questions. I could also refer to the £4 million that has been set aside for childcare, allocated to OFMDFM. Has a scheme been designed and an application progressed to allow childcare groups to access that money? Many of them are doing good work, and some of them are currently under huge financial pressures and need to access

that money in the shorter term, rather than the medium or longer term. I would appreciate it if the Minister were able to do anything to ensure that that matter is dealt with quickly.

My other colleagues will deal with specific departmental issues. Go raibh maith agat, a LeasCheann Comhairle as an deis labhartha seo a thabhairt domh inniu. Sin a bhfuil uaim.

Ms Lo: I will start by talking about the difficulties faced by the voluntary and community sector. Many Members will agree that that sector plays a vital role in providing services to our community. It is not only innovative but effective and efficient, and it offers value for money. Unfortunately, it is also the easy target for many Departments when cutting funding to the many projects that currently operate. In many ways, the recession calls for more services in the voluntary sector, rather than less. People are facing money problems and need financial advice. People have increased levels of stress because they are losing jobs and have less money, and they are more prone to mental health problems. There has also been an increase in the incidence of domestic violence because of the stress on families and the fact that people are losing jobs.

I am sure that the Minister of Finance and Personnel is aware that the voluntary sector has been in limbo for the past three months. Three months into the financial year, many organisations have not got their funding. They are really in limbo. Many organisations are still waiting for their letter of offer. Towards the end of March, many were told that they will get money, although they were not promised how much the cut might be. So, many organisations are forced to lay off staff, cut services or close the projects altogether. Many of the organisations that want to continue have to resort to using their own reserves, if they have the resources, or trying to move money around different projects to try to make ends meet. Many have also had to go to the banks for overdrafts, and we have to remember that the interest they pay on overdrafts cannot be recouped from the Departments.

I understand that some organisations have been told by staff in the Departments not to complain because, after all, they will get money. If Department heads or officials were to tell their staff that they would not be paid until the end of June, I am sure that they would hear a lot

of complaints from their staff, or the staff would all walk out of the offices. Being without pay for three months is unacceptable in any sector, but the voluntary sector is expected to get on with it when its staff do not get paid. I do not know how people can pay for their mortgages and cars and feed their children and families.

I will turn to OFMDFM. On Thursday of last week, the voluntary and community sector organisations that work with the ethnic minority communities were told that, at last, they will get money. That was last Thursday — the middle of June. However, they were then told that the money is committed only until September 2011. In many ways, that is crazy. People applied for a three-year funding stream, and they were told at the end of March that they will get money but were not told how much. Towards the end of June, they are told that they will get money only until September 2011. How can we call that a development fund? That is just a hand-to-mouth existence, and you cannot expect organisations, particularly those organisations that are helping newer communities to develop their strategic plan —

Mr Wilson: I am glad that the Member gave way. We all appreciate that people need to have opportunities for long-term planning, and one reason why we went for a four-year Budget was to enable Departments to have some certainty as to what resources they will have. The Member's point is very well put, but it is probably an issue for individual Departments, which now know what their four-year allocation will be, to give some certainty, even if it is to tell people the bad news early so that, as the Member pointed out, they can then decide what to do with staff. I am sure that the Member will agree that rationalisation might perhaps lead to better use of resources in some areas of the voluntary sector, which I think will have to happen.

Ms Lo: I absolutely agree with you, Minister. I just want to highlight OFMDFM's handling of this. The voluntary sector groups are under no illusion: they know that cuts are coming and are rationalising themselves and trying to be as efficient as they can be. We rely on many of those projects to provide front line services for our communities, and pulling the rug from under their feet like that is unacceptable.

I will turn to the Department of Culture, Arts and Leisure (DCAL). As party spokesperson

for culture, arts and leisure, I believe that it is wrong that DCAL is seen as a soft target for disproportionate cuts. That could prove to be a false economy in a number of respects.

The arts sector is badly hit. The sector is not just important in its own right; it has wider implications for the future of creative industries as a growth sector in the economy. The growth of that sector has been trumpeted by local political leaders. The encouragement of local talent is critical to the competitive edge in that regard.

The Alliance Party believes that investing capital in three separate stadia for soccer, rugby and Gaelic sports rather than in one shared stadium limits the opportunity for investment in other areas and limits opportunities to improve the accessibility of sports for all sections of the community. Minister, as you know, south Belfast has the Ulster Rugby ground. Increasing its capacity from 11,000 to 18,000 is incredible. It is in a residential area that already faces huge congestion and parking issues. To increase the capacity to that level is just unbelievable. Residents are up in arms and feel so disempowered.

Mr Humphrey: Where exactly would the Member site this new stadium that she proposes for all three codes?

Ms Lo: Well, the Maze would be an obvious choice for me, but that is up to the Executive. I am sure that you have been to the Ulster Rugby ground or have seen where it is. It is on a narrow street, both sides of which are chock-a-block with houses and, at the moment, it is already —

Mr Deputy Speaker: Order. I remind Members to come back to the Budget issues.

Ms Lo: Thank you, Deputy Speaker. I will turn, briefly, to the budget for the Department for Regional Development (DRD). I was a member of the Committee for Regional Development in the last mandate. In particular, I would like to highlight the imbalance between spending on roads and spending on public transport. The proportion of the original investment plan for roads was around 65% compared to 35% for public transport. However, with road investment being influenced by external capital sources, the figures are now more like 80% for roads compared to 20% for public transport.

Large capital spends on roads schemes at the expense of public transport serve only to push people back into their cars. They encourage long-distance commuting, which, in turn, has the potential to have a serious negative impact on our environment in the long term. If we persist in underfunding public transport, we will encourage people to continue to use their cars, and that does nothing to reduce congestion. It does not help us to lower our carbon emissions, and it leaves us at risk of being subject to EU infraction proceedings for not meeting targets. Further encouraging the use of private cars rather than public transport puts rural dwellers in fuel poverty, thanks to the high cost of travel. That may have a serious impact by restricting employment and recreational opportunities. If the percentage of the DRD budget spent on public transport were to be increased, we could meet emissions targets and seriously reduce the number of cars on the road. Do not forget that one full Ulsterbus equates to 52 cars.

We could increase the number of park-and-ride facilities, which have proved very successful, not least the Cairnshill park-and-ride on the Saintfield Road in my constituency. Such amenities have the potential to dramatically reduce the number of cars in Belfast and, therefore, seriously reduce congestion. *[Interruption.]* Yes, Minister.

Mr Wilson: I thank the Member for giving way. I always love it when people start talking about reducing carbon emissions, using public transport and everything else. Given that there is a really good public transport system to Stormont from south Belfast, maybe the Member will tell us how she got here this morning.

2.15 pm

Ms Lo: Unfortunately, Minister, I do not live in south Belfast; I live in Jordanstown. It would probably take me two hours to come to Stormont using several buses or the train and the bus. If I had to go to my constituency office before I came here, that would add an extra half an hour.

Reductions in bus services and hours of operation, coupled with fare increases, create less and less demand for public transport and make our network look unsustainable. Investing in an effective and well-resourced public transport system encourages people to use the network, which creates a more successful and sustainable public transport network.

Mr Campbell: I support the proposition made by the Minister, as did other Members, not to open up a debate that was held elsewhere. I express surprise at the quality of debate here today.

Mr Wilson: Given the Member's ambiguous statement, will he tell us where he lies on the argument about the quality of debate in this place?

Mr Campbell: I thank the Minister for his question. He knows where I lie as I stand to my feet to describe the quality of the debate, which, hopefully, will be enhanced in the next couple of minutes. I want to raise a few matters —

Ms Ritchie: Will the Member give way?

Mr Campbell: Yes, as long as it is quick.

Ms Ritchie: Will the Member confirm that he has spoken to the former Member of this fine august institution, the member for North Antrim, regarding this matter —

Mr Deputy Speaker: I have to intervene and ask the Member to continue to speak about the Budget (No. 2) Bill.

Mr Campbell: I turn first to education. Hopefully, the Minister, in conjunction with the Education Minister, will ensure that sufficient resources are in place, particularly on the capital side, to facilitate the development of schools, particularly in the north-west. The Finance Minister will be aware that I have spoken to him about schools issues there, as they affect boards of governors, parents and teachers, as well as pupils. Hopefully, that will be the case, as it is a matter that transcends the post-primary sector.

Mr Wilson: I thank the Member for giving way. Does he share my disappointment that the former Minister of Education resolutely refused to give any indication of her priorities for capital spending, which, of course, have caused the very issues that he has mentioned, along with the disquiet, the unease and the uncertainty that lie around the schools estate budget?

Mr Campbell: I thank the Minister. It was regrettable that the previous Minister did not do that. That uncertainty has been compounded by the issues that I mentioned. Hopefully, we can bring some clarification on that over the next month or six weeks.

I also want to raise Department for Social Development (DSD) matters, as I serve on the

DSD Committee. The DSD Minister mentioned the issue of empty homes when he was before the Committee and on previous occasions, and it is a matter that can bring significant benefit to the community. We have between 35,000 and 40,000 empty homes that, were they brought into use, would significantly reduce waiting times and lists, particularly in the public sector, and would help to reduce antisocial behaviour in housing estates with boarded-up properties. So it is a significant development. The Social Development Minister takes the issue seriously, and he wants to address it. Hopefully, there will be resources to allow him to do so. As I said, there will be a number of benefits in doing that beyond the bringing into use of the homes themselves.

Mrs D Kelly: I thank the Member for giving way. The issue of housing is pertinent to my constituency, and it has to be tied in with building good community relations. Does the Member agree that there are void properties in some areas but people will not live together because of sectarianism, and the Assembly and Executive must address that as a matter of urgency?

Mr Campbell: Yes. I thank the Member for that intervention, and I agree with her. As we tackle vacant homes, we have to ensure that consideration is given to the fact that some areas have vacant homes that are derelict for the precise reason that she outlined. However, there are many other areas in which the reason is not related to sectarianism; it may be due to antisocial behaviour, such as drug taking, for instance. There has to be, therefore, a more widespread, holistic approach to trying to analyse the problems behind vacant homes. However, the point that I am making is that, as we do that, we can gain significant additional benefits beyond that of getting people into homes, which is, in itself, an important matter.

In the few minutes that I have before Question Time, I want to raise matters that I have raised in the past. It is hoped that the Minister will be able to help with the issue of employment patterns. A few weeks ago, I put down a question on the Housing Executive to the Minister for Social Development. I notice that, at long last, after many years — some would say decades — of the under-representation of the Protestant community in recruitment to the Housing Executive, there has been an improved picture for the first year in, I think, 20

years. That is good, and, hopefully, there will be sufficient resources in the Housing Executive budget to keep recruiting people so that it can address the problem that has been there for so long.

Over many years, a similar picture has emerged in the child maintenance and enforcement division. Just as there were protests, opposition and campaigns in the past because people felt that the Catholic community was disadvantaged, and people raised the issue and hammered on at it until it was eventually resolved, so there are those of us on these Benches who will do exactly the same. We will keep on year in, year out until we get equity for our community, no matter where in the public sector. Of course, that is a problem that I and others have raised on many occasions.

Finally, I want to refer to a similar issue in the Minister's bailiwick. On numerous occasions, we raised the problem of appointees to the general service grades of the Civil Service. In the past 10 or 12 years, there has been a significant under-representation of the Protestant community in that element of the public service. Those grades comprise some 20,000 people, unlike the Senior Civil Service grades that comprise some 300. Some people keep on about the Senior Civil Service grades, in which, of course, the Catholic under-representation is diminishing. On the other hand, the Protestant under-representation in the general service grades is not diminishing, and it must. We need to keep hammering on at that issue. Hopefully, the Minister will be able to respond, and we will be able to see some significant improvement for the entire community when we look at the Budget.

Mr Deputy Speaker: As Question Time commences at 2.30 pm, I ask Members to take their ease until that time.

The debate stood suspended.

2.30 pm

Oral Answers to Questions

Agriculture and Rural Development

Mr Deputy Speaker: Question 9 has been withdrawn.

Farmers: Government Assistance

1. **Mr T Clarke** asked the Minister of Agriculture and Rural Development what action she is taking to assist farmers who are struggling as a result of the economic downturn. (AQO 119/11-15)

Mrs O'Neill (The Minister of Agriculture and Rural Development): Go raibh maith agat, a LeasCheann Comhairle. My Department provides an extensive range of measures that enhance the economic position of farmers across the North. The most significant measure is the single farm payment, which is worth £270 million per annum. We strive to ensure that those moneys are paid out as quickly as possible, and we do all that we can to help farmers to get their claims right, thereby avoiding possible delays or reductions in their payments.

The rural development programme is also improving the economic performance of our agriculture industry through increasing competitiveness and improving sustainability, protecting our environment and improving the quality of life in rural areas.

Under axis 1, the farm modernisation programme helped over 3,500 farm businesses to modernise, with approximately £11 million of grant aid. I anticipate announcing an additional £4.1 million for a third tranche of the scheme later this year.

The agrienvironment measures of axis 2 are also very popular with farmers, and I expect to be able to admit approximately 2,300 farmers to the countryside management scheme this year. Over the past two years, the less-favoured area compensatory allowances scheme has injected £23 million per annum into disadvantaged areas, which is well in excess of the level that was originally planned.

Axis 3 of the rural development programme was allocated £20 million to support farm diversification, with up to £50,000 available per successful applicant.

Under the cross-sector advisory forum, the agriculture subgroup, which was chaired by my predecessor and included industry, banking, union and voluntary sector membership, made recommendations that were included in the Executive's priority measures for dealing with the economic downturn.

Apart from those measures, the Department of Agriculture and Rural Development (DARD) funds an extensive range of training courses for farmers, farm employees and family members, as well as a major research programme, which are all aimed at improving the economic position of local farmers.

Mr T Clarke: I thank the Minister for her answer. She outlined many avenues through which farmers can avail themselves of money, but part of the problem for the farming community is the bureaucratic difficulty. In your answer, you referred to easier payments for single farm payment, but, unfortunately, a small percentage of farmers suffer delays in the length of time from a farm inspection to receipt of payment. What will the Minister do to shorten that time to enable ease of payment to the farmer?

Mrs O'Neill: I thank the Member for his supplementary question. I understand that a small percentage of people have not yet been paid their single farm payment. Around £7 million still needs to be paid out, and I hope to have it paid out in the next five weeks. We are looking at measures that the Department can take to speed up payments and bring that forward as quickly as possible. I have instructed the Department to take a look at that, and, hopefully, I will be able to give the Member more detail in the future.

Mrs D Kelly: Is the Minister aware that many more people other than farm families live in the rural community, and that, in the previous mandate, £10 million was set aside in the Budget to tackle rural poverty in general? Will the Minister outline what will be done in this mandate to tackle the wider issue of rural poverty and the budget for that?

Mrs O'Neill: I thank the Member for the question. I have set aside £16 million in this Budget period for such measures. I am

reviewing measures from the previous four-year term around rural childcare, broadband provision and access to services. Obviously, the rural White Paper will have a key role to play in measures that I take forward, and I hope to be able in the future to give the Member more details of my priorities, which will be around promoting access to services and inclusion. Broadband is a particularly big issue for access to services for the rural community. Childcare priorities are also very important, and there are a number of other issues. If the Member has any ideas, I will be happy to listen to them.

Mr Beggs: The farming community is very critical about the quantities of paperwork and levels of bureaucracy. The Minister mentioned axis 3 of the rural development programme. Does she recognise the fact that many applicants have been put off after becoming frustrated with such bureaucracy and that systems need to be fit for purpose if people are going to use them?

Mrs O'Neill: I thank the Member for the question. As I said in an earlier answer, bureaucracy is a big problem, and it is flagged up with me quite frequently. I have instructed the Department to look again at all the bureaucracy and red tape, and I hope to be able to take forward a programme of work that will improve matters. In the previous mandate, some work was taken forward under the better regulation task force, and I hope that we can improve on that work and add to it.

Mr Murphy: The Minister will be aware that, as well as an uptake in grants and moneys available to farmers, the whole issue of training and enhancing skills is important to increasing productivity and output and giving people opportunities. Can she indicate what uptake there has been of provision that is offered by the College of Agriculture, Food and Rural Enterprise (CAFRE)?

Mrs O'Neill: I thank the Member for his question. I visited CAFRE's Greenmount and Loughry campuses and was impressed by what I saw. During the most recent financial year, there was uptake of over 13,000 enrolments to its wide range of industry training programmes. Those levels increase year on year. Obviously, we very much welcome that. More and more, young people are seeing careers in the agrifood industry. We must do what we can to encourage and promote that, because the agrifood sector

is growing. We hope to be able to create future employment in that sector.

Pork and Beef Producers

2. **Mrs McKevitt** asked the Minister of Agriculture and Rural Development what consideration she has given to addressing the difficulties that might be faced by pork and beef producers if there is a shortage of grain in the future. (AQO 120/11-15)

Mrs O'Neill: That is clearly a difficult issue for people who are involved in the intensive sectors, which rely on grain. I share their concerns. I am aware that, in the past few years, agriculture around the world has experienced a rapidly growing demand for grain and there has been a significant rise in prices. It is encouraging to note that Russia has announced that it will lift its grain export ban on 1 July. Although that is a move in the right direction, it is unlikely to have a major impact on the price of grain in the short term, given the overall supply-and-demand situation on the world market at present.

My Department supports the intensive sector in every way that it can. It will now consider carefully how it can help further should there be a grain shortage. I will ask staff in CAFRE to consider how its range of education and training programmes for producers and processors, which is already comprehensive, could be tailored to address that problem; for example, by modifying existing production systems or developing new ones for the intensive production sector. In addition, my Department's supply chain development branch will continue to work with its industry partners to consider how returns can be improved in the face of rising input costs.

Mrs McKevitt: I thank the Minister for her answer. Given the high price of grain, has the Minister had any discussion with banks in order to improve cash flow for farming communities?

Mrs O'Neill: Yes. My Department has had discussions with banks on the rural development programme to encourage them to lend money to farmers. That is, obviously, a key issue. For the intensive sectors in particular, the price of grain has a major impact on their profit and what they can do. Anything that we can do to help those sectors and to try to stabilise the market is to be welcomed.

Mrs Overend: Given that Northern Ireland imports about 90% of its grain for the beef, pork and poultry sectors, does the Minister plan to seek financial support from the European Union?

Mrs O'Neill: I will take that point on board, go away, consider it and talk to my officials. It is not something that I have done to date. Obviously, as I said, we depend heavily on outside markets from which to import our grain because circumstances here do not allow us to grow our own. Therefore, a combination of factors is needed. We could look at the possibility of EU funding. We need to look seriously at investment in research if we are to be able to help ourselves in the future.

Ms Boyle: Go raibh maith agat, a LeasCheann Comhairle. What aid is currently available?

Mrs O'Neill: Under tranche 2 of the farm modernisation programme, financial support was provided towards the purchase of new items of plant machinery and equipment from a list of eligible items, a number of which would have been of interest to the intensive sector. Although tranche 2 is now closed, a third tranche is being prepared for delivery later in 2011. I will certainly give thought as to how that could help the sector further.

The manure efficiency technology scheme (METS) is also now closed. Its closing date was extended. It also offered suitable items for beef and pork producers. The Department's supply chain development programme, which is funded under axis 1 of the rural development programme, involves farmers and others in the investigation of supply chain issues and marketing models in Ireland, Britain and further afield.

My Department also supports the intensive sector in every way that it can. It deals with farmers individually in order to access areas of potential improvement in production efficiency on farms. A comprehensive range of education and training programmes is offered to enable producers and processors to develop further technical and business management skills. CAFRE staff also assist with product specification, product development and the adoption of new technology.

Agrifood

3. **Mr McCarthy** asked the Minister of Agriculture and Rural Development how she plans to ensure that the agrifood sector will be a key growth area in the future. (AQO 121/11-15)

Mrs O'Neill: I am grateful for this opportunity to restate my view about the important role that the future growth of the agrifood sector will play in the development of our economy. In fact, that was one of the key considerations for us when selecting Departments. The sector has performed strongly during the recent downturn, and it is well placed to exploit export opportunities on a global stage and to build economic recovery.

My Department's main financial mechanism to support the sector is the rural development programme, which includes the processing and marketing grant scheme and the supply chain development programme. Together, those schemes are worth over £23 million. We provide programmes of education, lifelong learning and technology transfer, while DARD-funded science and research programmes are vital for innovation. The Department is also responsible for the implementation of the common agricultural policy across the North of Ireland, which injects in the region of £300 million into the agriculture and rural economy each year.

Working in collaboration with others, such as Invest NI, the Department of Enterprise, Trade and Investment (DETI) and the Department for Employment and Learning (DEL), I am sure that we can ensure the continued growth of the sector and, in doing so, strengthen our economy. Given the important role that the sector has to play in all our futures, the Executive need to take a strategic, long-term approach. To that end, I will work closely with others in the Executive on proposals for the future of the sector.

Mr McCarthy: I agree entirely with the Minister. The Minister will be aware of the excellent produce that comes from the Strangford constituency, including Comber spuds, Portavogie prawns, Glastray Farm ice cream and much more. The Minister mentioned various Departments, but what consideration has she given to promoting the agrifood sector through local councils in all areas of Northern Ireland?

Mrs O'Neill: I thank the Member for his question. You will be glad to hear that I had

Comber spuds from McKee's farm last week, and they were great. It is key that I work cross-departmentally. However, the Member makes a valid point about what councils can do to promote produce that comes from their area. We have a collective responsibility in that regard, and I am happy to look at it.

Mr Campbell: The Minister talked about the important role of the agrifood sector. In response to a previous question, she also talked about the growth in the number of people working in the agrifood sector. Can she outline the extent to which we have seen growth in the agrifood sector compared to our counterparts in England, Scotland and Wales?

Mrs O'Neill: The agriculture sector looks very favourable right across the board, no matter where you come from. In a recent economic report, agriculture was second only to manufacturing in growth terms. We welcome that very much and want to continue to build on it, but it will take a combination of research and investment and encouraging more people to get involved in agrifood and train for that line of work. It is very promising. I do not have statistics or figures for England, Scotland, Wales or anywhere else, but, if the Member wishes, I am happy to forward those to him.

Mr P Ramsey: I thank the Minister for her responses. Will the Minister outline her Department's strategy to reduce costs and create jobs in the sector?

Mrs O'Neill: Obviously, reducing costs in the sector is not just down to my Department; it is for the sector as well. I am always happy to work and support the sector. I know that I keep talking about it, but scientific research will be key to improvement. We can effect efficiency savings by doing things better and helping the sector to do things better. The farm modernisation programme, for example, helps farm families to invest in technology, moves things along quicker and reduces costs. Those are all positive things that are happening.

Agriculture: Bureaucracy

4. **Mr Ó hOisín** asked the Minister of Agriculture and Rural Development to outline the ways in which the bureaucratic burden on farmers could be reduced. (AQO 122/11-15)

Mrs O'Neill: As I indicated previously, I have a keen interest in this area of work. Reducing

red tape can benefit both the industry and my Department. I want to build on the work done by my predecessor, which is being taken forward under the better regulation action plan. The new period of government that we have entered gives us the opportunity to look again at particular areas and listen to fresh ideas. That will ensure that nothing is left unchallenged and that our customers' concerns are addressed directly.

The industry has played its part up to now, but I want more engagement. A feedback facility is now available on my Department's website, which allows individual customers to let us know about specific areas of administrative burden that they would like to see challenged.

The feedback form allows for a constant channel of communication to be kept open between officials and individual customers. It is a simple, fast and inexpensive way of getting in touch with the Department, with an assurance that topics raised will be looked at from a simplification viewpoint and responded to by my Department's better regulation unit.

2.45 pm

I have also asked my officials to identify any additional areas in which we can collaborate further with other Departments to simplify the range of inspection processes for our customers. Any reduction in the number of required visits to businesses is to be welcomed, and that work will press for a simplification of different inspection services.

The industry is well aware of the tight restraints under which we are obliged to regulate, but there is always scope for making changes and improvements that customers will feel on the ground. I want to see more initiatives that will bring the Department closer to its customers and ensure that it is listening and responding to their needs.

Mr Ó hOisín: Go raibh míle maith agat, a LeasCheann Comhairle. Go raibh maith agat, a Aire, as an fhreagra sin. What other Departments could DARD co-ordinate inspections with?

Mrs O'Neill: My Department could perhaps work with the Department of the Environment, the Environment Agency and the Food Standards Agency. We need to further examine work in those areas. There is no point in officials from my Department and other Departments

conducting different tests when it may be possible for us to better co-ordinate that work, with the result that we can save money for all Departments and speed up processes around inspections. There is great potential, but it is something that we will need to work at with the other Departments.

Lord Morrow: There was an announcement recently that there will be a reduction in EU red tape, which will save United Kingdom firms that employ no more than 10 people something like £300 million a year. How does the Minister envisage that impacting on the farming community in Northern Ireland? What savings does she see the community being able to avail itself of?

Mrs O'Neill: I do not have any figures with me on amounts of money that that will save, but any measure that reduces red tape is to be welcomed. The farming industry is calling out for it, and a lot of work was done on that issue by my Department during the previous mandate. We need to take the regulations set down by Europe very seriously and work within them, but anything that reduces bureaucracy is something that we should take forward. We will work within European restraints and look at what we can do to improve things in our own systems.

Mr McGlone: Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a freagra. I thank the Minister for her response. Will the Minister provide us with some specific detail about the representations that have been made by her or her Department to the Westminster Government or the EU on the reduction of unnecessary bureaucracy and red tape for farmers?

Mrs O'Neill: I thank the Member for his question. I have yet to meet my counterpart in England, but I have corresponded with him through the Department. I intend to meet him in the future, and this issue will be on the agenda of that meeting. I recently met Simon Coveney, my counterpart in the Twenty-six Counties. By meeting, we can share experiences, the work that is going on in our various Departments and ways in which we can best impact on our industries.

Mr Allister: The answer given by the Minister today could have been exactly the same answer that was given four years ago, and, in the interim, nothing has changed or improved. Specifically, what has her Department done

in response to the Davidson report on gold-plating?

Mrs O'Neill: I thank the Member for his question. However, I do not agree with his assertion that nothing has improved. Things have improved, and, for example, the better regulation task force took forward a number of recommendations from the industry, and it was concerned with how the Department and the industry can work together to improve things. Therefore, it is wrong for the Member to say that things have not improved. Is there more room for improvement? Absolutely, but that will come in time, and I have instructed my officials to look at all the regulations and what we can do to improve things.

Rural White Paper

5. **Mr McNarry** asked the Minister of Agriculture and Rural Development for an update on the draft rural White Paper action plan. (AQO 123/11-15)

Rural White Paper: Healthcare

13. **Mr Flanagan** asked the Minister of Agriculture and Rural Development how the rural White Paper will improve the rights of rural dwellers, particularly in relation to healthcare. (AQO 131/11-15)

Mrs O'Neill: With your permission, Mr Deputy Speaker, I will answer questions 5 and 13 together. The public consultation on the draft rural White Paper action plan closed on 13 June, and my officials will shortly begin engaging with other Departments to consider the outcome of the consultation.

The rural White Paper action plan is an Executive document that is aimed at improving the well-being of rural communities, and it contains specific commitments by all Departments across a wide range of rural issues and challenges. Those include issues relating to access to services, rural transport, the speed and quality of rural broadband, poverty and social exclusion, and tourism.

Rural areas face many challenges, particularly in relation to the growth of the rural economy and ensuring equity of access to key services for rural dwellers. Our resources are limited; therefore, we have to target them to ensure the maximum benefit for rural communities. The rural White Paper action plan shows that

the future of our rural communities is very important to the Executive and that we value the contribution of our rural areas to wider society. It also demonstrates that the Executive are committed to taking action to address the challenges facing rural areas and to improve the quality of life for rural dwellers. That includes a commitment by the Department of Health, Social Services and Public Safety (DHSSPS) to take account of the needs of rural communities in the implementation of health improvement and promotion strategies and to explore the impact of rurality, isolation and deprivation on health inequalities.

Healthcare is an important issue to us all, but access to good healthcare is a particular issue in rural areas, where people are more isolated. The Patient and Client Council's report 'Rural Voices Matter', which was launched on 7 June, clearly articulates the concerns that rural dwellers have about accessing healthcare. Some of the difficulties are multifaceted. In many cases, rural dwellers have to travel some distance, often with limited public transport provision, to access healthcare provision. Although my Department cannot single-handedly resolve all the challenges facing rural communities, I will work with my ministerial colleagues to ensure that rural people continue to have access to quality key services, including good healthcare.

Mr McNarry: I thank the Minister for her answer and welcome the fact that her officials will shortly engage with those in other Departments. Now that the consultation is over, can she tell us what specific targets she looks forward to seeing emerge from it?

Mrs O'Neill: The consultation has closed, and a total of 26 responses were received. They include responses from a number of councils, environmental organisations and rural community representatives. Responses from the public consultation indicate a range of opinions on the vision for rural communities and the securing of commitments from other Departments. Our success in producing the first cross-cutting document for rural areas was commented on very favourably.

The views expressed indicate the need for more work to be done with other Departments to develop more specific and more measurable targets; clear linkages between priority policies and actions; and more focus on

sustainability and the environment. After this period, I will have to take the action plan back to the Executive to get a recommitment from all Ministers that they are on board and committed to taking it forward. Implementing this plan will take cross-departmental working and commitment from all Ministers in the Executive. It will be an Executive project, but my Department will be in the lead, and I want to monitor progress closely.

Mr Flanagan: Go raibh maith agat, a LeasCheann Comhairle. How will the rural White Paper action plan help ensure the sustainability of rural communities?

Mrs O'Neill: The rural White Paper action plan is the first to deal with a range of rural issues for which responsibility cuts across all Departments. The commitments made by Departments in the action plan demonstrate that the Executive have a commitment to ensuring that the particular needs of rural communities are addressed. I am committed to working with my ministerial colleagues to ensure that there is a focus on rural issues and challenges, and that a more integrated approach is adopted across Government in addressing issues that impact on the sustainability of rural communities. It is everybody's business to ensure that rural communities are sustainable for the long term.

Mr I McCrea: The Minister is more than aware that public transport in my constituency is not as good as people expect it to be. She knows that, as we represent the same constituency. Will the Minister assure the House, and the constituents of Mid Ulster, that she will work with other Ministers, especially the Regional Development Minister, to enhance transport for rural dwellers? That is especially important given the libraries that are up for closure and the difficulties that people have in getting back and forth to libraries.

Mrs O'Neill: I thank the Member for his question. I am very aware of the challenges faced by the people of Mid Ulster. The action plan identifies a number of different areas to be looked at, and transport is key to that. We need to see more joined-up transport services in rural areas and to use what is there more wisely. We need to be involved in developing local transport plans.

It is all well and good to have a bus service that runs from Coalisland to Dungannon, but if you cannot get from Brockagh to Coalisland, the

service is not accessible. Yes, I am committed to working with the Department for Regional Development (DRD) and with any Minister who wants to work with me for the betterment of anyone who lives in a rural community. Transport is one of the key issues in the action paper.

Mr D Bradley: Go raibh maith agat, a LeasCheann Comhairle. Mo bhuíochas leis an Aire as na freagraí a thug sí go dtí seo. An bhféadfainn a fhiafraí di cad é a buiséad atá curtha i leataoibh ag a Roinn don tréimhse rialtais seo le haghaidh cur i bhfeidhm an Pháipéir Bháin ar ghnóthaí tuaithe?

What budget has the Minister's Department set aside for the implementation of the rural White Paper?

Mrs O'Neill: There is no separate budget set aside for delivering the actions contained in the rural White Paper. That is because the sponsoring Department for each action that has been noted will take responsibility for it. I assume that the cost of implementing all the measures was factored into each Department's budget when the commitment was made in the previous term of the Assembly.

E.coli: Imports

6. **Mr G Robinson** asked the Minister of Agriculture and Rural Development whether the import restrictions imposed following the E.coli outbreak in Germany have had any impact on farmers. (AQO 124/11-15)

E.coli: Impact on Farmers

14. **Mr A Maskey** asked the Minister of Agriculture and Rural Development what impact the recent outbreak of E.coli in Germany might have on farmers. (AQO 132/11-15)

Mrs O'Neill: Go raibh maith agat, a LeasCheann Comhairle. With your permission, I will answer questions 6 and 14 together.

My Department's view, after engaging with industry key players, is that the import restrictions that followed the unprecedented crisis as a consequence of the outbreak of E.coli in Germany have had minimal impact on local farmers. I understand that the German authorities have indicated that the vehicle for infection is a mix of sprouted seeds from a market gardening business.

Views from the industry, including local salad producers, have been varied. One significant lettuce producer reported a drop in sales to retail multiples and noted that recent orders have shown marked fluctuations in comparison with historic data for lettuce and celery sales for this period. Others did not notice any change in salad orders and noted that recent cool weather and the lack of summer weather would normally lead to a downturn in salad sales. Local growers supplying fresh produce to small retail outlets have not noted any significant fall in salad sales. They said that it cannot be attributed to the poor weather conditions. So, opinions vary. My officials will keep the situation, and any potential effect on our producers, under review.

Mr G Robinson: When does the Minister propose to lift the restrictions that are in place because of bluetongue now that they have been lifted on the mainland?

Mrs O'Neill: The restrictions will be lifted from 5 July or 6 July; I would need to double-check. That applies here as well.

Mr A Maskey: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for her response to both questions. Are the Minister and the Department satisfied that we would be appropriately equipped to deal with such an outbreak were that to occur here?

Mrs O'Neill: I thank the Member for his question. The Food Standards Agency is the competent authority for food safety and legislation, and would take the lead on food-poisoning outbreaks. However, my Department works closely with the Food Standards Agency and conducts primary production hygiene inspections on its behalf.

The EU food hygiene regulations in force since 1 January 2006 extended the farm-to-fork approach to food safety legislation. That applies to food businesses throughout the supply chain, including our farmers and growers. Farmers and growers need to follow good hygiene practice and manage their operations in a way that controls food safety problems. They must continue to comply with other legislation on, for example, veterinary medicines and pesticides.

Mr Swann: Will the Minister tell us what her Department is doing about biosecurity measures, given that, between 1 and 7 June, there were two instances of 34 cattle being imported from bluetongue zones in mainland Europe?

Mrs O'Neill: That is not relevant to the main question, but I am happy to take that up with the Member later. Biosecurity is very important to my Department and is something that we are very mindful of.

Health, Social Services and Public Safety

Mr Deputy Speaker: Question 1 has been withdrawn.

Primary Care Centres

2. **Mr McElduff** asked the Minister of Health, Social Services and Public Safety to outline the work that is being undertaken by his Department to facilitate the delivery of health services through primary care centres, including general practitioner practices in Carrickmore and Fintona. (AQO 135/11-15)

Carrickfergus and Larne: Health Centres

3. **Mr Beggs** asked the Minister of Health, Social Services and Public Safety when new health and care centres are likely to be built in Carrickfergus and Larne. (AQO 136/11-15)

3.00 pm

Mr Poots (The Minister of Health, Social Services and Public Safety): Mr Speaker, with your permission, I will answer questions 2 and 3 together.

I have a major programme of capital projects that I want to progress within the constraints of the existing Budget 2010 allocation. I have asked the Strategic Investment Board (SIB) to consider methods by which capital allocation could be supplemented. To date, a number of health and care centres have opened and are providing a range of services. I am keen to consider how we can develop that type of integrated service delivery to provide more care locally and reduce the pressure on our hospitals. The Department has completed a capital priorities review, which has proposed key projects to progress over the next four years. I am currently considering its recommendations.

Mr McElduff: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his answer. His emphasis is on capital

requirements. My question cited Carrickmore and Fintona, both of which have capital requirements for the future, but my focus is on services in the meantime. I ask the Minister to work in partnership with the Western Trust to consider the reinstatement of the minor ailments scheme, which allows patients to go directly to a pharmacy without having to go to a health centre for a prescription. Secondly, I ask the Minister to consider, as part of his chronic disease management arrangements, the introduction of a pulmonary rehabilitation service and a smoking cessation clinic in Carrickmore. Generally, those services would apply to other rural health centres.

I thank the Minister for his latitude and you for yours, Mr Deputy Speaker.

Mr Deputy Speaker: I hope that you got all your points in.

Mr Poots: It is somewhat ironic that I, as Minister, would like to do more for the Member's constituency than he wants to do himself. I am looking at how I can deliver the centres in Fintona and Carrickmore. I am not just looking at the services that are provided; I am looking at providing quality centres for people to work in. I have asked the SIB to assist me, because I am not happy with the budget that I have been given for the capital project roll-out. We need to deliver more, and I am looking at doing so innovatively.

It is important that we review the minor ailments scheme, because, far too often, people are encouraged to take free prescriptions when they would not normally do so, which means that pharmacists can get money for delivering that service. In this instance, you do not need a prescription for every ill.

Mr Beggs: The East Antrim constituency, which stretches from the glens to Jordanstown/Whiteabbey, does not have a minor injuries unit, never mind an acute hospital. Does the Minister recognise that the health centres at Taylors Avenue in Carrickfergus and Gloucester Avenue in Larne are lacking in certain areas and have maintenance problems and design issues? Does he understand that, if they were improved, fewer people would have to travel to Antrim Area Hospital for treatment and pressure would be taken off the hospital?

Mr Poots: Quite unusually and somewhat scarily, I agree with the Member. It is clear that

we can do considerably better. We need modern and well-equipped facilities for our hospital staff to deliver in and for local people to use. At this early point as Minister of Health, Social Services and Public Safety, I have decided that the delivery of more services at a local level is critical. Primary care centres give us the opportunity to deliver a lot of those services at that level and mean that people do not have to attend A&E units.

On the flip side, many of the key services that people require will be provided at a regional level. Specialisms and expertise will probably be provided regionally, but we could do so much more to keep people out of A&E. A lot of the pre-meds for operations and so forth could be provided at primary care centres, which is why I am keen to look at how we can roll them out across the Province, as was the plan in 2006.

Mr Dunne: Congratulations to the Minister on his appointment. What capital budget does he have available for this financial year, 2011-12?

Mr Poots: In total, I have £851 million to spend: £260 million has already been committed to critical care and maternity at the Royal; £348 million is for ongoing expenditure, which involves maintaining existing services, equipment, vehicle replacement, drug stockpiles and information and communication technology (ICT); and the remaining £240 million is to address all the new investments that are required. So you can see that the budget is actually quite limited in overall spend over the next four years. It is critical that we introduce other sources of revenue and funding if we are to upgrade the health estate. I am totally committed to doing that.

Mr Deputy Speaker: Before we move on, I know that the Minister was quite happy to answer that question, but I ask Members to make sure that, in future, their question is linked to the original question.

Allied Health Professions Strategy

4. **Mr Dallat** asked the Minister of Health, Social Services and Public Safety for an update on the proposed allied health professions strategy and when it is expected to be issued for consultation. (AQO 137/11-15)

Mr Poots: I thank the Member for his question. My Department is working with key stakeholders and has developed a draft strategy for allied

health professionals (AHP) in Northern Ireland. That strategy will provide a high-level road map for professionals in the statutory, voluntary, community and independent sectors over the next five years. It focuses on the roles and responsibilities of the AHP workforce and on how they can be delivered to facilitate the planning and delivery of the AHP practices that support the health and social well-being of the population of Northern Ireland. I expect to issue the document for public consultation before the end of this month.

Mr Dallat: I thank the Minister for his answer and wish him well for the future. I look forward to meeting him in Coleraine shortly. What steps is he taking to reduce the very significant waiting lists for people who require physiotherapy?

Mr Poots: Although I recognise that the number of people on waiting lists has improved over the past number of years, at 31 May, 3,629 people who had been waiting for nine weeks or longer since referral until commencing treatment were still waiting. That is a standard that we need to improve, and we will certainly ask questions about how we can further improve it. I think that there needs to be some change to how work is carried out in the AHP sector, and I want to look at how we use occupational therapists in particular and ensure that we make full use of occupational nurses and so forth. That may reduce some of the occupational therapists' workload and could speed the process up. For example, I know that people who are waiting for adaptations to make homes habitable have to wait far too long before that work happens.

Ms Gildernew: We welcome and look forward to the publication of the strategy. Given that this is very much a front line service, to what extent has the Minister looked at the excellent co-operation that exists in organisations such as Cooperation and Working Together (CAWT) to see how we can improve services by working with counterparts across the border?

Mr Poots: I have indicated that I do not have a particular issue with working with counterparts across the border where qualitative health results come from such work. I think that the financial circumstances of health colleagues across the border is one of the issues that we have in working with them. Even from initial conversations that I have had, it would appear that there is limited ability to buy into services

that we might be able to provide for people south of the border, therefore making it much more difficult to develop anything on that front.

Mr D McIlveen: The Minister will no doubt be aware that, in Scotland, physiotherapy self-referral has freed up some savings. Will that be in our strategy?

Mr Poots: We are very well aware of the pilot schemes that have been in place in Scotland and England. We are taking a very close look at those pilot schemes with a view to applying them in Northern Ireland if they have a successful outcome.

Tooth Whitening

5. **Mr Weir** asked the Minister of Health, Social Services and Public Safety whether it is legal for individuals who are not registered as dentists to perform tooth-whitening procedures. (AQO 138/11-15)

Mr Poots: The practice of dentistry is regulated by the General Dental Council (GDC) under the Dentists Act 1984. It is the GDC's view that tooth whitening constitutes a practice of dentistry and should be carried out only by trained, registered and qualified dental professionals. The GDC defines the dental professionals who can carry out tooth whitening as dentists, dental hygienists or dental therapists working under the prescription of a dentist if they have the necessary additional skills. Anyone who performs tooth-whitening procedures and is not one of the dental professionals as defined above will be practising dentistry illegally.

Mr Weir: I, too, welcome the Minister to the podium. There has been a high level of criticism by dentists of the new dental regulatory system operated by the Regulation and Quality Improvement Authority (RQIA). Have you been in contact with the RQIA to discuss the matter?

Mr Poots: I have met the RQIA over the range of work that it does, but we did focus for some time on this issue. There are fundamental problems with how the registration was being rolled out. In the first instance, it was being carried out to the same legislation as was required for private hospitals. That, in itself, is not a problem; that enabled things to happen. However, there were about 80 regulations within that, about only 15 of which applied to dentistry. There appeared to be a problem with dentists not knowing exactly which one should

and should not be in. Therefore, dentists were spending far too much time trying to identify which was which. I indicated to RQIA that that was not a satisfactory situation and that it should identify the areas that the dentist should respond to and provide templates so that we could smooth the system out.

Mr Flanagan: Go raibh maith agat, a LeasCheann Comhairle. To avoid increasing the number of non-registered dentists, will the Minister look again at dental provision in County Fermanagh, where a recent survey from the Patient and Client Council indicated that only 37% of people rated the current provision as satisfactory?

Mr Poots: There has been a significant roll-out of dentistry across Northern Ireland through the Oasis project. It is not good for Northern Ireland and is, in fact, counterproductive not to have adequate numbers of NHS dentists, because the costs borne later by the Health Service in dealing with people who develop much greater problems that could have been addressed in the first instance are prohibitive. Therefore, it is in our interests to ensure that dentists are available to the public. However, I welcome the fact that many more dentists are available to the public than was the case a number of years ago, and some good work has been done by the Department on that front.

Mr McCallister: I welcome the Minister to his first Question Time. Will he say whether his Department has the power to look into the quantity, quality and benefit of tooth-whitening products?

Mr Poots: Tooth whitening is paid for by the individual clients of dentists, and it went through a considerable amount of European Union regulation. You can use the material only up to a particular volume and so forth. It is really a matter between dentists and their clients, and, if the client wishes to have it, then they can choose to buy it from the dentist. RQIA has its regulatory process to ensure that everything is carried out correctly. That is something that the Department and the House have agreed, and it will continue to be enforced.

Public Health Agency

6. **Mrs Overend** asked the Minister of Health, Social Services and Public Safety whether he is committed to the retention of the Public Health Agency. (AQO 139/11-15)

Mr Poots: In the short period that I have been Minister of Health, Social Services and Public Safety I have already noted the impressive range of work carried out by the Public Health Agency. In the public sector, I remain in favour of clear, lean management and accountability structures. So, I want to take more time to consider how effectively the Public Health Agency works with other health and social care organisations.

I do not believe that, in the short term, further major significant structural upheaval will benefit the system. However, it must be clear that the important issue is our commitment to investing in a public health agenda and services rather than becoming too caught up in the structures through which the investments are delivered. I have already made clear my intention to allocate an increasing percentage of the overall health budget to public health over time and to work constructively with other Ministers on what, I believe, is a shared agenda to improve the health and well-being of our population and to tackle inequalities in health.

3.15 pm

Mrs Overend: Thank you very much for your answer. Does the Minister accept that, since its inception, the Public Health Agency has brought about a renewed and enhanced focus on public health and well-being?

Mr Poots: Yes I do. There has been much work of value carried out by the Public Health Agency, and there is much more to be done. That is why I wish to invest more money in public health awareness. A lot of that will not actually deliver for us within our budget period or within the next few years but is a generational thing. If we do not invest now, we will have a less healthy population than we should and a huge cost burden on future generations in relation to health. The work of the Public Health Agency is absolutely critical.

Mr Humphrey: I welcome the Minister to the Dispatch Box in his new role. Will he confirm that he is committed to the retention of the A&E unit at the Mater Hospital in north Belfast?

Mr Poots: That is slightly off the topic of the Public Health Agency. Nonetheless, there appears to be a rumour that the A&E unit at the Mater Hospital is about to close. I want to dispel that rumour. We are looking at services right across Northern Ireland. People can speculate on what will remain

and what will change. There will be changes, but there should be no speculation about any particular facility at this point, because no decisions have been made at this point. The Mater Hospital provides a vital service in the city of Belfast to many thousands of people every year. It is an essential service that is being provided. Change would only happen in that instance if it were to clearly deliver significant benefits, and that may be difficult to demonstrate. Let us just take our time and see what happens when we carry out a review of our services at a clinical level and take things from there.

Mrs D Kelly: I thank the Minister for his answer and wish him well with his new portfolio. Minister, I welcome your commitment to investing in public health during your stewardship of this Ministry, but have you given any thought to the role that the community and voluntary sector plays in safeguarding and promoting good health among the public?

Mr Poots: It is absolutely critical, as we roll out RPA, that we work closely with communities. Community planning is one area in which the Department can work closely with local authorities and the local community in delivering on community planning. We have the commissioning groups, in which local GPs and pharmacists are involved. We need to ensure that we identify patient needs, and the community will play a key role in doing that.

DHSSPS: Public Services Training College

7. **Mr I McCrea** asked the Minister of Health, Social Services and Public Safety when he will be in a position to confirm that his Department's input to the Desertcreat business case has been approved to allow the Department of Justice to submit the full business case to the Department of Finance and Personnel for consideration. (AQO 140/11-15)

Mr Poots: As a result of Budget 2010, the Executive committed the full capital funding for the project through the Department of Justice budget, thus removing the need for the consideration of affordability by my Department from a capital perspective. I have considered the affordability from a running cost perspective, and I can confirm that I am supportive of the project and that it remains affordable within my current revenue budget. The Department of Justice

has been informed, and my Department's input to the business case is, therefore, complete.

Mr I McCrea: I thank the Minister for once again delivering services that the previous Minister failed to deliver. Can the Minister detail what negative impact the decision that he has taken will have on the rest of his Department's budget? Will he also detail when he hopes that the doors on the new facility will open?

Mr Poots: We are looking at opening the new facility in early to mid-2015. Northern Ireland Fire and Rescue Service will incur additional annual revenue consequences of around £185,000, which it can find within its own budget, in areas such as ICT and fleet. Holding back a project to the value of £140 million because of running costs of £185,000 a year would be foolishness of the highest order. It is not supported by my accounting officer, by the accounting officer in the Northern Ireland Fire and Rescue Service or by me; therefore, we are happy to work with our colleagues in the Department of Justice in ensuring that that project can now go ahead without any further delay. As I said, we hope to have the facility up and running by 2015, so that our fire officers will no longer have to travel to England for training that they can receive in mid-Ulster.

Mr McGlone: I thank the Minister for his clarification of this matter. However, there is one thing that I did not pick up. What was the total financial commitment to the running costs, and what is the purpose of that commitment?

Mr Poots: Our total commitment to the running costs will be around £3,600 million — or, rather, £3,600,000; the former figure would be a bit much. The money will largely be spent on training fire officers to the highest specification. Currently, we cannot do that in Northern Ireland. We have to allow fire officers to travel across to GB for the appropriate training. The new facility will stop that practice and will provide a more efficient service and better-trained fire officers. All in all, it is a sound investment in the Fire and Rescue Service in the interests of public safety. I welcome the opportunity to move the matter forward.

DHSSPS: Current Funding

8. **Mr Kinahan** asked the Minister of Health, Social Services and Public Safety how he intends to close his Department's current funding gap of £150 million. (AQO 141/11-15)

Mr Poots: I have asked for information on all realistic and deliverable options for cost savings in all aspects of my Department's work. It is a matter of urgency that I am able to make informed decisions on the issue. My first consideration will be to ensure that we sustain the best possible service to the public. I want to secure as much as possible from further genuine efficiencies and from service changes that have a positive effect on quality of service. I welcome the assistance that performance and efficiency delivery unit (PEDU) will provide in carrying out that task. It will include benchmarking some current in-house services against alternative providers to establish whether the same or better quality can be secured at a lower cost. At this stage, I cannot rule out the possible need for some additional charges or other policy changes, but I am determined to do all that it is reasonably possible to do to minimise any future requests for additional resources from DFP.

Mr Kinahan: I welcome the Minister to his new role. We will miss the occasional little spats that we had with him when he was Minister of the Environment. He has not really answered the question about the £150 million, although he indicated that additional charges might occur. Did he learn anything from his trip to Antrim Area Hospital last week that may help him to close the gap?

Mr Poots: I am not sure whether I learned anything from the trip to Antrim to help me to close the gap. I learned that a lot of staff members are working under significant pressure to provide a service to the public who use that hospital. A lot of credit goes to those staff members, who provide that service daily. We are committing an additional £13 million to Antrim Area Hospital to provide a better facility for those excellent staff to work in.

One of the problems that I have is that we are now three months into the financial year. For whatever reason, knowing the budget that he had, the previous Minister decided that he would not allow his staff to identify how they would save money. Money could have been saved in this financial year, but we got started on that challenge only when I took up office. We are looking at pharmacy efficiencies — the use of generic drugs — to save around £30 million; efficiency savings from the smaller arm's-length bodies and the Department of £32 million; cost pressure rescheduling of £10 million; and £13 million from Agenda for Change accrual. We will

look at other one-off measures that will not have a read-across to future years. Although I am confident that we can deliver in this financial year, next year poses a greater challenge. There is work to be done, and we need to get down to it. Since I came into office, my staff have got down to it.

Mr Campbell: I also congratulate the Minister on his appointment, and I thank him for the decision that he took at a very early stage in his tenure on the radiotherapy unit at Altnagelvin, which, when completed, will benefit people in the north-west. Will he confirm that, contrary to rumours and speculation at the time, the decision will not impact adversely on the Department's funding regime?

Mr Poots: I will certainly confirm that, because capital funding for the project was set aside. The issue was with recurrent expenditure. When people with cancer come to a doctor, the response is to treat it. Irrespective of whether treatment is carried out at Altnagelvin Hospital or Belfast City Hospital, there is a growing demand for that type of service, and, therefore, we need to meet that demand. If cancer were not to be a priority in the Health Service, something would be fundamentally wrong. While I am Health Minister, it will always be a priority.

Mr Brady: Go raibh maith agat, a LeasCheann Comhairle. Will the Minister reassure us that, in his efforts to close the funding gap, front line services, particularly domiciliary care, will not be adversely affected?

Mr Poots: I thank the Member for his question. Ensuring that front line services are not affected as a result of the financial pressures that we are under is certainly very high on our agenda. The more we can provide care in the community, the better will be our prospects of meeting budgets in future years. Therefore, to me, withdrawing funding from domiciliary care is not a particularly wise investment. It is much more cost-effective to keep people in their own home than in a nursing home or, worse still, a hospital. Furthermore, it is much better for individuals to stay in their own home. Where possible, it is most people's choice, so let us ensure that we have service levels that allow people to choose to stay in their own home and, given their circumstances, to have a reasonable quality of life.

Cervical Cancer: Screening

9. **Mrs Lewis** asked the Minister of Health, Social Services and Public Safety what action his Department is taking to encourage more women to participate in screening programmes for cervical cancer. (AQO 142/11-15)

Mr Poots: The Northern Ireland cervical screening programme is offered to all women aged 25 to 64. Currently, 76·8% of women attend their cervical screening appointments. In 2000, the uptake rate was 69·3%. The Public Health Agency has undertaken a range of initiatives to promote cancer screening and improve uptake. Recent measures include update training sessions for 300 health professionals in March 2011; the publication of new information leaflets in January 2011; and press releases at key times of the year, such as during Cervical Cancer Prevention Week. The agency is undertaking work to explore inequalities in the uptake of cancer screening programmes and to determine how those inequalities can be addressed. My Department will continue to work with the agency, the voluntary sector and other stakeholders to increase participation in the cervical screening programme.

Mrs Lewis: I, too, welcome the Minister to his new role. What is his assessment of the significance of cervical cancer in Northern Ireland?

Mr Poots: It is significant, particularly for people diagnosed with it. On average, 80 women a year are diagnosed with cervical cancer, more than half of whom never had a cervical smear or did not attend regularly for screening. There are 20 to 30 deaths per annum from cervical cancer in Northern Ireland.

All credit must go to the Public Health Agency for increasing the uptake rate from 69·3% to 76·8%, but, if we could drive that rate up further, I have no doubt that the number of women diagnosed with cervical cancer would fall considerably below 80. As a result, the number of women who die from it would be driven down as well.

Ms Ritchie: Will the availability of tests for human papillomavirus (HPV), which is associated with cervical cancer, increase? Will the Minister outline the cost benefits of such testing and its benefit to patients?

Mr Poots: First, we have the immunisation programme for HPV, for which there has been good uptake among the young population. That is good news. For example, in 2008-09, the uptake in year 9 schoolchildren was 90%. I believe that that will deliver real and significant benefits in future years.

3.30 pm

It was announced that, from April 2011, the cervical screening programme in England would incorporate HPV testing. The HPV test is done to identify whether a high-risk type of HPV is present. In women, high-risk types of HPV cause changes in the cells of the cervix, which can be seen as abnormal changes in a cervical smear test. In all of that, we will watch what is happening in England and identify the success of it. It may be something that we will give consideration to doing in due course.

Ms Boyle: Go raibh maith agat, a LeasCheann Comhairle. Is the Minister aware that the Western Health and Social Care Trust is carrying out a pilot to test for HPV? Will he consider rolling out similar projects in other trusts throughout the Six Counties?

Mr Poots: If the pilot is successful, we will consider rolling it out across Northern Ireland. If there are real benefits to be had, that is something that we want to develop. It is better to treat people and prevent them from getting cancer than have to deal with the problem after it happens.

Executive Committee Business

Budget (No. 2) Bill: Second Stage

Debate resumed on motion:

That the Second Stage of the Budget (No. 2) Bill [NIA 1/11-15] be agreed. — [The Minister of Finance and Personnel (Mr Wilson).]

Mr Flanagan: Go raibh maith agat, a LeasCheann Comhairle. I am very glad to be here to participate in the Budget debate. The vast majority of discussions that are taking place on the future economic success of this part of Ireland lie around the possible devolution of corporation tax-setting powers and a possible reduction in such rates of tax. However, what has often been missing from the debate has been the potential for other factors that will grow our economy substantially. The future success of our economy lies with the people who live here — *[Interruption.]*

Mr Deputy Speaker: Order.

Mr Flanagan: — and the people who have not yet been born here. If corporation tax were to be cut, we could not realistically expect huge multinational companies to redirect all of their operations here and, with it, secure the long-term economic prosperity of this part of Ireland. We need to ensure that small and medium-sized businesses that are already in operation are given the full support that they deserve. We need to ensure that people who are interested in starting their own businesses are given financial and practical support. That is particularly important in disadvantaged communities and among our young people.

In such disadvantaged communities, rates of unemployment and emigration are very high. Emigration is a problem that has once again returned to these shores. In the South, up to 1,000 people are leaving every week. Comparable figures for the North are unavailable. It is for that reason that I welcome the inclusion in the Budget of some £19 million for a short-term employment measure. The measure will provide grants to young people and people who live in neighbourhood renewal areas. We also need to look at how the social investment fund can be best used to create jobs in disadvantaged areas.

We need to ensure that adequate support is provided to companies to enable research

and development and to encourage export-led companies. There is, however, an ongoing concern about the failure of the British Government to face up to their obligations from St Andrews to inject some £18 billion over 10 years, which would help to grow our economy and create much-needed jobs. Without that investment for infrastructural projects, many additional and much-needed projects across a wide range of Departments will not be able to proceed, and there will be serious consequences for our society as a whole.

I place on record my disgust at the awarding to an Australian company of a contract to drill for natural gas in west Fermanagh using the very controversial method known as hydraulic fracturing, or fracking. There are potentially trillions of cubic feet of natural gas buried deep in Fermanagh's floorboards. Fracking has the potential to have a serious impact on Fermanagh's environment as a whole.

Mr Deputy Speaker: Order. You need to remember that this debate is on the Budget (No. 2) Bill. Although there are issues of funding around it, we are primarily talking about the Budget.

Mr Flanagan: Go raibh maith agat, a LeasCheann Comhairle. It is part of my contribution to the Budget debate. If you allow me a little bit of latitude, I will return. There are serious —

Mr Deputy Speaker: Order. I will not allow latitude in relation to the Budget debate. The Budget debate is about the Budget, not about other issues that may affect constituencies in various different ways.

Mr Flanagan: Go raibh maith agat. An awful lot of natural gas will come from that controversial method. However, there will be no economic or financial benefit for the area as any tax gathered will head straight to London, even though the people here will pay the social price of such a decision. That ridiculous situation needs to be looked at again, and it needs to be done quickly and independently and by experts.

Like much of west Fermanagh, huge areas across the North cannot access mobile phone coverage or a broadband connection of any kind. I am hopeful that the Department of Enterprise, Trade and Investment (DETI) will put in place further measures to address that disgraceful situation. The lack of telecommunications provision is having a huge impact on the economic viability of many rural areas. Farming

and non-farming families alike are affected. It is also adding to the abandonment of our rural areas by young people and is having a huge impact on students who are trying to get a decent education.

Measures also need to be put in place to tackle fuel poverty and to maximise the benefits to our struggling tourism sector of Rory McIlroy's victory in the US Open. As we all know, Rory is the touring professional at the Lough Erne Resort in Enniskillen, and he proudly bears its logo on his collar. That has huge potential for the tourism sector, and we need to seize the opportunity immediately.

I have mentioned briefly aspects that impact on the education sector. It is clear that the education system as a whole faces enormous difficulties, particularly in years 2, 3 and 4 of the budgetary period. The Executive need to work positively and constructively with the Department of Education to deal with those challenges.

Movement on the Education and Skills Authority (ESA) is needed to reduce the impact of reductions in the block grant. The existing system of delivering education in this state is completely out of date. We are now in the twenty-first century and are trying to work within a system that was not fit for purpose in the twentieth century. I look forward with hope to political consensus and movement on an ESA Bill. Without movement on the ESA, we may be unable to find the necessary savings in administration and bureaucracy. Five million pounds needs to be taken from the annual cost of providing transport without impacting on the service that we provide. We need to find savings in how procurement projects are taken forward without there being a further reduction in our capital projects. Such savings can be made only through the creation of a single education body.

We also need to look maturely at how money is put into the education system and assess properly the challenges that lie ahead in the sector. It is clear that the Minister of Education has a difficult time ahead, and many will not envy the task that he now faces.

Mr Humphrey: Does the Member agree that having five systems of education in this country is ridiculous?

Mr Flanagan: Of course I agree, but there are more than five —

To clarify, did you say five systems or five boards?

Mr Humphrey: I was referring to the fact that there are five types of education in Northern Ireland, including Irish-medium schools.

Mr Flanagan: I thank the Member for clarifying that. Of course, the fewer the systems, the less the cost will be. However, we must acknowledge that parental choice plays an important role in how we deliver our education system. There is an onus on the Assembly and the Executive to enable parental choice, and we need to ensure that we all press forward with the needs of the child at the heart of everything that we do.

Mr McQuillan: I welcome the opportunity to speak to the Bill as a member of the Committee for Finance and Personnel and as a Member for East Londonderry. I congratulate the Finance Minister on his reappointment to that position, and I thank the people of East Londonderry for investing their trust in me once again at the polls in May.

The Bill will see the transfer of the remaining moneys until the end of the financial year in April 2012 to Departments and associated agencies. The Bill is necessary as it grants the Minister of Finance and Personnel the authority to do that. Without the Bill's approval, the Departments and all other agencies would not be able to function and would essentially grind to a halt. The next few years will present challenges after the publication of the Tory/ Liberal Democrat comprehensive spending review, which cut some £4 billion from the block grant, not to mention the 40% cut to our capital expenditure budget. That has severely limited the ability of our Government to build new roads, hospitals and schools.

I want our Government to continue to focus on rebuilding the economy, creating jobs and preparing future generations and those out of work for the future economy. Thanks to our able Minister of Enterprise, Trade and Investment, billions of pounds have been generated from investment in local businesses through Invest NI. That must continue, and, in addition, the Department of Education and the Department for Employment and Learning (DEL) must work together to invest in children and young people.

We also need to capitalise on tourism. I represent one of the most beautiful parts of Northern Ireland, where tourism has been vital to development and, in many ways, central

to the local economy. We have hundreds of bed and breakfasts, several hotels, and many catering cottages and apartments. I want my constituency, and Northern Ireland as a whole, to get the most out of tourism, which offers long-term benefits as tourists spend money and contribute to our economy.

Next year will mark the centenaries of the Titanic and the signing of the Ulster Solemn League and Covenant. The Titanic marks a sad period in our history but also a time when Ulster was the industrial world's powerhouse and when Belfast served as the busiest port in the UK. We were also strong when it came to championing engineering and linen, and we can learn much from that period in our history. One hundred years on, we must work to market those two events as that offers a chance to tell the world that Northern Ireland is open for business and is no longer marred by the violence and terrorism that was once inflicted upon our people.

As a member of the Policing Board, I want to see work to ensure that the PSNI receives the funding and resources that it needs to fight the terrorism that continues to blight our Province. That is important, first, for the economy, for all the reasons I have pointed out and, secondly, to ensure that peace and democracy prevails.

Mr McNarry: I begin by giving a genuine welcome to Mr Wilson on his reappointment to his position. It appears that he maybe has two more years to improve the standard of debate in this place to meet his colleague's requirements. I look forward to seeing him do that in those two years.

I know that you are a bit strict about wandering away from the subject, but there is little point today in pushing against a done deal that was agreed in the previous mandate and has been carried into the new mandate. Perhaps on another day when the consequences become clearer and the anticipated painful evidence gathers to expose the Executive's poor Budget package proposals for the next four years, I could then comment.

However, I wish to talk about how the Budget proposals will impact on the delivery of our education service. Undoubtedly, the Finance Minister is managing what is a seriously difficult budgetary situation with multiple difficult choices, which, in more normal circumstances, we would prefer not to have to make and which have become priorities in a scale of one to

three because we no longer have the luxury of prioritising choices in a scale of one to 10. One of those priorities impacts on education, which underpins critical areas such as workforce qualifications and employability, both of which are crucial to our whole economic strategy.

We in here and the pupils, parents and teachers out there all know that surviving with a £300 million shortfall over the next four years will force unpalatable choices and make prioritising an accomplished skill for all financial managers. However, I worry about the ease with which I now hear people in the education authorities who should know better adopting a nonchalant shrug of the shoulder and a “can’t do” attitude towards money as if it now sounds a better excuse than “can do”, “let’s have a go” or “let’s do it”. On three occasions at Committee, I have heard three different issues being subjected to the official line of, “we may not have the resources”, “we do not have the resources” and “we will not have the resources”. It cannot be an acceptable response from officials across the board to use money or the lack of it as an excuse for failing to implement an expected priority. We here cannot stand over a ducking-and-diving mentality when priorities are at risk and when we should know what those priorities are to be. I urge the Finance Minister to ensure that Departments not only control spending but understand the priorities and do not resist them.

I wish Mr Wilson well in monitoring the overspend, which, predictably, I suspect that some Departments are already finding inescapable pressures in dealing with. That having been said, and I say this reluctantly, I cannot see any other avenue but overspend in education if the delivery and the high expectation of customer requirements are to be realised.

3.45 pm

I suspect that this Budget will be reinvented annually for the next four years. It will present education with its greatest ever test. When it comes to it, economic selection will be of far greater importance than falling out over academic selection. With this Budget, we have a situation that could stretch education to the limit of breaking point, structurally and financially. What begins as efficiency cuts become structural cuts — structural cuts that will undermine important and central aspects of a policy. Let us look at making it money well spent, value for money that is put to good use.

Let us dispense if we can, and I hope that we can, with the premature excuses that I hear now. Let us not be sucked into the “pressures on resources” preconditioning that is already going on.

Investment in education produces big returns that are far greater than the amount of money invested. Those returns can be measured in hard monetary and numeric terms, not just in the equally crucial broad quality of life successes. I say to the Finance Minister: with this alleged four-year Budget, we do not have a spreadsheet that can get even close to servicing our education needs as they are priorities. Let me make it clear that we must protect precisely those services that I contend are at risk as a result of the Budget.

It is no secret — the Minister knows it well — that I have previously reacted to and voted against these Budget proposals, but not today. Today, I am advising of my emerging concerns as I get to grips with my new responsibilities in education. As I said, the Budget deal is done. However, the ramifications of it have yet to unravel to further weaken our economy and pin back the delivery of a first class education service. Therefore, I expect the Education Minister to press the Finance Minister and his Executive colleagues hard on the case for financial educational easement. I say “expect” at this stage, because I trust that the need to demand will activate itself quickly once the new Education Minister realises what I am pointing out to him: that this Budget, which his party voted for, means school closures, job losses and school transport cutbacks. Those issues and others will demand solutions for which we will require immediate assistance.

I would prefer that we all learn to accept the wisdom, prudence and lessons in financial investment in education that others have benefited from. Look at research from the United States, where the Perry preschool project tracked children from the 1960s through to the age of 40. That showed that there was a £7 return on every £1 invested. More US research, this time from Harvard University, demonstrates that children who benefit from early years education will earn more, contribute more in taxes, enjoy better health, be less of a burden to the Health Service and make better provision for their own retirement.

I am sure that, as a former teacher, the Finance Minister will be sensitive to my next point. When you cut a school budget, you have to realise that over 80% of that school budget is spent on staffing costs. There is far less flexibility in school budgets than those dealt with in the normal spending Departments. The cuts in the school budget will be 3% to 5% a year over the next four years, and they will impact directly and immediately on jobs. There is no escaping that. What is more, they will impact directly on staff:student ratios and class sizes, which have been identified by educational research bodies, such as the Sutton Trust, as one of the major factors in improving quality of education and academic results. That, in turn, will impact directly on the ability of schools to deliver the Department of Education's own policies of the revised curriculum and entitlement framework and driving up standards in literacy and numeracy.

We know that delivery will be a challenge to all Departments, and none more so than the Department of Education. I trust that the House will resolve to meet the challenges confronting education in a manner that casts aside lamentable lame excuses by putting the education of children today and in the future forward in a way that is not confused or compromised by short-term economic necessity. I understand the Minister's difficulties, and I sincerely hope that his calculations are correct. I ask that education does not fail children due to poor financial management or poor financial calculations because some are adopting a mentality of less will do and, overall, education cannot afford a £300 million shortfall. I am confident that the Finance Minister and the Minister of Education are competent to wrestle with that £300 million shortfall.

I hear murmurs, as I heard during the last four-year mandate, that where there are great needs we will find a way. I heard the Finance Minister allude to such things today, and I hope that he is right. However, I hope that, whatever we find, we find it on the back of policies that the House can agree and support as one and that those priorities will drive us to unite together to support the management that the Finance Minister will try ably to bring through during the next two years that he will be in office and also to support the Education Minister. It is for those children that I make my request.

Ms Gildernew: Go raibh maith agat, a LeasCheann Comhairle. As Chair of the

Committee for Health, Social Services and Public Safety, I advise the House that the Committee met the Minister on 8 June, when it explored some of the challenges facing the Health Department regarding the 2011-12 Budget. The Minister told the Committee that he was facing a shortfall of around £177 million and that he was examining his options to bridge that gap. In order to get into the detail of the Department's finances, the Committee invited senior officials to its most recent meeting. Unfortunately, the officials were rather thin on the detail, and the Committee was left no further on as regards the cash saving options that the Department is seriously considering. Therefore, we have invited the officials to come back on 29 June with precise and up-to-date information, so that we can engage in in-depth debate. After all, that is the role of the Committee, but it needs to be in possession of the full facts if it is to be able to usefully assist and advise the Department.

The Committee will be exploring a number of key areas with the Department. For example, we have been told that the Health and Social Care Board is planning to apply some constraints to services that would, in a normal context, have been subject to prior ministerial approval. The Committee wants to find out what those services are and whether the constraints have been applied yet. Similarly, we understand that trusts are proposing certain actions to contain costs in this financial year. Again, we want to know what those actions are and what their impact will be.

The Department advised the Committee of high-level changes that could contribute to resolving the budget gap for 2011-12. One such change is cash-releasing efficiency measures. However, the Committee needs to know what that means, and it has requested a list of all such measures being considered and their associated cash saving. Another change is the reduction in the scope of services offered to the public. We want to know what services are being considered under that heading, how much they will save, and what areas they are in. Again, we have requested that information from the Department.

The Department also informed the Committee that £32 million of efficiency savings could be made from smaller arm's-length bodies. We would like to know which arm's-length bodies

are involved and the specific area of spend from which those savings could be made.

We realise and appreciate that some changes are more difficult to make than others and that there are short, medium and long-term savings to be made. The Committee, therefore, has asked for a list of options for cash saving categorised according to the period in which they could be realised and whether they require a policy or legislative change. In particular, we need to know more about the options that would release cash within 2011-12 and not require any change to legislation, as we see those as being quick wins for the Department.

One such quick win, which was the subject of considerable discussion and debate at our last Health Committee meeting, was the prescribing of generic drugs and making such prescribing mandatory. We discussed that at considerable length with departmental officials, and members were very frustrated by the officials' insistence that it was a complex matter. We have, therefore, asked the Department to produce a paper detailing the obstacles and complexities of introducing a policy to make the prescribing of generic drugs mandatory for the primary and acute sectors and clarifying whether it would require a change to the legislation. The Castlederg example seems to suggest that it could be done relatively easily and could release substantial cash efficiencies for this year.

Officials mentioned the possibility of no longer providing services whose efficacy has no firm evidence base, and we requested a list of the services being considered within that category. I am concerned that new therapies or counselling services might fall within that category. I would be perturbed and concerned if they did, because we have to remember that drug companies, when evaluating their drugs, have a vested interest in proving that they work. We must also remember that the Health Department is trying to move away the culture of a pill for every ill. As much good work that might fall into that category is being done, we requested that list from the Department and will give it full scrutiny.

In conclusion, I reiterate a point that the Committee made to the Minister. We are here to listen and engage constructively with him. We understand that difficult decisions will have to be made in this budgetary period, and, as a Committee, we wish to offer any advice and help that we can to the Department. However,

to do so, we need to be in possession of all the relevant information, and we are hopeful of a more productive relationship with the Department. We will wait and see. Go raibh míle maith agat, a LeasCheann Comhairle.

Mr P Ramsey: I will raise some issues as the SDLP's employment and learning spokesperson and a member of the Committee for Employment and Learning. We are concerned about a number of areas, particularly the proposed reduction in the Department for Employment and Learning's budget. How can we expect the Department and the Minister to reflect the need for the services that the former is expected to provide with such a serious decrease in its financial resources? From the Budget, we get the idea that the business community will be expected to fund adult apprenticeships. At the same time, however, we know that businesses throughout the region are facing unprecedented hardship, and many are struggling to keep their heads above water.

One provider of the ApprenticeshipsNI programme helps to upskill the labour force of my constituency in Foyle. That provider has achieved great success rates and currently has 208 people involved in an apprenticeship programme. None of its participants are out of work. That should be supported. A programme that keeps people in work and allows them to widen their skills base to support the necessary economic recovery should be encouraged. We should not, as the budgetary allocation presses us to do, cut the lifeline of so many in my constituency of Foyle and beyond who rely on those providers and the wider programme to help them get into the labour market.

(Mr Deputy Speaker [Mr Dallat] in the Chair)

The Department is attempting to formulate a new adult apprenticeship funding plan that must correlate to its allocation. It is imperative now, as it was when the Budget was first brought to the House, that we as an Assembly support economic growth through such programmes as ApprenticeshipsNI. They give the workforce more confidence and enable businesses to compete much more effectively by having people with those skills that readily need prioritising.

4.00 pm

I will move on to the issue of student finance, in particular, the education maintenance allowance (EMA). The Minister has a number of options

available to him, many of which would mean a reduced spend from the Department on EMA. The financial impact of the Budget and the subsequent moneys available will hit that area hard. Furthermore, student fees — always a topical issue and one that we will be discussing next week — remain a huge issue for higher education institutions and potential students. As well as being directly affected by the annually managed expenditure allocated, the Department will also be adversely affected by the reduced overall departmental allocation through the Supply resolution that the Minister provided last week. Granted, the Employment and Learning Minister is working on the proposals available to him, and I know that he intends to bring an options paper to the Executive some time over the summer recess. I do not want to presuppose what he or the Executive intend to do, but we should place on record our position. The SDLP's position is very clear: we are against any rise in student fees.

I want to look carefully at the university sector across Northern Ireland. There is confusion and uncertainty and, even before the impact of the £40 million black hole in the DEL budget — that is what we are talking about — the impact of the existing £28 million efficiency savings at Queen's and the University of Ulster. That sustained underinvestment in Northern Ireland's higher education sector will, no doubt, result in a second-rate, non-competitive university system, not the vision set out in the future of higher education strategy that the Department is looking at.

I want to identify some of the areas —

Mr Wilson: The Member says that the DEL budget is under pressure, that he does not want to raise student fees, that he is concerned about sustained underinvestment in higher education and that cuts are already being made in universities. Where does that leave his party's position? In its response to the Budget, his party suggested that another £20 million a year could be taken from universities.

Mr P Ramsey: Minister, we will vote against any rise in student fees, as you did in Westminster. I sincerely hope that you take the same position. I want to give you a clear indication of our party's concerns about higher education and the impact of that £40 million. We need the Executive to make a firm commitment to higher education across Northern Ireland by

ensuring that that £40 million is covered. If that does not happen, the consequences for higher education in Northern Ireland will be dire. We will see the closure of academic departments, the reduced recruitment and retention of world-class staff and reduced student:staff ratios and contact hours. We will see a reduction in student support services, which are hugely important in encouraging people from different socio-economic groups to participate in third-level education; we will see restrictions on the availability of core facilities such as libraries, which are so important, and university sport and play provision.

Over recent years, there has been a huge increase in the demand for university places in Northern Ireland. We talk about widening access and participation for communities across Northern Ireland. We do not want only those with the highest grades to have access to Queen's and the University of Ulster. There will be so much pressure on families and young people, who may now see a barrier in going to England because of the high fees of £9,000. I have every confidence that our Executive will make the wise decision to ensure that that £40 million is clearly covered in the circumstances.

The significant changes presented to the Department will be compounded by the allocation that we are now asked to approve. I said in the debate before the elections and I say it again now: there is little joined-up thinking in how priorities have been given to DEL to manage. We are asked to believe that cutting positive measures, such as the apprenticeship programme, and simply waiting for people to become unemployed and allowing the employment service to cope with an increased demand is, in some way, going to be effective. It is not.

The Minister and the Executive face many challenges in preparing a new Programme for Government. The SDLP will continue to support the Departments and the Executive when we think that they are making the correct decisions, but let me make it clear: we simply will not support any measures brought forward through the Budget that we see as detrimental to growth, to the labour market and to job creation.

Mr Humphrey: I will begin by congratulating the Finance Minister on his reappointment. It seems that the 'Belfast Telegraph' campaign has won through. I wish him well in his deliberations over

the next number of years. I also congratulate him on the Budget that he has brought before the House in what is an extremely difficult period for this United Kingdom, given the Tory/ Lib Dem cuts. In my view, he has rightly sought to protect front line services, to reduce waste and inefficiency and to support economic activity. At the same time, he has addressed the longer term objective of rebalancing Northern Ireland's economy away from its present dependence on the public sector.

It is impossible to speak on this topic without mentioning the very challenging context in which we are operating. While it is encouraging that the wider United Kingdom economy has returned to economic growth, it is extremely worrying that Northern Ireland as a UK region is lagging behind the country as a whole. The continuing growth in Northern Ireland's unemployment figures — an increase of 6.5% in the past 12 months — which is reflective of a marked decline in our output of service industries and construction, is alarming, and I am sure that the Minister and his Executive colleagues will work hard to address that over the next year.

The shrinkage in services and in construction particularly concern me as a representative for North Belfast because my constituency includes many people who are on low incomes or who are unemployed. Those who are employed are likely to work in the services and/or the construction industry, which traditionally offered the greatest opportunity for people without work to find meaningful employment.

There are a couple of issues that I think are important in that regard, and I will bring them to the attention of the Minister and the Assembly. Members on all sides of the House will be aware of building sites, particularly residential developments, in their constituencies, which started in earnest a couple of years ago, but are now standing largely idle and abandoned, as their developers have gone bust or have had their supply of finance choked by the banks.

Those developments represent significant potential for getting the construction industry moving again and providing much-needed housing in many areas. I ask the Finance Minister and his colleagues in the Executive to look at that matter to identify the necessary steps to get those stalled schemes moving again.

There will be an issue in relation to the extent of Northern Ireland's exposure to events

in the Republic of Ireland, particularly in relation to the future activities of the national Asset Management Agency (NAMA) and the restructuring of the Republic's banking sector. I know that the Minister will have been in regular contact with his counterparts in the Republic, including the late Minister Lenihan. Can the Finance Minister advise the House what reassurances he has received about safeguarding Northern Ireland's interests in those matters?

No doubt, many Members will be aware of the shrinkage in visitor numbers and spend in Northern Ireland's tourism industry in the past 12 months. It is substantially down year on year and is well short of Programme for Government targets. Tourism is a key industry, particularly for the capital city of Belfast. It employs 10,000 people full time, and those who visit the city spend somewhere in the region of £455 million, which is crucial to the city's economy. It is clear that 2012 and 2013 will play a critical role in getting tourism back on track, particularly with the Titanic centenary next year and Londonderry's year as City of Culture in 2013.

In that context, it is critical that we persuade the Government at Westminster to address the current regime in respect of air passenger duty, which is substantially increasing the cost of air travel to and from here. With regard to transatlantic tourism, the current high levels make life particularly difficult for Northern Ireland given the sharp contrast with the Republic of Ireland's equivalent tax, which is substantially lower. Tourism professionals now express real concern about the future of Northern Ireland's only direct US flight to Newark, New Jersey. Can the Minister update the House on the current status of the Executive's efforts in that regard?

Finally, the Minister will be aware of the March Budget and the Chancellor's announcement of the creation of 21 new enterprise zones in England that will benefit from substantial business rate discounts; mechanisms to provide for investment in revenues; simplified planning regimes; and super-fast broadband infrastructure. There would be significant merit in a scheme of that nature to assist particular areas in Northern Ireland to attract investment, particularly where such areas have the opportunity to address long-term unemployment and reduce poverty at the same time.

Obviously, there are pitfalls with such a scheme. Indeed, critics have pointed out the mixed results of similar enterprise in England in the 1980s. There can be no doubt, however, that it would be beneficial to explore the potential in Northern Ireland for a focused variant that could be adapted to suit particular circumstances here. It is unlikely that schemes here would be on the same scale as those that have already been announced in England. Nevertheless, such a development would be positive in that it would stimulate the local economy.

The Minister will also be aware of the north foreshore, which is in my constituency of North Belfast. It is a 300-acre development site that could benefit substantially from a new regime to stimulate investment. Can the Minister advise the Assembly of his discussions with Her Majesty's Treasury on enterprise zones? I ask him to bear in mind the north foreshore in any future discussions on the development scheme that he may have with the national Government.

Mr Deputy Speaker: As this is the first debate in which the Assembly will hear from Brenda Hale, I remind the House that it is convention that a maiden speech is made without interruption.

Mrs Hale: I am honoured to rise as a Member for the constituency of Lagan Valley. I welcome the opportunity to make my maiden speech. I rise to support the Bill of my friend and colleague Sammy Wilson MP, the Finance Minister. He has no easy task in presiding over the Budget at a time of limited resources. His and our task is to maximise the use of those scarce resources and to ensure the most equitable distribution on behalf of the people of Northern Ireland. That is not just his responsibility but that of each and every Member of the House.

Mr Deputy Speaker, before I return to the Budget, I would be grateful if you would allow me to make some comments about my constituency and my journey to this House. First, I want to thank the people of Lagan Valley for returning me as one of four DUP Members for the constituency of Lagan Valley. I am honoured and privileged to take on the responsibility that they have bestowed on me. It is a task that I do not take lightly.

I would like to thank my family, especially our daughters, Victoria and Alexandra, for their patience, love and understanding throughout the campaign, and my husband, Mark, for his

continued inspiration. I would also like to thank all of my party colleagues in Lagan Valley, especially Mr Jeffrey Donaldson MP for his guidance, wisdom and support.

Many Members may already know my background. I am extremely proud to have been the wife of a soldier who served his country in a place where democracy must prevail. He made the ultimate sacrifice while trying to save the lives of his soldiers. He is much loved and always missed. Many politicians attended my husband's funeral. However, only one called round a few weeks later to see how things were. That was Jeffrey Donaldson. Things were terrible.

The Ministry of Defence (MOD) is sadly lacking when it comes to looking after injured soldiers and bereaved families. It really should look to the many regiments to see how they support individual cases. I firmly believe that our soldiers and their families deserve the opportunity to discuss ignored issues, such as post-traumatic stress disorder. I look forward to working with my colleague the Health Minister to discuss how that can be resourced within the available budget.

Mr Donaldson facilitated a meeting with the then Secretary of Defence Bob Ainsworth to raise that and many other issues. The matter is very much ongoing. I thank the right honourable MP for Lagan Valley for his unstinting support. The DUP was there for my girls and me after the press had gone. That is politics working on the ground and is an example to us all.

4.15 pm

The parliamentary constituency of Lagan Valley was established as a result of the 1983 boundary changes. In the constituency, you will find the city of Lisburn, home to Thiepval barracks, headquarters of the Army in Northern Ireland. Lisburn has a proud and rich history. It is the birthplace of the linen industry and home to some 71,000 people. In the south west of the constituency, you will find the County Down market town of Dromore, where my constituency office is based. Dromore is home to some 5,000 people.

I am proud to serve the people of Lagan Valley. In this mandate, those people can be assured that I will be their voice here at Stormont. Being passionate about education, the military and our children, I would like to say something about the children of our serving personnel, not

only in Lagan Valley but throughout Northern Ireland. Schools in our garrison towns deal with a transient community of pupils who arrive with a variety of needs. Those needs may be highlighted when the regiment is actively deployed. The stress placed on service families while daddy is away affects not only the child but the whole classroom. Teachers have to accommodate those emotional needs as they may have a direct effect on learning.

When the door is knocked and the very worst news is delivered, the whole classroom and school have to come to terms with major issues. Sensitivity is required. All of a sudden, you need to be mindful of things that previously might not have caused you a second thought, such as the making of a Father's Day card, celebrating Christmas or supporting your child on a sports day. Teachers and staff have to use all their skills to include the bereaved child, while ensuring that their classmates are not missing out on the social events that mark our calendar. At this point, I must say a heartfelt thank you to both my daughters' schools.

Given that we live in times of austerity and I am making my maiden speech on a budgetary issue, I want to highlight the concerns of the many parents, children and staff at Dromore High School and Dromore Central Primary School. Dromore has been waiting for new school buildings for as long as anyone can remember. The proposals came so close yet so far in the last mandate, when the previous Education Minister halted any progress on the applications. That was despite the fact that the land had been purchased and the diggers and builders were ready to commence.

I want to use my maiden speech to call on the Minister of Education to review the decision of his predecessor and ensure that justice is done, especially when priority has been given, and money allocated, to Irish language schools. It is appalling that the staff and children, many of whom whose parents were also pupils in those schools, have to work and study in the conditions that exist in the old buildings. I appeal to the Minister to be positively proactive and make real improvements for the schoolchildren in Dromore. Although I appreciate that money is tight, I believe that there is enough money in education to fund the proposals. Education is one of many issues that relates directly to the development and growth of a healthy and skilled workforce. It is an

issue that we cannot take lightly, especially in providing proper resources and buildings for our children and ensuring a centre of excellence on our front door.

Thank you, Mr Deputy Speaker, for your patience, and to all Members for allowing me to make my maiden speech. I am happy to support the Bill.

Mr McCarthy: I congratulate the Member for the very dignified manner in which she has just spoken. I offer her my support and wish her success in the years ahead.

As the Alliance Party's health spokesperson, I would like to say a few words on some of the health aspects of the Budget. The Committee Chairperson covered some of the things that I wanted to say, but I will add a few comments. I will not keep the Minister any longer than is necessary, because I am sure that he is anxious to respond before midnight. I offer congratulations to him on his reappointment and to his young assistant on his left, who comes from our Strangford constituency. Only the best come from Strangford, of course. Congratulations to you both. I hope that you have a successful few years.

Over the coming years of the Assembly I, like everyone, hope to see major reforms in the Health Service that result in a much better service for everyone. It is estimated that, if we continue to do the same things and provide the same services in the same buildings, there could be a £1 billion shortfall in the health budget by 2014-15. The Alliance Party has called for a cross-party working group to be formed to look into and seek agreement on any such potential reforms, so that we can have a better Health Service for all our people.

As things stand, health got a better deal in funding terms in the current Budget, with a lower level of cuts than other Departments. We simply must work and do our best with what we have and do it wisely and well. We must also plan for the future health needs of the population as a whole and shape resources around that. Money must be used wisely; for example, on preventative and early intervention measures that will save money in the long term. However, I must express some concern that a number of early intervention organisations such as Home-Start are threatened with closure. I have mentioned that organisation in the Chamber before. It does excellent work in helping young

families, and it is wise to invest in people at an early age.

Mr A Maginness: The Member has spoken about using funds wisely and the need to be prudent, etc. There does seem to be a growing consensus — I believe a dangerous consensus — that that will involve the axing of acute services in hospitals throughout the North. For example, in my constituency, the accident and emergency unit at the Mater Hospital is under threat. Indeed, I received a reply earlier from the Minister that was so non-committal it caused alarm bells to ring. I ask the Member, as the health spokesperson for the Alliance Party, to assure the House that the Alliance Party will not be part and parcel of a programme to close acute services in hospitals throughout the North, and that it will protect those services for vulnerable people in, for example, north Belfast.

Mr McCarthy: I am grateful to the Member for his intervention. I hear what he is saying, and I think that all Members will have received correspondence from people who are very concerned. In an answer to one of his colleagues during Question Time earlier today, the Health Minister said that there was a “rumour” about a potential closure in the Mater Hospital. We can only take what the Minister said and look forward to his reforms. I would not like to see any of our acute hospitals closed to the detriment of any of our population. I hope that that answers the Member’s question.

Mr Wilson: I am interested to know whether the Member can marry together the two statements that he made. At the beginning of his speech, he said that if we continue to do what we presently do, in the same way and in the same buildings, we will have a huge deficit. However, he is now saying that he does not want to see any hospitals touched. How does that fit with his earlier statement? Surely the whole idea is that we cannot continue doing what we have been doing in the way that we have been doing it and that there must be some change. The Member seems to be ruling change out now.

Mr McCarthy: There is no doubt that things must be done differently and better for the whole population, and we will need to very closely examine what the review brings up. We all know that there are modern methods of doing things better and differently, and that is exactly what we want to see. However, at the end of the day, we want to see a service that

provides locally as far as is humanly possible, and I think that that is what the Member for North Belfast called for. I hope that I have answered the Minister reasonably satisfactorily.

Returning to my speech, I talked about Home-Start and the concerns about possible closures, which, if we are talking about the need for intervention and prevention, would be an absolute disgrace. Another case is the Life Education Centre. I do not know how long it has been in existence, but it has been on the go for ages. It has a travelling wagon that goes around schools primarily to educate young people on the dangers of drugs, alcohol, and so on. I understand that it is under threat owing to lack of funding. That is the sort of thing that can prevent people from falling into ill health. If we invest money now and urge people to look after their own health, we can avoid costly bills resulting from obesity, heart problems and the misuse of alcohol and drugs.

I noticed that the Health Minister congratulated the Health Promotion Agency, and I support 100% the work that that agency has done to encourage more people to get involved in sports activity — walking, swimming, and so on — to keep the population out of GPs’ surgeries and hospitals.

The public must play their part by ensuring that they access the Health Service at the correct level. An ailment that could be seen by a GP during office hours should not waste resources in an accident and emergency department or at an out-of-hours GP service. We must cut down on attacks on health providers, which cause untold damage, cost a lot of money and take up time at our accident and emergency units. We want to see a vast improvement from the public in reducing the incidence of broken appointments, which can cost thousands of pounds per annum.

I welcomed the new Health Minister’s first decision, which was to give the go-ahead for the radiotherapy unit at Altnagelvin, particularly given the co-operation that was and is being received from the South of Ireland. I hope that the Minister will continue to look to see where money can be saved from sharing services on a North/South basis. He indicated his willingness to grasp all the opportunities and reiterated that today when answering questions.

I want to see increased funding for mental health provision, especially as we are still

underfunded compared with the rest of the UK. I am sure that all Members want to see the Bamford report delivered in full and as quickly as possible. We are expecting two separate Bills on mental health and mental capacity, but, by having a single Bill, we can have a more integrated system. Let us be a world leader in the field and save money by reducing the stigma and discrimination that is often associated with mental health.

At this juncture, I pay tribute to our scientists and universities for the research and development that they do. It is excellent work. I woke up this morning to hear great news on the radio that they had discovered a new cystic fibrosis drug. That is fantastic news for everyone in Northern Ireland, and certainly for all the sufferers of cystic fibrosis. Northern Ireland is a world leader in that sphere, so let us hope that that can continue.

The Finance Minister has stressed the importance of health alongside the economy. The Alliance Party will gladly support anything that he does to ensure that money is spent correctly on improving the public's health and the service that we receive when we require it.

Mr Swann: As a North Antrim MLA, I hope that you will extend me some latitude, Mr Deputy Speaker, in using notes in this place.

In my maiden speech, I referred to those who seem to know the price of everything but the value of nothing. I hope that today's debate will lead to the introduction of a system in which we value the services delivered. I will highlight a couple of issues today.

I am the Ulster Unionist Party's spokesman on the Committee for Culture, Arts and Leisure. The Department of Culture, Arts and Leisure operates 80% of its budget through arm's-length bodies. Taking into consideration the financial implications of introducing legislation, I ask the Finance Minister whether the Minister of Culture, Arts and Leisure should not consider carefully her intention to bring forward an Irish language Bill or strategy.

4.30 pm

We in the Ulster Unionist Party believe that a strategy for an indigenous or regional minority language should be presented to the Executive. The commitment in the St Andrews Agreement was not for a strategy or Act based solely on the

Irish language. An Irish language Act would be divisive, and the Minister has already admitted to the Committee for Culture, Arts and Leisure that it would be very unlikely to gain support from all sides of the House. In today's economic climate, should we even be considering legislation, given its financial implications, that would not make it through the legislative process?

A Member who spoke earlier referred to the competitive nature that is needed in our film industry. One such success is that of Northern Ireland Screen. However, if we listen to its officials, the recent success of attracting the second series of HBO's 'Game of Thrones' to Northern Ireland was despite the Department of Culture, Arts and Leisure's (DCAL) input rather than enhanced by it. I welcome the filming of the second series in part of my constituency of North Antrim.

I am also concerned at the value placed on those 10 rural libraries that are under threat of closure by the board of Libraries NI. I hope that the proposed closure of those 10 libraries is based on its vision rather than purely on cost savings. The proposal comes despite its having been given an additional £4.5 million since the consultation began.

Another issue related to the DCAL budget is that of the special adviser to the Minister, whose position was included in the Main Estimates that were passed last week. The Ulster Unionist Party has made its feelings known about the insensitive appointment of Mary McArdle and will not accept Sinn Féin's attempts to justify the unjustifiable.

As a member of the Committee for Agriculture and Rural Development, I would also like to highlight a number of situations in the Department of Agriculture and Rural Development (DARD), including the impact of the error that the Department made by inadvertently requesting insufficient cash from the Assembly to deliver the departmental budget as agreed by the Executive. One senior DARD official said:

"Fortunately, a process exists to remedy the situation."

Many a farmer out there would love to be able to make an error inadvertently and then, fortunately, to claim it back.

The Finance Minister rather light-heartedly referred to the incident by saying that the Department put a plus sign instead of a minus

sign in front of a figure of £45 million, causing a mismatch of £90 million. Will the Minister give the House and the wider agricultural and rural community an undertaking that DARD's minus signs and plus signs are in order this time and that he will take steps to address that kind of financial mismanagement in the future?

The Department told the Committee that it had fixed the problem by putting in place a better process through which it monitors not only the expenditure of cash but the cash in hand that is under its authority. The Department said that it was now helped by the Department of Finance and Personnel (DFP), but what was the Department doing before DFP stepped in?

Ms Ritchie: It is timely to have this debate at the outset of this four-year, or possibly five-year, Assembly mandate to remind ourselves that, although the Executive's Budget is largely determined for the current year, it is not set in stone for the next four years. The Budget is predicated on a wide range of assumptions about the future which may or may not prove to be accurate. We also have every opportunity to make things better, particularly the Budget.

A further shaping of the Budget is vital because public expenditure is our principal economic lever and driver. Right now, we do not really have any other levers. If we are serious about growing and rebalancing the economy, we have to use public expenditure and our Budget strategy to support that objective. Our firm contention is that the Budget must do more for economic rebalancing and job creation. It has to be about more than administering the block grant and allocating £4 billion of cuts. It has to drive the economy forward and rebalance the state and the wealth-creating sector.

The first thing that we need to do is to get serious about mitigating the cuts by raising new revenue streams and surpassing our targets for capital receipts. Remember that we failed dismally, all of us, to achieve the level of capital receipts targeted in the previous mandate. Although the economic downturn was one reason for that failure, it was not the only one. A lot of it was due to lack of will. Therefore, we need to be more determined about the future.

The Executive's Budget seeks to mitigate the £4 billion of cuts with some £800 million in receipts over the next four years. Although there were claims by the Minister that that was a prudent and conservative estimate, there are

already signs of slippage. Instead of exceeding that target, we are already falling behind it.

Mr Wilson: Will the Member give way?

Ms Ritchie: I will give way in a few minutes.

We can do much better. If we really applied ourselves to the task, we could mitigate most, if not all, of the £4 billion of cuts.

Members will recall the detailed proposals prepared by my party, which identified a wide range of options open to the Executive to use the Budget to drive the economy forward. Those proposals, which are set out in 'Partnership and Economic Recovery' — I note that the Minister indicated that he had knowledge of them — still stand, and merit further consideration.

The second area requiring action is public sector reform. We need to "right-size" the public sector and drive through the necessary efficiencies. If we do that right, we will not only release significant resources for reallocation to other priorities but improve the quality of public services.

Mr Wilson: The Member continued where she left off in the previous mandate by making wide and sweeping statements about disaster, economic catastrophe, etc. She states that there are "already signs of slippage" in the programme to raise money. What are the signs? What sales due to occur this year will not occur? Two months into the new Budget period, is it realistic for her to say that there are signs of slippage?

If she can point out to me where those signs of slippage are and where the money that we should have had by this stage has not been realised, I will be happy to concede to her statement. Otherwise, I hope that she will withdraw it as another one of the wild statements to which we have become used.

Ms Ritchie: I thank the Minister for his intervention. He will not be surprised to hear that I will not resile from the observations that I have just made. He should cast his mind back to the Crossnacreevy case and all the wild suggestions made in the first few months of the first mandate about the realisation of receipts which never happened. We have plenty of evidence to show that what was suggested has not materialised.

We all need to drop some of our ideological baggage, because the one thing that the public charges us to do is to find solutions to

problems, and we have to find solutions that will bring forward economic recovery. In the previous mandate, we all failed to do that. Just look at the review of public administration. We should have done better and been able to implement the proposals. Hopefully, when my colleague the new Environment Minister produces proposals on RPA, people will focus on the overall prize.

Then there was the Executive's mismanagement of Northern Ireland Water. The most recent proposal to reintegrate that organisation into DRD is deeply flawed. We need to look at something like mutualisation.

I am not trying to allocate blame. There has been collective failure in some areas, which we must stop repeating. I hope that the Minister can apply not only his knowledge but his expertise to aspects of the economy related to the construction industry and to other Departments. We all have examples of that.

For example, in private residential housing estates where developers have lodged bonds with Roads Service, the banks' inability to provide those developers with credit has meant that they have been unable to complete the roads infrastructure and all the attendant matters in the estates. Residents in those estates have found themselves in the position where the roads, street lighting and other aspects of the infrastructure have not been brought up to the standard that Roads Service requires for adoption. As a result, as they see it, those developers face depreciation in the value of their properties.

In dealing with this particular financial matter, which involves bonds and Roads Service, I think that the Finance Minister should have immediate discussions with the Minister for Regional Development. I have tabled questions to the Minister for Regional Development about this matter, and I know that he and his Assembly Private Secretary (APS) are looking at it. I think that it would be particularly beneficial if you, Minister, could assist them so that we can all obtain a resolution on behalf of our constituents throughout the North of Ireland.

I will also mention our budgetary and financial processes, which do us few favours. I know that the Minister himself is critical of aspects of our financial system, and, although he has my support in negotiating greater flexibility with the Treasury, he could take steps to introduce greater flexibility and incentivisation.

Specifically, I believe that DFP should incentivise Departments to achieve greater efficiencies. At present, if Departments make savings in one area, they have to surrender to DFP the money that is released. So, there is little incentive for Ministers to really chase savings.

As I understand, a little example of that happened last week. The Minister of the Environment removed a vacant grade 3 post from his departmental structure. That simple step will save DOE around £0.5 million over the Budget period. However, the Department will not be able to divert that resource to another programme. Most Ministers in such circumstances would probably not have done what Minister Attwood did, but they might have had they been allowed to keep at least some of the money and invest it in some other ways in their Department, thereby allowing better management and better delivery on the ground. I invite the Minister to look at how other Ministers can be better incentivised to run a really tight ship.

When we talk about the Budget, the Budget (No. 2) Bill and the economy, another area to consider is the Programme for Government. From my understanding, we so far still do not have a Programme for Government. I would always have thought that the ability to align policy, programmes and projects to budgets would create a better Budget. However, if we do not have a Programme for Government, we should ask what we are basing this Budget on. What policy and economic delivery mechanisms are we basing this Budget on? I am asking that question, and I tabled questions on the matter in the previous mandate. More recently, I tabled questions on the issue to the Finance Minister and to the First Minister and deputy First Minister. I am looking for substantive answers. We are looking for delivery on that, and I think that all Members are doing so.

In summary, I am convinced that we can do more to help ourselves than we have done in the past. The Budget presents this unique opportunity to focus resources more into those areas that will boost economic development and job recovery. Only last week we had an opportunity to talk to the Chancellor about those issues that not only impact our local economy but can act as drivers in that economy. Those issues can include tax-varying powers, the need to reduce air passenger duty and the probable need to lower the level of corporation

tax, which is a measure that we support. Those measures need to be looked at along with the re-introduction of the credit scheme for those involved in the quarry industry. Without that scheme, those in the construction industry are feeling severe impacts.

All these are major drivers in our economy and need to be examined. I know that the Minister of Finance is looking with his ministerial counterparts in London at corporation tax and the credit scheme for aggregates. I look forward to an update report on those.

4.45 pm

I hope that all of us in the Chamber, and all Members of the Assembly, can take the opportunity in the period ahead to look at the implications of this Budget to see how we can improve it and better deliver for the people that we represent so that there can be better economic outcomes, better opportunities for new job creation, and the sustaining of existing jobs.

Mrs D Kelly: I welcome the opportunity to take part in this debate. Dealing with the Budget is, of course, one of our main tasks in ensuring that we protect front line services and their delivery. I am sure that many people are looking at what is happening, for example, with regard to Southern Cross, community care and the whole debate around ageing and demographics.

I am not sure when the census will be finalised and ready for publication, but will the Minister be reviewing any of the Budget and Programme for Government with regard to the change of demographics and meeting the needs of an ageing population? We do not only have to plan for this four-year period; the strategy will have to be around a much longer-term scenario with regard to care of older people.

The Minister may also be minded to give us some insight into his thoughts on the rate of inflation and rising energy costs, the medium- to long-term impact those will have and the implications for his Budget across Departments. I met one agrifood producer last week whose energy costs have risen by 144% in the past few months. Tackling the cost of energy is critical not just to industry but to many households that are suffering from fuel poverty. A major employer in my constituency, Almac, faces competition from the United States in energy costs incurred here in the North compared with that of its Philadelphia plant. So, Minister, I would be

interested to hear your predictions about that, and what consideration you have given in your Budget to those two elements.

If I may, I will read the Ulster Farmers' Union's (UFU) comments about the Agriculture Department's budget. The reason I want to do that is to explore the "what if" scenarios with regard to the Minister's oversight across all Departments. The Ulster Farmers' Union has criticised DARD's budget in that it is proposing to make savings of £43 million. The UFU states that the proposals:

"are not...strategic but rather are piecemeal in approach with a focus on cutting expenditure on soft targets while avoiding any tough decisions on targeting efficiencies within the Department. As evidence the Department proposals suggest spending cuts of...4.75% of the overall budget, while also anticipating...reductions of...2.8% of current staff levels... it would be reasonable to anticipate a pro rata reduction in staffing...would suggest a further reduction of 55 jobs or savings of approximately £11m over the budget period."

Minister, I just wonder in relation to the function of PEDU and any energy efficiency savings advice that can be given to each of the Departments, whether that advice is being taken up by each Department. I wonder whether the terms of reference for that body are sufficient to allow it to make some very critical analysis and far-reaching recommendations in relation to its findings, and how any particular Minister may then be able to heed or ignore the advice given. What is your view on that, Minister, and how do you propose to deal with those situations?

Minister, I serve on both the Agriculture Committee and the Regional Development Committee, and a recurring theme of respondents in relation to the budgets of both those Departments is around health and safety. Many stakeholders are concerned about the provision of plant, the replacement of machinery or, indeed, the resurfacing of roads, which is predicted to fall behind by a sum total of £875 million by the end of this financial year alone. What advice are you giving to Ministers in relation to the function of health and safety and how critical that is as a key criterion for the selection of projects to be funded?

Minister, you will also be aware of your own party's commitment to not increase tuition fees beyond the cost of inflation. I believe that your party, along with others, believes that the £40

million shortfall in higher education could be met from the Executive Budget and not fall to DEL or the universities to find. Can you give us an update on the thinking there? It is vital that the universities, students and their families know where they are going to be in the next few weeks in respect of applications for places at university and what funds people will need to put in place to pay for their children to attend university.

I share my party colleague Margaret Ritchie's concerns about the fact that there is still no Programme for Government. I also share the concern of many stakeholders that many Departments did not conduct an equality impact assessment in relation to their budgets. That is a criticism of the Department of Agriculture and Rural Development's budget in particular, whether or not there is still time to complete such an assessment.

There is also the issue of prison reform and how speedily, or not, the Justice Minister decides to tackle the costs of retaining a prisoner in our jails as compared to England, Scotland or Wales, or, indeed, the South of Ireland. There are significant savings that could be made should people grasp that nettle.

Also, Minister, it would be interesting to hear your views on the decision by the Agriculture Minister in relation to the decentralisation of the HQ. Although my party supports decentralisation per se, I think that the stakeholders have valid comments to make about the timing of setting aside that money for such decentralisation in the absence of any information on the impact of efficiency savings on both jobs and new technology, what the needs are and whether that should go ahead.

As regards the impact of welfare reform, we are going to see many more of our people fall well below the poverty line as the Tory/Lib Dem Government hit welfare benefits. That will have an impact not only on the individuals and families immediately affected but on the wider service and on income into Northern Ireland's economy. I know about the social protection fund, but I do not believe that is going to go well enough if the amounts of money currently being talked about in relation to reductions come into play over the next four years.

Minister, what are your plans for dealing with the cost of sickness and absenteeism, particularly

within the area of the Civil Service for which you have direct responsibility?

It is a huge job of work, Minister. I do not think that anyone envies your task, or that of other Ministers, in looking at this difficult financial climate. I note that the construction sector has already suffered the loss of some 22,000 jobs over the last couple of years, but I am sure you will agree with me that that does not take into account the service sector, whether it is the carpet fitters or suppliers of furniture for all those new homes, that works alongside it.

Given the capital cuts in the Budget, I wonder whether the Minister has any plans for how other moneys can be raised to assist the construction sector, either through building new schools, maintaining schools or building social housing.

There is a huge job of work to be done, and the Executive, and the First Minister and the deputy First Minister in particular, have to address as a matter of urgency the issue of sectarianism in a divided society. Unfortunately, in the previous mandate, Sinn Féin representatives in particular voted against publishing the cost of division report, which alleged that over £1 billion a year was being added to our costs because of sectarianism. It would have been interesting to see how those conclusions were drawn. It could show us a way forward in ensuring that some reforms and savings can be made to meet everyone's needs.

Mr Durkan: Go raibh maith agat, a LeasCheann Comhairle. I welcome the Minister. It will come as no surprise to Members that I will be singing from the same hymn sheet as the two previous Members — my party colleague and my party leader.

As a member of the Committee for Health, Social Services and Public Safety, I will focus my comments on that area. When she spoke earlier, the Chairperson of the Health Committee referred to this year's projected shortfall of £177 million. I have looked at the projected figures for the next four years, and to describe the outlook as bleak would require the wearing of rose-tinted glasses. The figures really do not make for good reading at all. However, it is vital that we in this House be committed to working together to explore every avenue that is available to us to achieve efficiencies without adversely affecting services, particularly for vulnerable people, who are, by definition, those most dependent on the services provided in the sector.

Earlier contributors to the debate, including the Chairperson of the Health Committee and Kieran McCarthy, a member of the Committee, have, in Committee, speculated or commented on potential ways of saving money. They both touched on generic prescribing. As a former member of the Western Trust's local commissioning group (LCG), which ran a pilot prescribing programme, I have first-hand experience of how savings can be quickly and effectively realised. A directive has to come from on high that prescribing generic drugs be made compulsory rather than voluntary.

Although savings are there to be made by opting for generic drugs rather than patented medicines, there are other areas in which money can be saved. We need to look at what is available on prescription. So many over-the-counter products are now available on prescription that it defies belief. Without attacking anyone with a particular condition, I must say that it boggles the mind that a coeliac patient can, for instance, get gluten-free Black Forest gateaux on prescription. We really need to examine that, and savings can and should be made there.

The Health Department must look at how services are delivered and, in many cases, who delivers them. Many services could be delivered by people who are better placed, such as those in the community and voluntary sector. This afternoon at Question Time, I was glad to hear the Minister give his commitment to remaining open-minded on that issue. Cross-departmental collaboration can realise savings. Pretty often, the Health Department is left to carry the can for sectors for which it should not be the sole responsible Department. I think of adults with special needs, of whom the Department of Education washes its hands once those individuals reach the age of 18 or 19. They become the responsibility of the Health Department, when so many other Departments, such as DEL, DETI and, in some cases, the Department of Justice have a role to play.

5.00 pm

Although cross-departmental collaboration can undoubtedly achieve savings, cross-border collaboration certainly can. I take this opportunity to again congratulate the Health Minister on his announcement regarding the radiotherapy unit at Altnagelvin, which was symbolic in setting a precedent on how the

Governments on either side of the border can work together to deliver services for the people of this island in a cost-effective manner. Some bodies that focus on cross-border collaboration in health delivery exist already, such as Cooperation and Working Together (CAWT), which, although funded from Europe, has shown that savings can be realised and services can be delivered through co-operation.

It should not be beyond our capability or imagination to have a specialist unit — specifically, a team — on this island to deal with rare disorders. In this day and age, it is shocking that we have to send so many young people with rare illnesses across the water to receive treatment, which is most distressing for them and unsettling for their families, as well as being extremely expensive for the Government here.

The Minister reiterated his commitment to the Public Health Agency and the need to give it more funding. That is, indeed, very important. To see real savings in the future, we have to invest in preventative healthcare; prevention is better than cure. I think that it was Dolores Kelly who referred to demographic change and the fact that we have an ageing population. The demand for care, be it residential or domiciliary, will increase hugely. The recent crisis — it cannot be described as anything other than that — with Southern Cross set alarm bells ringing with me. Where is the contingency budget within the health budget? If the rug is pulled from under all those residents of Southern Cross care homes — rather than hair combs — in September, who will pick up the pieces? We will be expected to, but where will the money come from to do so?

I spoke about Departments and Governments working together, but it is vital that we in the Chamber also work together. We have to get away from the culture of Minister-bashing and do our best to get a positive message out to the public. However, although the message has to be positive, it must also be real. We cannot carry on with the smoke and mirrors. Good and honest communication is the key to our getting through this.

Mr Wilson: I am very sympathetic with the Member's view on stopping Minister-bashing. Indeed, I would give great support to it. However, I hope that he would not go as far as saying that Ministers should not be allowed to bash Members, would he?

Mr Durkan: It is just verbal Minister-bashing that I advocate stopping.

We need to work on communication, which is vital, and it will become even more so as the Department communicates more with staff, patients, the wider public and the media. The media love nothing more than Minister-bashing. The only thing that they might love more than Minister-bashing is manager-bashing. It is vital that we work collectively to tackle those gargantuan tasks that face the Health Department and the Government as a whole.

Mr Allister: There has to be something strikingly odd about debating a Budget Bill without knowing where it fits in the matrix that makes up the entirety of the financial direction. In the arrangements that prevail in the House, the financial direction is surely informed not just by the Budget, which is perhaps a vehicle, but more particularly by the Programme for Government and the strategic investment targets. We know nothing about either of the latter, but we are expected to set, and get it right in setting, a Budget. That seems to speak directly to the dysfunctionality of the arrangements in the House.

When that matter was raised last week, the Minister's response was, in essence, to shrug his shoulders. Maybe that is because the Minister knows that when, or if, the Programme for Government comes, it will be utterly vacuous, which is pretty much like the last one. Maybe the strategic investment priorities will be of a similar ilk. Maybe that is why the Minister is so laid-back while promoting a Budget that is outside the confines and context of the triangular arrangement that should exist to give it real impact and drive. It points to a systemic failure in regard to the governmental arrangements in Northern Ireland that we have that conundrum. You are promised, but you do not see and do not know when you will see, a Programme for Government. You have a Budget, which is supposed to be there to give financial feet to that programme, and which is drawn up without cognisance of a Programme for Government, because it does not exist, and without adherence to what its objectives are, because they have not been articulated. It would be pretty much like a family saying that their programme for the year is to have a foreign holiday, build a conservatory and buy a new car and then deciding their budget and how to direct it towards their priorities. However, when it

comes to the running of Northern Ireland, we do not even address those basic fundamentals.

The Minister, in an effort to deflect, with the assistance of the ever clever Mr Hamilton, may come up with some riposte about the setting of budgets. However, it still does not distract from the fact that we have a supposedly triangular arrangement in regard to financial planning in Northern Ireland, two aspects of which the House, to this point, has been kept totally in the dark about. I know the Minister will not want to address that. When he is cornered on something, he always simply reverts to form: you get sound and fury, but it always signifies nothing. No doubt that is what we will get again on that fundamental systemic point about where we are with budgetary planning in Northern Ireland.

We all know that the 2011-12 Budget is part of a four-year budgetary plan. We also know, because we have been told it often enough, that things will get tougher, particularly in years 2, 3 and 4. It is bad enough that we do not know where we are going with policy and strategy, but, in the Budget, there is no attempt whatsoever to prepare for the tougher times that are coming in years 2, 3 and 4, when the cuts will inevitably begin to really bite.

Some people talk about elephants in the room, but in this room, rather than elephants, we have sacred cows. In the governmental arrangements that presently pertain in Northern Ireland, it does not matter how wasteful, useless, unnecessary and pointless those sacred cows are; you spend the money on them because they are part of the architecture that keeps this place together. The Minister knows in his heart that, in the circumstances in which he has been constrained to operate, it is absolute folly to pour £400 million into, for example, the multiple, useless North/South bodies when we are looking for money to deal with tuition fees, to keep hospitals going and to employ new teachers. Yet, because they are the sacred cows of this political dispensation, they are beyond the reach of being culled and beyond the reach of the waste that is endemic in their being dealt with.

Indeed, the Budget contains proposals that are far from cutting. It contains proposals that more should be spent on, for example, the North/South Ministerial Council (NSMC). The out-turn figure in 2009-2010 was £712 million. The resource figure that is now proposed in 2011-12 is an increase of almost 50%. When

we are cutting back on schools, hospitals, road maintenance and road gritting, we will find extra money for that body. Why is that? It is because it is one of the sacred cows of these establishments.

Indeed, you are not even allowed to know the community background of those who work in that sacred cow. This week, I received an answer to my question on what the community background is of the Northern Ireland civil servants who work in the North/South Ministerial Council (NSMC). The answer is that I am not entitled to know. We needlessly and pointlessly pour hundreds of thousands, nay millions, of pounds into such groups and bodies, not to mention the ones that people can hardly remember the name of, such as the Food Safety whatever in Cork, which employs no one in Northern Ireland. Not only that but you cannot even question the funding of them, and, more than that, you cannot even ask what the community background is of those who work there. Whatever one's politics, that is wrong, and we should not be engaging in that in the funding of establishments in this country.

So, not only do you have secrecy there, but, as I said last week, this Budget also has the money to pay special advisers, and, my oh my, what a cloister of secrecy prevails there. We are not allowed to know how much public money in this Budget Bill goes to any individual special adviser, someone with access to the upper echelons and confidence of government.

5.15 pm

We are not allowed to know how much is poured into a pension fund for them. We are not allowed to know how much they draw down in expenses. We are not allowed to know if any of them even get bonuses. We are dealing with public money, and doing so should bring with it a responsibility for transparency. It is bad enough that someone who is a convicted murderer can be appointed as a special adviser, but it is compounded by the fact that you are not even allowed to know how much public money we will pay to that person.

What a trail of obfuscation there has been. Right back from 2007, special advisers with family connections were appointed, but you cannot be told how much public money they get. In the Office of the First Minister and deputy First Minister, we have a special adviser who is the husband of a Minister in that office. You

cannot even ask how much that spouse of a Minister is paid. For a year, a relative of the first First Minister in this Province was appointed and paid a sum believed to be well in excess of what other special advisers were paid. However, it was never disclosed.

The same individual now benefits in spite of the Minister of Finance and Personnel, who turned down the requested pay increase for him, meaning that he now has to benefit from a bonus of £36,000 in his present job of chief executive of Invest NI. The Minister of Finance and Personnel was never even asked because, supposedly, there is a contractual term. However, when you query where that contractual term is, you discover that it is not in his contract. Even someone who knows nothing about law might think that a contractual term would be in a contract. However, the contractual term relied on in this case is something that was contained in the information for applicants but was never translated into the contract. Therefore, it is not a contractual term at all, yet it has been treated as if it was so that that chief executive can be paid an additional bonus, not on top of some meagre salary, but on top of £160,000 per annum. If this House has any regard for transparency and the proper spending of public money then, instead of those issues being swept under the carpet and instead of refusal to answer and to tell us what special advisers and others are paid, information should be published so that the public who pay might read it.

The Budget contains money for consultants. The amount of money devoted to consultants was unbelievable during the last Assembly. Why do we employ senior civil servants on generous salaries who are experts in many of their fields if every time we ask them a hard question, they say, "Let's bring in a consultant"?

We cannot go on like that. If we are paying people grade-3 salaries and better, we expect top-grade service. It is not sufficient simply to call in the consultants so that a senior civil servant does not have to be accountable for any decision; so that he can say, "That was taken on advice". That culture, which imbues the entire Civil Service, costs this country far more than we can afford.

Some Departments recently reduced the amount paid to consultants. May I ask the Minister: has there been a corresponding increase in the

number of people given temporary contracts in some Departments? Are we seeing consultants by another name to massage downwards the figure paid out on consultancy fees? Is that one of the moves going on in some Departments?

We talked in Question Time about agriculture. We talked about the state on the front line of agriculture; of the needs in agriculture; of the waste in bureaucracy; of the farmers who are struggling with ever rising feedstuff prices and everything else. Yet the Department's primary interest and priority seems to be to create for itself a new headquarters: let us pour £26 million into new offices for the Minister and her staff. I say to the House: that is not what we should be doing in these stringent, difficult times when farmers are struggling beyond description to make ends meet. It is a sad but informative commentary on that Department that that is its top priority.

One could pick almost any Department and examine its expenditure under this Budget. Let me pick an item in the capital spend of the Office of the First Minister and deputy First Minister: the anticipated spend for the Maze. When I read the budgets that came out in the spring, I was struck by the fact that DETI — our job-creating Department — which is charged with laying the groundwork for attracting as much foreign investment as possible, faces a 64% cut in its capital budget. So much so, that the Minister had to say that there will be no new money, after that which is in the pipeline, for what we used to call advance factories, the purchase of sites or anything of that nature. There just is not the money.

The Programme for Government told us that job creation and building the economy were the irremovable top priority, yet we come to a DETI budget that, when it comes to laying the groundwork for an rolling programme of attracting foreign investment, has its budget slashed by 64%. However, when I look at the capital budget of the Office of the First Minister and deputy First Minister, I find that budget to be, in effect, ring-fenced and that £20 million-plus is ring-fenced for the Maze project. Why? We come back to the sacred cows, Mr Deputy Speaker. Another sacred cow.

We are told that we need a conflict transformation centre. It has had so many names, but that has been one of the names given to it. Perhaps we do, but why do we

need it at the Maze? If we need a conflict transformation centre, why do we have to blight it with all the baggage of the Maze? Sadly, the answer is that those who are peddling it are interested in it only if it provides the facility for the shrine at the Maze. That is why it is suggested that it must be there. The buildings must be retained; they must be an integral part of it. It is not because we need a generic conflict transformation centre that could be on any greenfield site free of baggage, but because we need one that will be an aid to the rewriting of history. That is why ex-prisoners will sit on the board, and why it can and will be built there and only there. That is why, although we do not have money for new factories, we do have money for the Maze project. It is that sort of misdirection of priorities that brings discredit to the Government. They tell their people that these are tough times and that they have to cut their cloth accordingly. However, do not ask them to cut their cloth for their pet sacred-cow projects. No, they will cut your cloth. They will cut your schools and your hospitals — the things that matter to you.

As for the bloated presentation of the structures of government, oh yes, they promise that they have an aspiration to have fewer Assembly Members, fewer Departments, fewer special advisers and fewer quangos one day, but do not ask them to do anything about it. That is the harsh reality. People in the Chamber have talked for four years and more about reducing the bureaucracy of this place, and they will talk for the next four years and more and still not reduce it, because the political reality is that a veto is exercisable on that by those who favour the status quo. Those who favour the status quo, be it the retention of all the Departments, the iniquity of mandatory coalition or the denial of an opposition, are teeing themselves up to exercise that veto, and exercise it they will. Those who sit on my left in the House and who tell us so often and so frequently that they are against all those things will go on wearing it because it is the price of power. A great con will again be performed on the electorate in all those regards.

I speak of waste. I look back to the expenditure that is flowing through here on sports: GAA, soccer and rugby. There is nothing wrong with spending money on improving sports facilities when there is the money to spend. However, when we are faced with hospital and school closures, one does have to ask whether it is

right to prioritise and say that the GAA should get £61 million, and because it should get £61 million, football should get £61 million, although not in the four-year term — some of it on the never-never — even though it did not really ask for that much.

What is it that drives the economic financial priorities of the Executive that they think that that is the correct adjustment of the spending priorities? Not for the first time, and certainly not for the last time, it is clear that the essential driver is politics and not probity in finance. It goes on in that vein.

5.30 pm

We went through the budgetary documents; we relate some of it to some of the things that have been going on. We see in the Department of Agriculture and Rural Development the habit of requiring Excess Votes, because it does not know when a minus should be a plus and when a plus should be a minus, and it got into deep trouble with Brussels over infraction fines. However, DARD has form. It has the form of Crossnacreevy, about which, last Thursday night, we had the remarkable spectacle of the First Minister, rather discomfited, but nonetheless trying to explain why land that never was development land and which was known to be green belt land was magically given a valuation of top-drawer development land. It was given the value of £200 million, when it maybe had a value of only £2 million, £3 million, £4 million or £5 million. It was given that value without a site-specific valuation. I appreciate that it was the current Finance Minister's predecessor, Mr Robinson, and not himself, who was Finance Minister at the time, but what sort of Finance Department is it that rubber-stamps a financial arrangement on a plot of land without a site-specific valuation?

That Minister, above all Ministers, knew that the Crossnacreevy land was not development land. It was a Minister who maybe knows a lot about the value of land in Castlereagh. It is strange how at one end it can be worth £5 and at the other end worth £200 million. However, there it is.

That illustrates a lack of financial probity in the conduct of affairs within DARD and the Department of Finance and Personnel, where a fiction can be created. That is what it was. It was a fiction that land of a few million would be written up as land of £200 million. Some sleight of hand in the books would be perfected to give

it that value. Again, that is the sort of budgetary handling that brings discredit to the House.

I see in the Budget that we are to have extra money for the Attorney General. The Attorney General is someone who plays an important role, but, largely, beyond the reach and control of the House. In the past few months, the Attorney General, needlessly and foolishly, cost the public purse something in excess of £40,000 through an ill-conceived threat and challenge to the Damages (Asbestos-related Conditions) Bill, only to withdraw the objection after tens of thousands had been wasted on legal fees. Yet, in this Budget, we are to hand the Attorney General, whom we cannot control in the House, a resources increase of something approaching 50%.

Why? Has the Minister questioned, challenged, sifted or enquired after why that increase is necessary?

I come now to another matter. Under this Government, we will now hand money to Departments for ministerial drivers. Members will be aware that, in the first four years of the Assembly, Sinn Féin refused to take the ministerial drivers on offer and insisted on appointing its own. However, Sinn Féin long campaigned that it should have public money for that purpose. I have been seeking to explore that with the Minister and have in my hand an answer. Maybe it is my intellectual deficiency that causes me to be unable to understand fully what is being said, but it seems to be an exercise in obfuscation. It now seems that a sum is to be given to each Department, within the Budget for 2011, out of which each Department, at its own discretion, can recruit drivers. Whether those new drivers will have Civil Service status is, according to this answer, a matter for individual Departments. Are we arriving at a situation in which Sinn Féin Ministers will be able to employ, out of the public purse, drivers of their choice and decide whether or not to give them Civil Service status? That seems to be the import of what is being suggested.

Why is that change being made? Why is it necessary within this Budget arrangement to make that change? Is the motivation financial or political? Is it a desire to settle a running sore politically or a desire to reach better financial arrangements of more probity? One thing seems to be clear: it is a surrender by the Department of Finance and Personnel of control of the appointment of Ministers' drivers

and the bequeathing of the power to the various Departments. You give them the money and tell them to get on with it. By and large, that seems to be the import. My question is why?

Last week, I asked about the £800 million promised on the transfer of policing and justice, but I did not get an answer. Where in the 2011-12 Budget can we trace that £800 million, and how much of it can we trace? Where in the Budget can we trace the sales of the four bequeathed bases? Are they within the Budget? Where within it do we find the resource costs to maintain those bases? Again, those are questions that were asked last week but went unanswered.

I trust that we will not have a repetition of the bluster, but that we will have answers as to the whereabouts of the £800 million in the Budget and the portion of it that should come down in 2011-12. I trust that we will get clear, transparent, black-and-white answers on an issue that was spun so unbelievably some time ago. Let us call in those figures, let us see where they are, and let us trust that they were not a fiction of spin and salesmanship.

There is much in this Budget to raise concerns, but I return to the point that I started with. If we are serious about saying to the greater public, “You must tighten your belt, and you must ready yourself for harder times”, this House needs to lead by example in its structures, in its architecture and in how it addresses waste. If we need to save hundreds of millions of pounds and more, why are we wasting hundreds of millions of pounds on matters such as the useless North/South bodies and the Maze project when we cannot find money for new factories?

Mr Lyttle: I will take a brief moment to make a contribution on the type of budgetary reforms that I hope the Finance Minister will support and that will improve the spending in this plan. If changes are made to how our public services are delivered, they will have the potential to cut waste and ensure that public money is spent more wisely. It is my belief that we need to further open up public services to benchmarking and market-testing procedures. We need our Ministers to examine the level of funding allocated in neighbouring regions on certain policy issues in order to help us, in some cases, to assess how much we should spend in Northern Ireland. The Minister of Justice, David

Ford, MLA, has already begun to employ that procedure with regard to legal aid in order to bring departmental spending on that policy area within budgetary control.

Benchmarking can also help us to see where inefficiencies exist and where we need to improve costs. If we do not compare and contrast how other regions budget for specific policy delivery, how can we assess our levels of spending? Some of our Departments have fully committed to the idea of benchmarking while others are ignoring it. Will the Finance Minister put policies in place to encourage all Departments to carry out that type of budgetary testing?

In addition to benchmarking, we should make it a requirement for public services to be market-tested to ensure that value for money is delivered to the taxpayer. The Finance Minister's colleagues have shown their support for the A5 project, which is being supported by a significant contribution from Dublin, and I hope that the Finance Minister will encourage all Departments to engage in further collaboration with their counterparts in the Irish Government to deliver further projects for local people in Northern Ireland. Does the Minister agree that there is significant untapped potential in that approach? I would also like to see improved correspondence between Ministers and their counterparts in the South in order to better identify where co-operation can save money for the Northern Ireland public purse — money that can otherwise be reallocated to front line services, such as nurses and teachers.

I will take this opportunity to continue to focus the Minister's attention on the alarming cost of division to this society. I know that my colleague Mrs Kelly referred to it earlier, but an estimated £1 billion could be saved if we were to get serious about tackling segregation in our society. If the Minister is truly committed to seeking to reform our public services to tackle waste, he need look no further than reducing the cost of division in Northern Ireland. Does the Finance Minister have any plans to require Departments to policy-proof their budgets in respect of the cost of maintaining a divided society? That would help us not only to identify the depth and scale of the problem but to deliver efficiencies on the scale needed for genuine economic recovery and the creation of first-class public services in Northern Ireland.

5.45 pm

Mr Agnew: A huge opportunity appears to have been lost in the Budget. As has been mentioned, we have not yet seen the Programme for Government. I fully expect that when we do, it, like the previous Programme for Government, will highlight the economy as one of the priorities of the Assembly term; and rightly so. However, we cannot take the economy in isolation; it is not separate from other environmental and social issues.

We have a plan to generate income for Northern Ireland; to create jobs; to move Northern Ireland into a low-carbon economy; and to improve its people's quality of life. That plan is the green new deal, and I know that the Minister is aware of it. I appreciate that, in a former role, the Minister said that he would not take lectures from bearded, muesli-munching, 'Guardian' reading, sandal-wearing environmentalists. I apologise if I have misquoted him and left anything out.

Mr Wilson: That is quite accurate.

Mr Agnew: Thank you. I appreciate that he said that. However, if we have a plan that has not only been endorsed by such people as Friends of the Earth and the Northern Ireland Environment Link, but by groups such as the Confederation of British Industry (CBI), the Institute of Directors (IOD), the Ulster Farmers' Union, Bryson House — to name but a few of the signatories of the green new deal — I hope that the Minister would take lectures from those people because they are economic and environmental experts.

Mr Weir: I thank the Member for giving way. The Member praises the Confederation of British Industry and the Institute of Directors and implores the Minister of Finance to listen to experts. Will the Member take the same view when, next week, the Assembly debates corporation tax? Will he listen to the voices of the CBI, the IoD and economic experts on his much-vaunted opposition to corporation tax? Perhaps, at that stage, they will become economically illiterate.

Mr Agnew: I thank the Member for his question. I agree absolutely: it is important to listen to experts; however, we must listen to all experts and not be selective. Therefore, equally, I will listen to PricewaterhouseCoopers, which has reservations about the cut in corporation tax. Indeed, I will listen to the Minister of Finance

himself, who, it is well known, has reservations about the cut in corporation tax. In fact, the First Minister once said that the current Minister of Finance is the most qualified that we have ever had. Therefore, if he has reservations, I ask that his party also listen to him.

I return to the green new deal. Four million pounds has been set aside for a pilot scheme, which, we are told, will be funded through revenue generated from the plastic bag tax. It just goes to show that whenever sustainability is discussed in the Assembly, there is really no understanding of its meaning and purpose. Seeking to generate a set revenue from the plastic bag tax suggests that we are not using it for the purpose for which it was originally intended.

The green new deal could create jobs, reduce people's household bills, and cut carbon use. As I said, when we debate the Programme for Government, I suspect that the Assembly's priorities will be to tackle economic, social and environmental issues. Therefore, a scheme that meets all three of those aims is exactly the type of scheme that we should look towards and fund properly.

The Member mentioned corporation tax. Although we have a Budget before us, I do not know how much stock we can put in it if it is passed. If we cut corporation tax, we will have to look at the Budget again because of the massive loss of revenue that will occur as a result. A decision on cutting corporation tax has yet to be made, but a number of parties have announced that they are in favour of it.

There are absolutely no guarantees with a cut in corporation tax, yet the green new deal brings guarantees of job creation. We seek to put in place a pilot scheme, but there have been pilot schemes. There was a pilot scheme in the Republic of Ireland, in which 50,000 homes were insulated and thousands of jobs created. There have been pilot schemes in England, in which people's homes have been insulated, they have saved money and jobs have been created. I do not see why we need a Northern Ireland-specific pilot scheme when there are examples on these islands of how it can be implemented and of the benefits that it will bring.

I mentioned sustainability. It is clear to me that sustainability is not at the heart of this Budget. We still spend over 80% of the transport budget on private transport and less than 19%

on public transport and improving our public transport infrastructure. We have to address that. In England, the figure for spend on public transport is more like 60%. In the Republic of Ireland, they are moving towards spending two thirds of their transport budget on public transport. We are nowhere near that.

(Mr Deputy Speaker [Mr Beggs] in the Chair)

I would love to say, and I would love the Minister to be able to say, that that is because we have such fantastic public transport infrastructure, are light years ahead of other regions of the UK and Ireland, have put the investment in and, therefore, are now just maintaining an otherwise excellent system. Unfortunately, that is not the case. We are one of the most car-dependent countries in the whole of Europe. We must seek to address that, because, as Members will know, oil prices are rising. We, as an Assembly and a Government, should be putting the infrastructure in place to help readdress that. At the minute, families are crippled by the amount of money that they have to spend on fuel. We are not providing them with an effective alternative, and we really must do so.

We have to put sustainability at the heart of our Budget and Programme for Government. The economy does not operate in isolation. The decisions that we make affect not just the economy but people in their homes. They affect the environment in which those people live, and that is the crux of it. When I talk about the environment, I am talking about the environment in which people live, right down to their home environment. We have the opportunity to address that, and we should address it.

Another issue that has been dodged is water charges, which I know is controversial. We, in the Assembly, have so many needs to meet. We are told that there is not enough money for so much of what has been talked about in today's debate. Not having any form of usage-based water charging costs the Assembly £200 million a year. We cannot shy away from that, and we have to look at it. We should absolutely look at how we protect the most vulnerable and ensure that those on the lowest incomes do not have their taps turned off. No one wants that, and I certainly do not advocate it.

We can provide an allowance so that families can meet their hygiene and drinking water needs, while we tackle water wastage, as we will be required to do by Europe, and ensure,

particularly in these difficult times, that those who can afford to pay do pay and shoulder that bit more of the burden to ensure that the most vulnerable in society have the investment in the public services that they need, such as the Health Service, the education system and the public transport system, which I have already mentioned. We really need to address that and stop shying away from it.

One final issue that we failed to address is that of student fees. The current Budget means that we must do one of three things, none of which I find particularly palatable.

First, we could put student fees up. However, in other debates we have heard the many reasons why we do not want to do that, why we want to keep our best and brightest in Northern Ireland and ensure that those on a lower income who have the ability can still have the opportunity to avail themselves of a university education.

The second alternative is cutting funding to our universities. However, I do not think that we would want to do that either, as we are rightly proud of our universities and want to continue to be so.

The third alternative is to give more money to the Department to ensure that we do not have to put up student fees in Northern Ireland, and that should be a priority. We are talking about growing our economy, and the various reports on corporation tax show that most companies, when deciding where to invest, place the skills of a workforce ahead of the rate of corporation tax in their list of priorities. We must ensure that we have quality universities providing the quality graduates required to ensure that we get investment in Northern Ireland.

Mr Wilson: I thank all those Members who have sat through this marathon session. We have had the Budget debate so many times that it is like a repeat on the BBC. It does not get any better with repetition; nevertheless, we have gone through the issues time and again. This is about the fifth time that we have had the same discussion about the Budget, and Members still raise the same points and set themselves up for the same responses. However, one of the roles of the Assembly is to have discussions on the Budget.

I always welcome a good debate. When we have an open-ended debate such as this one, in which people are not restricted by

the customary five minutes, we have useful discussions and exchanges. Some Members respond; others do not. Therefore, despite what others have said about the standard of debate here, when we get the correct format, it can be as good as anywhere else. To those naysayers in the Assembly, and those who think that it is a pointless exercise for us to sit here and debate, I say that, if they had the patience to sit through the almost six hours of debate today, they would have heard an interesting exchange of views and a useful debate.

Mr Hamilton: It is as good as any council.

Mr Wilson: Yes, as the Member beside me said, it is as good as any council debate. Indeed, looking across the Floor, I am sure that Mr McCann would tell us that it is as good as, if not better than, any debate that we ever had in Belfast City Council over the years.

I want to address some of the points that Members raised. The Chairman of the Committee for Finance and Personnel spoke in the debate, and I welcome the fact that the Committee agreed to the use of accelerated passage for the Bill. It was important that we were able to use that mechanism so that the Bill can receive Royal Assent by the end of July and we can have the money for the second part of the year.

The Chairman pointed out that the current process is cumbersome and repetitive. I am not sure that it deals with the crux of what we want to do when it comes to debating the Budget. Therefore, I welcome the fact that he said that the Committee will engage with my officials on the two changes that we need to make. The first of those changes is to the Budget process itself. We must decide whether we need all the stages, which tend to be repetitive. Perhaps they should not be repetitive, but people tend to see them all merging into one.

Can we improve the process?

6.00 pm

Secondly, and more importantly, a number of Members said that the presentation of the data — the information — is not all that clear. I will return later to what some of them said. As I said in last week's debate, and despite what Mr Allister said, I am not worried that people can: one, understand what is in the figures; two, see clearly where the money is going and what

it is for; and, three, then have an opportunity to discuss that. I look forward to engaging with the Committee in looking not only at the process but at the presentation of the Budget information.

Unfortunately, my successor will then have to live with the consequences of that. It will probably take about a year and a half for the new process to be in put in place, and Members will then have far greater clarity and be able to sharpen their pencils, point their swords and have a go at the Minister, because they will fully understand what is in the figures. I am glad that my "assistant", as he has been described, although I prefer to call him my apprentice, will have that joy in a year and a half's time.

Mr Girvan talked about the fact that, as a result of Budget decisions, we have some of the lowest rates in the United Kingdom. In fact he was wrong: we have the lowest rates. Some people say that that is good, others say that it is bad, and some people from the leafy suburbs of north Down and the affluent Green Party and its supporters believe that we should be charging people more. We have taken the view that low taxation is good. It is good for individuals. People know better how to spend their money and should be left with as much of it as possible to spend, rather than having it spent by the Government. Hence, we have kept the increase in the regional rate to the rate of inflation and have not imposed water charges in this mandate. I have said that we will hold to that.

Mr Hussey is not here. However, I am glad that the Ulster Unionist Party has made clear its intention not to vote against the Budget this time. We are progressing a little with the party to my right. The last time that we debated the Budget — do not worry, it is basically the same Budget — we had fury from Members from that party. They said that the Budget was not fit for purpose, that people would be dying in the streets and that the country would come to a halt. At least they have moderated their stance and will not divide the House, although I do not know whether that means that they will vote for the Budget.

I listened to Mr Hussey, who I think must have been spending too much time with the Secretary of State, because, although we saw the face of Mr Hussey, we heard the voice of Owen Paterson. We got the whole lot. We heard how much we spend a minute; how much we borrow

a minute; what size the deficit is; and how much is spent per capita in Northern Ireland compared with the rest of the United Kingdom. It could have been the Secretary of State speaking. After an introduction like that, had he said that he was going to vote against the Budget, he would have been laughed out of the House. At least he had the good grace to say that his party would not oppose the motion.

Mr Hussey did, however, raise a number of issues about Belfast port, as did a number of other Members. He spoke about the £40 million to be raised from it, and he mentioned the housing associations and the £80 million that we require from them. We will not take £80 million off housing associations but will simply require them to use £80 million of their own money to build houses, and the grant that they will get from government will be reduced. That will not be a big imposition on them. The SDLP originally proposed that measure. Then the SDLP condemned me for it and said that it would never work. I am now pleased to hear that the Minister of the Environment, who was the Minister for Social Development and who is an SDLP Member, has said that, actually, this measure can work. He claims that it is due to his great work. I do not really care whether it is due to his great work with the housing associations, or who did it. As I claimed in the Budget debates, it has shown that that is robust funding.

Mr Hussey also stated that the Health Department would have a deficit of £177 million at the end of this year. That is a vast improvement. It just shows what six weeks of a DUP Minister can do. When a Minister from the Ulster Unionist Party was in charge, the deficit was going to be £400-and-something million next year. Within six weeks of the appointment of a DUP Minister who had some interest in the Department, the deficit that the former Minister predicted has been reduced by more than 50%, even according to the party that condemned me for laying the Health Service to waste. I am sure that good work will be done while living within that budget. However, we have given a commitment that we will help with that.

I am glad that the terms of reference for PEDU's going into the Health Service are now with the Department. I hope that they will be agreed, which will allow PEDU to get on with the job of helping the Minister to live within his budget. He will be capable of taking the

required hard decisions. Life will not be easy for any Department, but, as Mr Hussey said, more eloquently than I could, that is a result of decisions that have been made outside the House. It has nothing to do with the incompetence of the Assembly, the alleged dysfunctionality of the Executive or the inability of the Finance Department to keep a grip on the Budget.

Mr Hussey also raised the issue of the part-time Reserve gratuity, and I will say something about that later. I share the concern that the issue has dragged on for some time, but I understand from the Justice Minister that the payments will commence shortly, and I hope that that happens.

Mr Bradley raised a number of issues. Despite comments from SDLP Members who spoke after Mr Bradley, I am pleased that he said that the SDLP will not divide the House. I am glad that all the people who opposed the Budget with such fury have been converted. I think that the leader of the SDLP may have wanted me to give way. Maybe she was going to tell me that she was not converted. If she wants me to give way, I will do so in a moment or two. Significantly, of course, the Budget has not changed. All that has changed is that the election is over. That is what it was all about. It was not about whether the Budget was right or wrong or whether more money could be found. There was a forthcoming election, and people wanted to score points. What a splendid tactic that was, as can be seen in the reduction of one Minister for the Ulster Unionist Party and in the number of seats for the SDLP. Maybe those parties will think twice about trying that tactic again. In any case, they will not divide the House and are now quite happy that the Budget should be passed. I am pleased; that is progress.

Mr Bradley also spoke about the amount of new money and moneys still to be raised. His leader also raised that issue and, in fact, went further. At least he asked how much new money there is. Nine hundred million pounds of new money will be raised over the four-year period. He hinted that that is not realisable. His party leader went a bit further and talked about being alarmed at the slippage already. When I asked her what that slippage is — do not forget, we are only about eight or nine weeks into the new four-year Budget period in which these assets and this money will be realised — the only example I could get was Crossnacreevy. Crossnacreevy was an issue away at the

beginning of the previous mandate, and it was not even a matter of slippage anyway; it was money that was never realised, but it did not affect — and I will make this clear because Mr Allister was at this one as well; it was one of his herd of sacred cows that we heard about —

Mr Allister: Pedigree.

Mr Wilson: I do not think that they were pedigree cows; that is the thing. They were old mongrel cows, because we have heard them all before. If there is such a thing as a mongrel cow; I am sure you could correct me, Mr Deputy Speaker, because you are a cow man. *[Laughter.]* As opposed to some other people in this House, who are cowboys.

Mr Deputy Speaker: I ask the Minister to be careful with his language and to be careful of what he says of the Deputy Speaker.

Mr Wilson: I was only observing that you would probably be more aware of the pedigree and the background of cows than I would, as I observe every morning as I look across the valley.

Where was I? I was on about these sacred cows, and the slippage in this money. A number of Members raised this point, so I will say that we will have to keep on top of the revenue-raising proposals in this Budget. That is why the Budget review group will meet regularly to get reports. Do not forget, much of this will be built into the departmental savings plans as well. There is also a role for Committees to question officials and Ministers as to how they are progressing. There is a job for my Department, for me, for the Executive, for the Budget review group of the Executive and for Members of this Assembly to make sure that this is delivered. I will be giving a six-monthly report to the Assembly as to how the departmental saving plans and the revenue-raising proposals are going.

Mr Bradley also raised the issue of the Scottish Futures Trust, which is really a PPP scheme, albeit one that, because it is a non-profit distributing model for PFI contracts, should, in theory anyway, work out cheaper. I have to say, and I have made this point time and again, I am pleased that the direction of travel that the left-wing socialist party — *[Interruption.]* I hope that that is not a bell telling me to shut up.

Mr Hamilton: Or a car reversing; that is what it sounded like.

Mr Wilson: Or a car reversing.

I am glad to see that the SDLP, which waves its left-wing credentials, etc, now accepts that models of private involvement in what used to be public sector provision can actually be beneficial. Its members probably do not want to tell their trade union friends too much about that, but at least they are throwing out some of these ideas. I know that the First Minister and deputy First Minister have spoken to the Scottish First Minister and Finance Minister about the Scottish Futures Trust model. I do not know how applicable it will be here, but, as I have said, we will not rule out any new sources of finance.

Mr Bradley and a number of other Members raised the issue of revenue from Belfast harbour. We have put in £20 million in each of the past two years. The Minister for Regional Development is working with Belfast Harbour Commissioners to see how that money can be paid over to the Executive, and, as I have said before, if that requires legislation through this House, we will use it. It should not be in jeopardy at all; the reason why we put it towards the end of the Budget period was because it allowed us to do that.

6.15 pm

Anna Lo raised the importance of the voluntary sector's role, and I agree with her, although I do not believe that the voluntary sector is sustainable in its present form. Just as we look for better delivery from private contracts and from government, we must look for better delivery from the voluntary sector. However, one of the reasons for the four-year Budget is that the voluntary sector must have some certainty so that it can plan.

As I have said in the past, there is a role for both the voluntary and social economy sectors to help us deliver on some of the Departments' savings plans. It is up to those two sectors to sell what they have to Ministers, administrators, Departments, etc. I hope that the statutory sector will be open to different ways of doing things, because, as Mr McCarthy said, we cannot keep on doing what we are doing using the current methods and framework.

Ms Lo and others raised the issue of the DCAL budget. There is talk going about that the DCAL budget has been very severely hit. The Department for Culture, Media and Sport was hit with a 25% cut, as a result of decisions made at Westminster. That was passed on to

us as a reduction of the same size, but we did not cut the DCAL budget by 25% or anything like it. The cut was approximately half of what the Barnett consequential indicated. When it comes to the Arts Council part of the DCAL budget, its reduction in funding is 5.6% by the fourth year of the Budget period. It is hoped that the Arts Council will benefit from lottery funding from 2011-12. That should complement the settlement. I agree with what Ms Lo said.

Mr Allister suggested that, if you want to concentrate on the economy, you must build factories. It is a short-sighted view of life that insists that, if you want to build the economy, you should have a narrow focus on factories or something like that. When we set the Budget, we set it on the basis that we have to provide for the whole range of services required in Northern Ireland. Many of those, although they might seem soft and a bit woolly, bring hard economic benefits. If you want to attract tourism, you have to have high-class sporting and arts facilities.

Time and time again, we are told in this House that Ministers must think cross-departmentally and that we cannot have a silo mentality. Yet Mr Allister was at it, as was Ms Ritchie and some of the rest of them, saying things like, "We need a Programme for Government so that we can think holistically". Then, when you think holistically, people get into these wee cubbyholes and say, "No, if it is the economy, it has to be factories" or something like that. You cannot have it both ways. Indeed, during previous debates, I have made it clear that I am sympathetic to the economic potential of the arts. Despite what Anna Lo has said about the reduction, we tried to protect that budget, even though we took a much bigger hit, and we hope that that budget will be supplemented.

Mr Campbell raised a number of issues. He spoke of the cost to the public purse of empty homes. He is quite right; that cost is enormous, especially in some areas where empty homes become the centre of antisocial behaviour, an eyesore and a nuisance in the community, and cause all sorts of problems for nearby properties. The Minister is now considering whether more emphasis should be placed on the existing housing stock. A good headline was created for the previous two Social Development Ministers in that they produced a record number of new homes and newbuilds, yet what we do with the existing stock can be equally important

in providing homes for people and regenerating run-down areas. That is important; we have to think of it holistically.

I know that the imposition of rates on empty homes has not been popular, and I have had quite a lot of angry letters about it, but my Department will start to do that in October. Some people say that if a house is not being lived in, there is no cost, but if a house is not being lived in, there is often more cost.

Mr F McCann: Will the Minister give way?

Mr Wilson: I will give way in a minute or two. One reason for introducing rates on empty homes is to try to get those houses back into use rather than have them lying empty. There is no cost if you leave them empty.

Mr F McCann: We spoke about that issue at the Social Development Committee meeting last week. It has been said that there are some 40,000 empty houses, but that figure was arrived at in 2008 at the start of the economic crisis. In many areas, huge numbers of houses have become empty since that time. Would it not be better if another survey were carried out to find out how many houses are empty? That 2008 figure has been criticised.

Mr Wilson: I do not know the exact figure, but the Member makes a good point. If those homes already exist, why do we put hundreds of millions of pounds into building more houses and leave that dereliction? I accept that those houses are not always derelict, but nevertheless, they are a resource that could be used. If we can give encouragement either through capital spending on houses to improve and regenerate areas or by persuading owners to do something with them, we should.

Mr Campbell also raised the issue of employment patterns in public services. He said that there was under-representation in a number of areas, and he welcomed the improvement in the Housing Executive. I look forward to the day when what is to me a fairly sterile debate about the proportions of this or of that section of the community who are employed in public or private services or whatever no longer matters, and we simply chose people on the basis of their ability to do a job. Although I understand Mr Campbell's argument that, in the past, under-representation of one community meant a song and a dance being made so why is that not the case when there is under-representation

of another community, I think that we have to move to a point at which we accept that people are chosen on the basis that they are good at their job and have the qualifications to do it, and we ignore their ethnic, religious or any other background. I get sick and tired of the whingeing from these pressure groups that want to make an issue just so they can justify their own existence, when what we should focus on is people's ability to do a job.

Mr Bradley and Mr Flanagan mentioned progress on the social protection fund and the social investment fund, as well as the childcare strategy. Those strategies rest with OFMDFM, and I understand that it is putting proposals on the social inclusion fund out to public consultation this summer. The terms of the social protection fund are still being considered, and it will be up to the Department to consider the merits of each proposal, including the mortgage rescue scheme that was mentioned. The childcare strategy is being developed through the work of the ministerial subcommittee on children and young people. That will come before the Executive for consideration.

Mr McQuillan raised the issue of tourism, as did other Members, including Mr Humphrey. The figure of £455 million, which is how much tourists spend in Belfast, indicates the potential that there is in tourism, and it is something that we have to work at. That is not the only reason why we are alarmed at the rise in air passenger duty; there are much more important reasons. I will say something about that later on.

Mr McQuillan also raised the issue of guaranteed policing costs over the next four years. I am pleased to say that not only have we secured access to that but we have had it agreed by the Treasury that that £200 million can be built into the police budget and does not have to be applied for on a year-on-year basis. That money has been allocated for the next four years, and the police can now use it, which gives them flexibility in their budget, especially when dealing with terrorist activity.

Mr McNarry, tongue in cheek, welcomed my reappointment and said that he looked forward to the standard of debate.

Mr Hamilton: He said it with massive enthusiasm.

Mr Wilson: It was, as the Member said, said with massive enthusiasm.

Mr McNarry, like Mr Hussey, indicated that the Ulster Unionist Party has put up the white flag as far as the Budget is concerned.

Mr Cree: Will the Minister give way?

Mr Wilson: I knew that that would get a response, and I am happy to take the Member's intervention.

Mr Cree: I thank the Minister for giving way. He keeps making this point about a change of heart. Does he not remember that in March this Budget was approved, that the Ulster Unionist Party voted against it at that stage and that we are now facing reality? *[Laughter.]*

Mr Wilson: What an admission: in March, the Ulster Unionists lived in a fantasy land, but now they have come down to earth and are facing reality. The only fantasy land, as I pointed out earlier, was the fact that there was an election. It was not a fantasy election, and it certainly was not a fantastic election either for them, and they may now regret the stance that they took.

Before the election, the fury of the Ulster Unionist Party was about how much money we needed for the Health Service. We were told that only health mattered. I had a copy of its manifesto somewhere, but I have lost it. In its manifesto, that party said that it would defend the Health Service. However, now that Mr McNarry is the Chairman of the Education Committee, we have not heard a word about health today: it was all about the £300 million required for education. That shows the difficulty that we have in debates like this: it really depends on the positions that people hold as to how much they will fight for a particular service. The one thing that they do know — *[Interruption.]*

Mr I McCrea: The big guns are in now.

Mr Hamilton: No, it is just Basil.

Mr Wilson: At least he did not take part in the debate today. I do not know if he is coming in now to upbraid me for saying nasty things about the fantasy world that his party, according to Mr Cree, lived in before the election. I hope he is not coming in to tell me what he wants to do with Invest NI's budget like he did the last time.

Mr B McCrea: Will the Minister give way?

Mr Wilson: No, I will not. He is only in the door, and he wants to hog the Floor. Make him sit for a wee while. Since it will take me about two hours to get through all this, maybe I will let him make an intervention at the end of the two hours. That way at least he will have earned the right to make an intervention. He certainly has not earned the right to make an intervention after 30 seconds. He has been in for 30 seconds and wants to take part in the debate. No chance. *[Interruption.]*

Mr Deputy Speaker: No comments from a sedentary position, please.

Mr Wilson: Now that the focus of his attention and concern is on education and not health, Mr McNarry raised the issue of the education budget. I accept that the education budget, like all other budgets, is tight. However, as he will be aware, in the June monitoring round today, over £20 million was allocated to help with the end-year flexibility issue with schools to safeguard their budgets. PEDU is working on the second stage of looking for efficiencies in the education budget. It is looking at catering and school transport.

There are budgets in there of over £100 million. From the benchmarking that has been done among different boards, we believe that substantial savings are to be made, and we are prepared to work with the Department on that.

6.30 pm

Mr Campbell raised the issue of schools capital, particularly in the north-west. I know that the Department of Education will have to consider its capital funds very carefully and make allocations based on that.

We then come to Mr Ramsey, who raised the issue of the depletion of resources in DEL. I have to say that, again, I was a bit disappointed with his contribution, which showed a short-sighted view. Not only was it short-sighted but it ignored where his party stands on the matter. Let me make something clear: the DEL budget got an increase of 3.1% in cash terms. That was one of the three budgets that got an increase over the budgetary period. Therefore, it was one that we recognised, because training and making people ready for work will be part of the economic recovery. However, on the one hand, Mr Ramsey says that he is against an increase in student fees. On the other hand, he says that we have already imposed far too many efficiency

savings on the higher education sector. In fact, his argument is that there has been sustained underinvestment.

This is where things are difficult for me. I do not mind parties having a go about Budget provision, but they should at least be consistent. A party might have a priority; for example, health used to be a priority for the Ulster Unionist Party, but now it is not. Its priority is now education. If DEL is the priority for the SDLP, that is fine, and I would expect its Members to make those arguments. However, I read that party's submission on the Budget. Do not forget that Mr Ramsey, who I assume was speaking on behalf of his party, contended that there has been sustained underinvestment in higher education. When the SDLP was lobbying me on the Budget, it proposed that, over the next four years and on top of the savings that have already been made, we should take around £38.5 million out of higher education. It stated:

"Over recent years and decades, universities have enjoyed expansion both in student numbers and budgets. The government is now under pressure to maintain funding for universities and the option being recommended by the coalition government in Britain is to allow universities to double or even treble their student fees. The SDLP believes this is completely the wrong approach. Universities must make serious attempts to tighten their own belts".

That means that universities have had lots of investment over the past decades, so they should tighten their belts. On the one hand, that is what Mr Ramsey's party tells me when it writes to me, but, when he stands up and wants to make comments on the Budget, he says the exact opposite. It is difficult, Mr Deputy Speaker, to hear those kinds of mixed messages from the party on the opposite Benches. You would think that it would at least try to get some consistency into its message.

Mr B McCrea: Will the Minister give way?

Mr Wilson: No, it is all right.

I mentioned tourism, which Mr Humphrey raised, but he also discussed NAMA. As I have told the Assembly on a number of occasions, every time that I meet with the Ministers from the Republic, NAMA is raised. I also meet with officials from NAMA, and I will be doing so again some time in the next couple of weeks. The various issues that Mr Humphrey highlighted will be raised with them, and raised regularly.

Mr Humphrey also raised the issue of air passenger duty. That is an important issue not just for tourism but, perhaps more importantly, for the economic development strategy. That direct link with North America is very important in the economic strategy for inward investment that Arlene Foster is pursuing in DETI. We put a number of proposals to the Government at Westminster. She and I have held meetings with the Government. We were a bit disappointed that they did not make some proposal in the Budget other than that they are prepared to review the air passenger duty issue, and we are engaging with them in that review.

I suppose that there are three options. The first is to make available to Northern Ireland the same arrangements as in the Highlands and Islands, which are exempt because of their unique position. Another option is to have a flat rate rather than the banded rate, and bring that rate down, which, of course, would save substantially on transatlantic travel. The last option is to allow the matter to be devolved to this Assembly, which can then decide whether, as a priority, it would rather devote resources to not having a high passenger duty and keep the airline viable. Of course, that would then have to come from other parts of the Budget.

He also raised the issue of enterprise zones. I am sure that he was thinking of some places in north Belfast. We will be keeping an eye on that. We are not very clear on what enterprise zones will mean in the rest of the United Kingdom. Most of what I have heard about fewer planning restrictions, rates holidays, additional grants, access to broadband, etc, are devolved issues, and we could probably do that ourselves. Whether or not you want to confine that to particular parts of Northern Ireland, with the kind of distortion that that can lead to in trade and industrial location, is a matter that we have to look at.

Mr Humphrey also raised the issue of unemployment in the local economy, as did a number of other Members. The Budget does provide money for longer-term projects, 20,000 jobs over the Budget period, new jobs created by the actions of DETI, and £19 million, which should create short-term jobs, with 4,000 of those being created by March 2014.

I congratulate Mrs Hale on her maiden speech, and we look forward to hearing more of her contributions in the Assembly. All of us

recognise the difficult circumstances that led to her involvement in politics but, having gone through that experience, and the feeling that there was in the way in which she believed, first of all, that a party should react to the difficulties experienced by constituents, and how she found that helpful, I have absolutely no doubt from her speech that that is the kind of commitment she will give to Lagan Valley. I look forward to more of her contributions to debates, and welcome her maiden speech.

She made a point about the educational difficulties that the children of serving Army personnel face. Allowances are very often made in school budgets for other people, for example for Travellers' children who move about and, therefore, have difficulties. There is also a need to recognise that additional resources are required for the children of serving Army personnel whose lives are equally disrupted, and who have the other worry that their dad or mum may not come home from the job that they have gone to do for their country. It is important that that is considered in the education budget, and in allocations to school budgets.

She also raised the issue of schools in Dromore. I know that the Education Minister has to look at his capital budget, and I am sure she will be making very forceful representations in her pleasant way to the Education Minister about schools in her constituency.

Mr McCarthy raised the issue of health spending. I heard the list of areas in health that he believed should not be cut. That is the great thing. I love people saying, "Yes, something must be done but not in this, this, this, this and this." Then you ask, "Actually, where should it be done?" I did ask him to respond, and he thought he had answered the question — maybe it was because I smiled at him when he gave the answer — but he had not really. I know where he does not want the reductions to be made. I know that he has now publicly accepted that changes need to be made, and we look forward to hearing where those changes should come from.

Mr Swann raised the issues of the Irish language Act, special advisers and agriculture. I have total sympathy with his view on the Irish language Act. It is an issue that, because of the safeguards in the Assembly, will require cross-community support, and I therefore have no doubt that it will not progress any further than the Minister's desk. He made an

important point. Leave aside the Irish language Act, which is contentious, and will not have cross-community support, and therefore will not be going through this Assembly. Every new commitment that is made in the Assembly will have financial implications.

Time and time again, in response to situations, Members come in here and propose this, that and the other. We always have to remember that, when we want to make those kinds of changes, there are financial implications and, in tight budgetary situations, we should at least be considering where we get the money from. However, I appreciate the points that he made.

He also raised the issue of special advisers. That is something that I am dealing with, and a report will be available shortly. That report will take into consideration the views and the anger that have been expressed by the community.

He also raised the issue of DARD getting its pluses and minuses wrong. It was a clerical error. It sought less cash from the Assembly. When it was spotted, the adjustments were made. There was no consequence as a result of that, other than a bit of embarrassment for the Minister and the Department. It did not result in grants not being paid or capital schemes not going ahead. It was simply a mistake, but it should not have happened, and my officials are going to work with DARD to ensure that it does not happen in the future.

Ms Ritchie raised the issue about where we are with revenue raising and suggested that there were signs of slippage. I have already pointed out that she has not been able to give one example of that, and I suppose —

Ms Ritchie: Will the Minister give way?

Mr Wilson: I will, yes.

Ms Ritchie: I thank the Minister for giving way. It is my understanding that there has already been slippage around the money that would probably be raised from plastic bags. There has also been slippage with land sales and house sales. Will he confirm that that is the case and that what was projected has not been realised even in this short time frame?

Mr Wilson: First of all, during the early stages of the Budget discussions here, I indicated that we would not be realising the £4 million from the plastic bags tax this year, and, therefore, it is not in the Budget. It is not a slippage at all;

it was a recognition that it was not going to be done and we were not going to be able to get the means of collecting the tax through in this year.

As far as the sale of assets is concerned, I am sure that the Member will realise that you do not say that you want to raise £10 million this year, and there are 50 weeks in the year, therefore you raise £200,000 every week, and if you have not raised £200,000 every week, there is slippage. That is not the way it works. Many of those are large, discrete sales, and, therefore, the money will be raised in one lump. Given the negotiations that have to take place, I think even she will accept that that cannot be done in the first week or month of any particular year. All I can say, and I have said it time and time again, is that the situation will be monitored. If there are signs of slippage, of course it will be of concern to us and we will have to look at how the situation can be remedied.

6.45 pm

Ms Ritchie also upbraided me for not accepting the SDLP's detailed proposals for raising revenue. If I were her, I would be embarrassed about raising those proposals, because they have been raised so many times before. She wants us to sell the car parks. The car parks are making us money, but she wants us to sell them anyway. The SDLP wants us to privatise the MOT centres. That is a possibility, but any time that we talk about selling anything off and it comes to the practicalities, her party is opposed to it.

Ms Ritchie wants us to sell the Speaker's house. I do not know whether that is his house or the one down at the gate. I loved the next one: the SDLP wants us to get money — £120 million — from planning gain. The SDLP says that planning gain can realise £20 million this year; £30 million next year; £30 million the following year; and £40 million the year after that. It then admits:

"The fact that there is a recession in construction and development is no reason not to have this facility on the statute book."

The SDLP wants it on the statute book. We will not realise any money, according to the SDLP's proposals. However, when we look at the figures that the SDLP put forward, there is £20 million to be got this year. On one hand, the development industry is in recession and cannot afford to contribute any money; on the other hand, it can put £20 million into the Budget this

year, £30 million next year, and so forth. The reason why we have not accepted a great deal of advice from the SDLP is because, even by its own admission, its proposals do not make sense and do not realise money.

The SDLP wants us to sell an airport that does not belong to us. It wants £37 million from the sale of Londonderry Airport or Derry City Airport or whatever you want to call it. It really does not matter what it is called; the SDLP wants to call it ours, but it is someone else's. Those are daft proposals. Ms Ritchie glibly stands up and says that we have ignored the sterling advice of the SDLP, but it is not a bit of wonder.

The other proposal is that we could solve the problems of water through water service mutualisation. I love that word. Somehow or other, it hides all that lies behind it. The SDLP is against water charges, but it says that we could get money for the water service through water service mutualisation. How will the mutual company raise money? It will borrow it. What will the mutual company borrow that money against? It will borrow it against revenue. Where does that revenue come from? The revenue has to come from the customers, because it is not coming from us. The whole point is to get rid of it so that we do not have to pay the money any more. Mutualisation seems brilliant until you ask how it will actually work. Mutualisation is code for giving responsibility to another body so that someone else will impose water charges. That is one of the reasons why we have not gone down that route. There may well have to be a debate on that matter in future, but the Member wants to have it both ways.

She also asked how the Budget would help the economy and jobs. There is a severe reduction in the Budget, but the Executive took the decision to switch £256 million from current spending to capital spending to assist the local construction industry. By the final year of this Budget, because of the measures that we have taken and the sales receipts from assets that are no longer of any use to us and from which we will realise the money, we will be able to spend £1.4 billion on capital spending, which is in keeping with the long-term trends. In addition, we will proactively try to help businesses by keeping rates down to the level of inflation, adopting the proposal for small business rate relief and capping manufacturing rates at 30%. The SDLP was opposed to that and wanted us to leave it.

Mrs Kelly raised the issue of energy costs. She made a very good point, because we should be concerned about the way in which energy costs in Northern Ireland are going up. Mr Agnew made the same point. As energy costs go up, of course the industries that are heavily reliant on energy become less competitive. Also, of course, it leads to an increase in fuel poverty. However, when I look again at the SDLP's energy proposals — the Green Party is no different, by the way — I notice the emphasis on pressing:

“for a renewed commitment to a low carbon society from all government departments and ministers. We will strive for ambitious, legally binding greenhouse gas emission reduction targets of 40 by 2020 and 80 by 2050, to be met through a Northern Ireland Climate Change Act.”

But what is the source of increased energy charges? Nearly 80% of the increase in energy charges is coming as a result of switching from cheaper carbon sources to dearer renewable sources.

Mr Agnew: Will the Minister give way?

Mr Wilson: I will give way in a moment or two. Before I give way to the Member, since he seems to be so enthused by what the business community thinks about his green proposals, I will tell him what Sir Roger Carr, of the CBI, said only this week. As a result of targets, energy costs are rising for industry, causing businesses to relocate outside the United Kingdom. He said that companies are:

“under threat from punitive green energy costs.”

That is what the chairman of the CBI in the United Kingdom said. The figures stack up for themselves. You cannot argue, on one hand, for the kind of environment policy that the SDLP and the Green Party are arguing for and, at the same time, complain about energy costs going up.

Mr Agnew: I thank the Minister for giving way. Surely the Minister will accept that the main factor in rising energy costs is the fact that the cost of oil and gas continue to rise as they run out, and, by investing in renewable energy in the short term, we will make long-term savings, which will increase in comparison with the rise of oil and gas prices.

As regards the comments from the CBI, I am on record opposing the Conservative and Liberal Democrat Government's introduction of the carbon reduction tax, which took away

the incentive that was proposed initially for companies to switch to green energy. Instead, they just proposed a flat tax, which the Green Party opposed. I wanted to clarify that point for the Minister's knowledge.

Mr Wilson: We could trade figures on the efficiency of renewable energy sources all day, but that is not the purpose of the debate, and I am sure that you would pull me up, Mr Deputy Speaker, if I began to go down that route. Indeed, it might be useful to have an informed debate on that subject in the Assembly, rather than the kind of rhetoric that states that wind comes for nothing and, therefore, you get cheap electricity. Windmills operate at a very low level of efficiency. They require a feed-in and a whole network. They require billions of pounds of investment. Do not forget that the subsidy for that form of energy comes from consumers' energy bills and impacts on the cost of energy for industry. There is no point in complaining about it while saying that you want more of the policy that leads to it.

Mrs Kelly also raised the cost-per-prisoner issue. I am sure that the Justice Minister will focus on that area. I hope that she gives him the same support in his battle to get the cost of legal aid in Northern Ireland down to the same level as that in other parts of the United Kingdom. Perhaps the SDLP is a bit more selective because of the Member who sits to her left. I do not know.

Ms Ritchie also spoke about road and street lighting. She will be very pleased to see that, in the June monitoring round, £3 million is made available to the Department for Regional Development for the testing of street lighting systems.

Ms Ritchie: Thank you, Minister, for giving way. Although I acknowledge the money that is in the June monitoring round, that was not the specific issue that I raised. It was much more fundamental and relates to private residential estates where there has been non-adoption because of the inability of developers to fulfil their work and schemes, owing to, shall we say, a lack of funding opportunities because banks have not been providing credit for them. As a consequence, residents in those estates feel deeply frustrated. I was suggesting, because of the bond issues involved, that you, as Minister of Finance and Personnel, act in conjunction with the Minister for Regional Development, who

is already equipped with the information, to try to bring a resolution to the table.

Mr Wilson: I am sorry; I took the Member up wrongly on that point. Every Member in the Chamber will probably be aware of the kinds of issues that she has raised. People who have bought a house are frustrated when they find that roads and footpaths are unfinished. It makes it difficult if they want to sell the house. There is the mechanism of using the bond, which builders are supposed to take out at the very start. That may need to be followed more rigorously in the current climate.

I now come to the typical contribution by Mr Allister, who is the Assembly Elijah: everybody around is wrong and has some kind of devious, underhand agenda, and only he is left as the voice of purity in the Assembly. Jim and I go back a long time, but his imperious pontification — somebody gave me the word “Faustian”, which I love — and his view that only he has the interests of the public at heart and that all the rest of us have our hands grubby with compromise and everything else does not do him credit. It takes away from the arguments, such as they are, that he wants to make.

I will go through some of the stuff that he talked about. He said that the whole premise on which the Budget is based is flawed because there is no Programme for Government. He also said that, if we were a family, we would sit down and state our priorities and determine how to spend our money. You would easily know that it was a barrister who was giving the example, Mr Deputy Speaker, for even in these times of austerity, he talked about a new car, a new conservatory and a holiday. There are not too many people who are discussing that in their budgets.

I must not get angry or furious, because that annoys him as well. I will try to avoid that.

Mr Storey: Keep calm.

Mr Wilson: Yes. I have to calm down. Anyhow, this is supposed to be evidence of the dysfunctionality of the Executive. He is not the only one who has made the point, but I am sick and tired of listening to the point about there being no Programme for Government. He asked what the input from the Strategic Investment Board (SIB) was. My Department worked very closely with SIB officials and talked to them about what the priorities would be. There may not be a formal document from the SIB, but

the investment priorities in the Budget reflect what the SIB officials were saying. Indeed, if I remember off the top of my head, housing was the only area in which we and the SIB had a different view. Nevertheless, there has been that input. Are we really saying that, given the circumstances in which we find ourselves, whatever Programme for Government eventually goes out for consultation will have radically different priorities from the previous one?

It will not. The economy will still be at the top of it, and that will drive a lot of the decisions that are made about how we spend. Mr Allister might well say that, in that case, we should not spend money on the arts, football, sport and so on. That is a very short-sighted view. He might say that we have money to spend on developing the Maze but not enough for factories. In fact, industry will be developed at the Maze. The priorities in the Programme for Government will be basically the same as they were in the previous Programme for Government. There may well be an argument that more detail is needed, but that is for when the Programme for Government is discussed. The basic thrust of where we will spend the money will not change.

7.00 pm

The second thing that the Member mentioned was that years 3 and 4 would be even more difficult. That was the whole point of having a four-year Budget. He talked about the dysfunctionality of the Executive, but we are the only Administration in the United Kingdom, apart from the Westminster Administration, to agree a four-year Budget. Scotland and Wales were not able to agree a four-year Budget. We were able to give certainty on the Budget for the next four years and to give people the opportunity to plan and to allow them to know what difficulties lie ahead. The Scottish Administration did not do it, because they had an election this year. They gave a one-year Budget, and we went for a four-year Budget. So much for the dysfunctionality of this place. Agreeing a four-year Budget took a lot of work and longer than I would have liked, but we got down to the task of giving that certainty and spelling out the bad news in years 3 and 4 so that Departments could have the opportunity to plan ahead.

The other thing that the Member mentioned was the sacred herd of cows, the North/South bodies, at which he said we are throwing millions of pounds — while we are closing

schools, going to close hospitals and taking services away from people, North/South bodies are like some bloated being that gets fed and fed and fed. Nothing could be further from the truth. Year on year, North/South bodies are required to make savings of 3% a year, which have been achieved already. Indeed, in my discussions with the previous Finance Minister in the Republic and with the current Finance Minister there, we have agreed that, if bigger savings can be achieved, we will drive them. It is in the interests of both of us to drive them.

The Member mentioned the North/South Ministerial Council and thought, “Ha, I have got him here.” He said that its budget had increased by 50%. I was glad that he drew attention to that, because I had forgotten to make the point. It looks like a 50% increase because, last year, we reduced the budget so much that the planned spending for this year appears to be a far bigger increase. It is because efficiencies were driven for 2009-2010 that the jump seems so large. We are seeking to ensure that the efficiencies that we found last year are reflected this year, and I am sure that we will have a debate on that later.

I was astounded by Mr Allister’s comments about the secrecy of this place. He did what barristers do. They think ahead to what their question is likely to lead to. In fact, they usually think about four questions ahead. Had he thought about what he was saying about secrecy, especially about the secrecy of people’s earnings, I do not think that Mr Allister would have taken himself down that route. However, he is so keen to herd those sacred cows into the Assembly, to make his point and to try to attach non-existent motives to people, that he lost the run of himself because, of course, he has more form on secrecy and trying to hide earnings from the public purse than he can accuse the Executive of.

Mr Allister: Will the Member give way?

Mr Wilson: I thought that that might draw a response. Since I raised it, I suppose that I better let him have an intervention.

Mr Allister: If the Minister wants to make allegations, let him make them, but do not let him hide behind circuitous points. If he has something to say, let him say it. My earnings are certainly a matter of record with the taxman. I do not know whether everyone else in the House can say that. *[Interruption.]*

Mr Deputy Speaker: Order. Members, Mr Allister has the Floor. Please allow him to speak.

Mr Allister: If the Minister has an allegation to make, let it be an allegation that he is prepared to make outside the House.

Mr Deputy Speaker: May I also ask the Minister to stick to the debate, please?

Mr Wilson: I am, because the whole point is about the secrecy that surrounds the public money spent on the earnings of individuals. If Mr Allister thinks that I was skirting around the issue and afraid to get to the point, he should know that I was only building up. I intend to get to the point. I have no difficulty in saying it outside, inside, upside, downside or on any other side of the House because the fact of the matter is that, in the election literature in North Antrim over a year ago, figures were given of legal aid earnings, and Mr Allister sought to take an injunction to stop them being published. If that is not secrecy, what is?

Mr Allister: Will the Member give way?

Mr Wilson: No, I will not give way. Come on; you had your opportunity and accused me of kicking round the issue. There are two facts: first, money was earned from the public purse; and, secondly, an attempt was made to get an injunction to stop that information being published. That, to me, is secrecy. He has an obsession with the secrecy of others, but there appears to be plenty of willingness to have secrecy on his part. I did not want to raise that.

I want to make something clear in the House: Mr Allister may think that he can get penalty kicks in this place, but he will not get them against me or the Administration. If we have not done things right, we will take it on the nose. However, where we have done things right and where we have the duty to protect people because of data protection and so on, we will do that. We have that obligation. We cannot give out the salaries of individuals, just as he did not want people to know what he earned from the public purse. We cannot give out the religious background of individuals either. If a client came to him about such a matter, I guarantee that he would defend the right of people to privacy.

Let me move on. He also raised the issue of consultants but did not give any figures. That is an easy issue to raise because, of course, it gives rise to all kinds of questions, such as why

people employed by the Civil Service cannot do the job. As he will know, we sometimes require experts to be brought in. I am sure that he has brought in expert witnesses in many court cases.

When it comes to public procurement or other things, it is sometimes the same: there are areas of expertise in which staff are not available so we have to bring people in. However, we have reduced the spending on consultants and we have a target in this Budget to reduce it by 10% a year in future. As for his allegation, this kind of Machiavellian stuff that, "Ah you're a bunch of chancers. You take the money in one door and you put it out the other. You bring in temporary or agency staff and you don't call them consultants, but that's what you're really at". Well, the Northern Ireland Audit Office (NIAO) figures show that not only has there been a reduction in consultants, there has also been a reduction in substitution staff of £5 million. Rather than substitute one for the other, we have reduced both, and we have got a commitment to reduce it even further.

He and Mrs Kelly raised the issue of moving DARD headquarters. First, when it comes to the estimated cost, no business case has been submitted. When a business case comes, it will be looked at robustly by the Department of Finance and Personnel. The previous Minister — I suspect more for election purposes rather than any real belief that it could be delivered on — indicated that she would like to see the headquarters relocated. She has £13 million allocated for that in her budget. Even a rough estimate indicates that it will cost £26 million, so there is a funding gap. There is no business case. This is far from a done deal and far from deliverable. I am sure that Members are appalled that such a piece of — well, I will not say how I would describe it — but that such actions could be undertaken. However, Mr McDevitt, who is wagging and shaking his head, should think about some of the grandiose schemes that his own Minister proposed before the election as well, knowing full well that they could not be delivered but sounded good at the time.

Mr Allister also raised the issue of Crossnacreevy, which was supposed to be indicative of the kind of failure that there is in DFP when it comes to capital budgets and so on. I first point out that, regardless of what may be said about the valuation of Crossnacreevy, it did not result in any programmes being reduced. In fact, one could argue that, given

the slippages in other projects this year, had Crossnacreevy not been there to write that slippage off against, any capital raised might have gone to the Treasury. I do not suggest for a minute, because I see Mr Allister smiling at me, that this was some cunning plan to make sure that money could be wiped up at the end of the Budget period. However, the situation that developed was rather fortuitous. Nevertheless, there must be better planning to make sure that it does not happen again, and I accept that point, which he and other Members made.

Mr Allister also raised the issue of spending by the Attorney General. I have said it publicly, so the Attorney General knows my feeling on it: as far as I am concerned, the Assembly and the Executive made a good policy decision that we could stand over and we believed we were competent to make. I, too, was disappointed that there was the legal challenge, which has now been dropped. Of course, the Scottish Parliament and the Scottish courts have twice ruled on this matter. For the sake of people who are looking for some compensation, I hope that this matter will not be dragged out for an inordinate length of time.

Mr A Maginness: I empathise with what the Minister said about the challenge posed by the Attorney General and the reference to the Supreme Court. Did the Attorney General give any specific reasons for the basis of that challenge? Were those reasons endorsed by the Executive?

7.15 pm

Mr Wilson: Although I am tempted to give the Member the answer, he knows full well that it would be inappropriate for me to discuss issues that were discussed at the Executive until decisions have been made and come to the Floor of the House. He need not rise again, because I will not be drawn on the issue. All I can say is that I share the disappointment that the situation has been held back as a result of the decision that was made. However, it was going to go to court anyway because the insurance companies were likely to seek a judicial review, and we have to live with that.

Mr Allister also raised the issue of ministerial cars. Again, he wants to set up straw men, because the answer that I have given him is now on the public record. The cost of ministerial cars has been divided in two. It has been devolved to Departments because that was the

compromise that was reached. As Members know, I made proposals about reducing the number of ministerial cars. Those proposals were not accepted, and the Executive made a different decision. It has now been devolved to Departments and there are two parts to it: £6,000 car and £28,000 driver. If the Member looks at the figures that are beside the Sinn Féin Departments, he will see the answer to the question that he asked earlier.

He then finished up with the question that was raised last week: where is the £800 million for policing and justice? Show us where it is on the accounts. It is almost like Mr Bean-type accounting. I want to change the transparency of the accounts. However, we are not going to have accounts that say, "26 January, Gordon Brown, £800 million for Northern Ireland Executive after speaking to Peter Robinson". Then, somewhere further down, "£800 million divided and so much went here and so much went there". I know that he does not think that we are going to get that type of accountancy, because he is not that naive. However, he would like to present it in that way because, somehow or other, he wants to suggest that the £800 million was never given or never went to policing.

As a result of the negotiations with the Government at the time of devolution, the police budget now has money for a police college, the part-time Reserve gratuity fund and hearing loss claims. That is where the £800 million is. We now have money to deal with terrorism and the assurance of £200 million for the police budget over the next few years. The money is there in practical terms and it is benefiting policing. Whatever sacred cow, straw man or whatever he wants to set up — it is like a farmyard here, between scarecrows and sacred cows — the fact is that all he is trying to do is reinforce the prejudice that, thankfully, more and more people are now seeing through, which is that, somehow or other, nothing good can come out of the Assembly. If all of us had taken Mr Allister's attitude —

Mr Storey: We would not be here.

Mr Wilson: First of all, we would not be here, secondly, we would be having a Budget that was imposed by the Secretary of State; and, thirdly, the policing budget would be £800 million less well off. That is the price of engagement and that is the job that we have had to do.

I will finish up with Mr Lyttle and Mr Agnew. Mr Lyttle talked about the cost of division and asked what savings could be made through it. Individual Departments have to determine where savings can be made. A report has been done on the cost of division, and many of them are due to social and economic factors and are not the result of a divided society. I am not saying that we should not look for savings from the costs of divisions, but, once they are examined, we see that they are much less significant than the Member and his party seek to put forward. However, we should look for savings that can be made. I am sure that Departments will look at all those issues as they look for savings over the period.

Mr Agnew said that we should listen to the economic experts about the green new deal. I have no difficulty with that; in fact, I think that it is important. The Executive have placed great importance on helping people out of fuel poverty by conserving fuel. Although I might disagree with much of what the Green Party says, the one thing that we should not tolerate is the waste of resources that we see. As an economist, I do not believe that we should tolerate any waste of resources. People should avoid wasting resources wherever they can. Such waste could be avoided in businesses. I have seen examples of businesses that have become far more competitive by using energy and water more efficiently, for instance. We should be encouraging that. The same applies in households. That is one of the reasons why we are putting money into insulation schemes, etc. That makes good economic sense. It should not be the platform of environmentalists only; it should be the platform of all of us who want to deal with the economic issues of scarce resources.

He also mentioned public transport, as did Anna Lo. I do not know how he arrived here. One of the most efficient public transport systems is from Bangor to Belfast. It is a 20-minute journey in luxurious trains. We have spent hundreds of millions of pounds on the trains and on upgrading the track. When you get to Central Station, you walk across the road — you do not even have to walk the length of yourself — and you can get any number of buses to Stormont. Perhaps he will tell us whether he availed himself of the heavy investment that has been placed in the railway stock in Northern Ireland from Bangor to Belfast and the bus service from Belfast city centre to Stormont.

Mr Agnew: I am happy to say that I avail myself of that service quite regularly. The Minister will be pleased to know that I car shared today, so I did not bring in my own car. Unfortunately, the public transport service does not provide a bus home for me after 5.00 pm, and, as the Minister knows, we are often here much later than that. Unfortunately, I cannot always rely on public transport, and it needs that extra investment. Thank you for the opportunity to say that.

Mr Wilson: I am sure that the Member for South Belfast could recommend for him one of those wee folding bikes that he can use when the bus is not running. The Member for South Belfast is a keen biker; in fact, he pedals the whole way to work here in the mornings, and he looks fitter for it, I am sure. He is even greener than the Green Party.

Ms Ritchie: Will the Minister give way?

Mr Wilson: I hope that the Member is not going to tell us that she cycles from Downpatrick, because I will not believe that. *[Laughter.]*

Ms Ritchie: I do not cycle, but I am sure that the House will want to praise and applaud the Member for South Belfast, Mr McDevitt, on excelling today in the bicycle race here at Parliament Buildings.

Mr Wilson: I suspect the competition was not all that great.

Mr A Maginness: The Deputy Speaker was in it.

Mr Wilson: That is what I mean. He is used to driving about in tractors.

I want to draw my remarks to a close. I am sure that everybody is happy to hear that. I thank Members for their patience. The Assembly's approval for the first Supply motion today and the associated departmental expenditure plans, which have been laid out in the 2011-12 Main Estimates, is a crucial stage in the public expenditure cycle. Failure to pass the 2011-12 Supply resolution at this juncture could have catastrophic consequences for public services. The second motion results from the Public Accounts Committee's consideration of the reasons for the 2009-10 excesses and its recommendation that the necessary sums be now provided by Excess Votes by the Assembly. I commend both motions to the House.

Mr Deputy Speaker: Before we proceed to the Question, I remind Members that, as this

is the Budget Bill, the motion requires cross-community support.

Question put.

The Assembly divided: Ayes 39; Noes 8.

AYES

Nationalist:

Mr Brady, Mr W Clarke, Mr Flanagan, Mr G Kelly, Mr A Maskey, Mr F McCann, Ms J McCann, Mr McCartney, Mr McElduff, Mr O'Dowd.

Unionist:

Mr S Anderson, Ms P Bradley, Mr T Clarke, Mr Douglas, Mr Dunne, Mr Frew, Mr Girvan, Mr Givan, Mr Hamilton, Mr Hilditch, Mr Humphrey, Mrs Lewis, Mr McCausland, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McQuillan, Mr Moutray, Mr Poots, Mr G Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Weir, Mr Wilson.

Other:

Mrs Cochrane, Mr Dickson, Ms Lo, Mr Lyttle.

Tellers for the Ayes: Mr McQuillan and Mr G Robinson.

NOES

Nationalist:

Mr Durkan, Mr A Maginness, Mr McDevitt, Mr McGlone, Mrs McKeivitt, Ms Ritchie.

Unionist:

Mr Allister.

Other:

Mr Agnew.

Tellers for the Noes: Mr Agnew and Mr Allister.

Total votes	47	Total Ayes	39	[83.0%]
Nationalist Votes	16	Nationalist Ayes	10	[62.5%]
Unionist Votes	26	Unionist Ayes	25	[96.2%]
Other Votes	5	Other Ayes	4	[80.0%]

The following Members voted in both Lobbies and are therefore not counted in the result:

Mr Copeland, Mr Cree, Mr Hussey, Mr McCallister, Mr B McCrea, Mr Swann.

Question accordingly agreed to.

Resolved (with cross-community support):

That the Second Stage of the Budget (No.2) Bill [NIA 1/11-15] be agreed.

Committee Business

Assembly Commissioner for Standards

Mr Deputy Speaker: Order. I ask that Members resume their seats, please.

Mr Weir: I beg to move

That this Assembly notes that the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 provides for a Northern Ireland Assembly Commissioner for Standards; and delegates to the Assembly Commission those functions referred to in section 19(4) of that Act in relation to the appointment of the commissioner.

On 29 March 2011, the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 became law. I suspect that this debate will not exactly be leading the headlines tonight. The passage of the Bill through the Assembly did not attract a great deal of attention. Therefore, in order to remind former Members and for new Members in particular, I advise the House that the Act provides for both the independent financial review panel and the Northern Ireland Assembly Commissioner for Standards. It is the second of those items, the Assembly Commissioner for Standards, that we are dealing with today.

The role of Assembly Commissioner for Standards is an important one, which has been carried out on a non-statutory interim basis for a number of years. It is currently carried out by the Northern Ireland Ombudsman, Dr Tom Frawley. The Assembly Members Act provides that there be a statutory commissioner with a range of statutory powers. That represents a significant development in respect of ensuring that the Assembly has a powerful and independent means to have allegations of misconduct investigated thoroughly and robustly and, therefore, to satisfy any public concern.

Section 19 of the Act provides that the commissioner shall be appointed by resolution of the Assembly. Subsection 19(4) provides that the Assembly shall make arrangements; first, to ensure that any person who is to be appointed as commissioner has been identified by fair and open competition; secondly, to determine any criteria for appointments; and, finally, to determine the terms and conditions on which such an appointment, when made, is to have effect. Of course, in practice, it is the

Assembly Commission, with its statutory role to provide the Assembly with property, staff and services, that is best placed to make those arrangements. The Act, therefore, provides for the role of making those arrangements to be delegated to the Commission.

I should emphasise that, in doing so, it would remain the Assembly's responsibility to appoint the commissioner by way of a resolution of the House. The Committee on Standards and Privileges wrote to the Assembly Commission to request that the Commission table today's motion. The Commission considered the matter at its meeting on 31 May and was happy to agree to the Committee's request.

We can all agree that the appointment of a Commissioner for Standards is a good thing, not only for the Assembly but for the public and, indeed, from a political point of view, for the Assembly and politics as a whole gaining the public's trust. Supporting the motion will be the next step in allowing us to get on with the business of getting a commissioner in post.

Mr McElduff: I simply record my agreement with Mr Weir, who spoke corporately on behalf of the Commission on the matter.

Mr Cree: Similarly, I am happy with what has already been agreed.

Mrs Cochrane: I will say a little bit more, if that is OK. At the outset, I take this opportunity to thank publicly the interim commissioner, Dr Tom Frawley, for the work that he has been doing in addition to his responsibilities as Northern Ireland Ombudsman. However, it is time that those roles were separated and clearly defined.

By appointing a statutory Northern Ireland Commissioner for Standards, we will enhance the role as currently provided. In the past, the interim commissioner has had difficulty in acquiring from Members information that is relevant to his carrying out his role. That should not be allowed to continue when the appointment is made. The interim commissioner also indicated that initiating investigations would be a useful power. I agree that that is a sensible addition to the role, as it allows the commissioner to be proactive rather than just reactive.

The Commissioner for Standards also needs to be given independence from the Committee on Standards and Privileges to ensure that any

investigations are not affected by party politics. To go one step further, if the commissioner will still have to report to the Assembly Committee rather than acting on the findings of the report, I suggest that the Committee itself will also need to move away from party politics and vote on the merits of reports and complaints rather than in the interests of party affiliation.

Obviously, there will be a cost to appointing a Commissioner for Standards and his or her necessary support mechanism. The interim commissioner currently costs between £15,000 and £17,500 a year. Given the current economic climate, any cost must be kept to a minimum for the commissioner to carry out his or her duties and responsibilities. However, the cost should not limit the commissioner's ability to carry out a proactive role, as we need accountability and proper investigation where there has been misconduct. The Alliance Party supports the motion.

Mr Ross (The Chairperson of the Committee on Standards and Privileges): I am glad that Mrs Cochrane spoke for a little bit longer, because I have to deliver a speech on behalf of the Committee that might take somewhat longer than some of the previous Members' speeches.

On behalf of the Committee, I support the motion and thank the Assembly Commission for bringing it to the Floor. The Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 represents an important milestone for the Assembly. Not only is it the first legislation that an Assembly Committee has taken through the House, albeit with the support and assistance of the Assembly Commission, but it demonstrates how the parties here can come together to put in place measures that will strengthen public confidence in the integrity of the House.

As a result of the well-documented public concern at the expenses system and how it was abused by some at Westminster, the past few years have seen much upheaval in how politicians have been viewed by the public. That episode at Westminster understandably damaged confidence and trust in the integrity of the House of Commons. Even though there were no duck house moments or stories similar to that at the Assembly, and despite the fact that the Assembly has a much more robust expenses system, the Committee on Standards and Privileges recognised that the dismay and

hostility that was felt by the public had an impact of painting all politicians with the same brush and the potential to erode confidence in the Assembly.

The Committee on Standards and Privileges acted on that. I was a member of the Committee that conducted a review of the code of conduct and brought forward a more wide-ranging extensive code that the Assembly agreed unanimously and that applies to us all today.

7.45 pm

Mr Deputy Speaker, with your indulgence I want to emphasise the importance of the code of conduct; not just the rules of the code that we all must comply with, but the principles of personal conduct the code says we should observe. Those include the seven principles of public life, which remain as relevant today as they were when they were first identified by Lord Nolan's Committee on Standards in Public Life.

I served on the Committee when it developed the proposals for the Assembly Commissioner for Standards, and we recognised that the requirements of the code would be meaningless if Members were not accountable for their conduct under it. The Committee conducted an inquiry and found that the system of accountability needed to be more robust and to be seen to be fairer and much more transparent. The Committee concluded that the role of the Commissioner for Standards should be set out on a statutory basis, with the commissioner's powers and independence clarified in that legislation. All that was agreed unanimously by the Assembly, and it is provided for in the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011.

Mr Weir mentioned how the ombudsman, Tom Frawley, has served as Interim Assembly Commissioner for Standards for the past number of years. I am unsure whether Dr Frawley realised when he originally agreed to take on the role that he would be on our books for nearly a decade, but we are very glad that he did. I paid tribute to him in the Committee meeting a fortnight ago, and I do so again today. We were pleased that he was able to carry out the role until we put our permanent arrangements in place.

It is high time that we put those arrangements in place. I now have the privilege of being the

Chairperson of the Committee on Standards and Privileges, and one of the first things that the Committee agreed on was that we should write to the Assembly Commission to ask it to bring forward this motion. The Committee recognises that the Commission is best placed to make the arrangements referred to in section 19(4) of the Act, and it hopes that the motion is agreed today to enable the Commission to get on with doing so. The Committee also recognises that, assuming that the motion is agreed, it will be up to the Commission to make the final decisions on what arrangements are appropriate.

I should add, however, that the Committee on Standards and Privileges previously recommended in its report that the competition to appoint the commissioner should be:

"consistent with the principles of best practice in relation to public appointments".

The Committee also indicated that that the process adopted for the appointment of the Comptroller and Auditor General appeared to be "a sound and viable option", and:

"The Assembly Commissioner for Standards' specific salary and terms and conditions...should be broadly commensurate with comparable office holders."

Given that that report was agreed unanimously by the Assembly, the Committee felt that it was important to draw those points to the attention of the Commission for its consideration. The Committee on Standards and Privileges supports the motion.

Mr Weir: Given that there has only been a few contributions, most of which came from the Chair of the Committee on Standards and Privileges, I will try to keep my remarks fairly brief. The first comments that we heard came from Mr McElduff, who was uncharacteristically brief. I know that he was involved in a recent charity boxing match, and I am unsure whether he took a few blows to the head and that that relates to his brevity. I am also unsure what Mr Cree's excuse was, because he similarly decided that brevity was the soul of wit on this occasion. However, all joking aside, that shows that there is a unity of spirit around the Chamber on the issue, and the endorsement that the motion received from both contributors was significant.

Mrs Cochrane correctly highlighted the need to move towards a permanent or full commissioner,

and highlighted two of the principle issues in the legislation: the additional powers that will get beyond some of the restrictions faced by the Interim Assembly Commissioner for Standards and the fact that the commissioner will have clear lines of independence. She also highlighted that there must be a balance between ensuring that there are sufficient resources to ensure proper investigation by the commissioner while ensuring, in these austere times, that financial prudence is employed, so that we do not spend any more money than is necessary.

Both Mrs Cochrane and the Chair of the Committee on Standards and Privileges, Mr Ross, thanked Tom Frawley for his ongoing service as interim commissioner. It is important that we, as an Assembly, reinforce our gratitude for that service, as very often carrying out the role of a commissioner in those circumstances can be a thankless task. Mr Ross also reminded us of the recommendations that the Committee on Standards and Privileges previously made on the appointment arrangements for the commissioner, and I want to thank the Committee for its hard work in helping to bring us to that point.

I have no doubt that the Commission will take into consideration all such relevant background information if the Assembly agrees that the Commission should determine what the arrangements should be.

This matter is essentially straightforward. The position of the Northern Ireland Assembly Commissioner for Standards has been established. Arrangements need to be put in place in respect of how the Commissioner is appointed, and the Assembly Commission is best placed to do that. I therefore commend the motion to the House.

Question put and agreed to.

Resolved:

That this Assembly notes that the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 provides for a Northern Ireland Assembly Commissioner for Standards; and delegates to the Assembly Commission those functions referred to in section 19(4) of that Act in relation to the appointment of the commissioner.

Private Members' Business

Coastguard Services

Mr Deputy Speaker: The Business Committee has agreed to allow up to one hour and 30 minutes for the debate. The proposer will have 10 minutes to propose the motion and 10 minutes to make a winding-up speech. All other Members who wish to speak will have five minutes.

Mr Weir: I beg to move

That this Assembly notes with grave concern HM Government's proposal to reduce the number of coastguard centres throughout the United Kingdom and, in particular, the threat to Bregenz House in Bangor, which if closed would leave Northern Ireland without effective coastal protection; and calls on HM Government to revise its proposals to ensure the retention of Bregenz House.

Although an hour and a half has been scheduled for the debate, I suspect and hope that it will not take as long as that.

We started today in a spirit of unanimity and consensus, with praise of Rory McIlroy. Although another motion is to come after this one, I suspect that there will be no division on it either. I hope that this debate will also reflect the spirit of unity in the House today.

For those of you who do not know a great deal about this issue, the first question is, "What is the proposal and how did we come to this point?" It is often convenient and politically expedient for many of us to blame the actions of the coalition Government across the water. However, I think that everyone will acknowledge that this is one occasion on which it is very difficult not to point the finger in their direction.

The Government have carried out a consultation on what they call "coastguard modernisation", which has a number of different facets. There is the creation of two interlinked maritime operation centres. The consultation looked at where those should be based, and the conclusion was drawn that the existing centre at Aberdeen should be one centre and that a newbuild centre should be based in the Portsmouth/Southampton area. It also identified a couple of other areas where there would be 24-hour sub-centres; Dover and London. Therefore, of the four main areas, three are in the stretch from London round to

Portsmouth. That is hardly something that will build confidence throughout the United Kingdom that all of it will be covered.

Before I move on to the other items in the consultation that most affect Northern Ireland, I will say that none of us is opposed to modernisation of the coastguard or to any methodology that means that communication or interaction between coastguard stations can be improved. Consequently, the theory — or, at least, the stated theory — behind this is not something we object to; rather we object to the practice and implementation of it.

In addition, there are to be five other substations of the national network. The locations of three of those are identified as Falmouth, Swansea and Humber. The consultation largely centres on two choices. In one case, Belfast and Liverpool are pitted against each other in some form of false competition, and, in the other, Stornoway and Shetland are pitted against each other.

As I said, none of us is opposed to modernisation. That might be the theory behind this, but, in practical terms, this is clearly an attempt by the coalition to save more money and cut costs. That is something to be regretted given that we are dealing with services as vital as coastguard services. Are these efficiencies or changes driven by reduced need for the services? No. Anyone looking at the statistics will see that the reverse is the case.

The number of people using the sea, particularly for pleasure, has increased substantially over the past years. If one looks at the figures from the so-called Belfast centre, although many of us realise that Bregenz House is in Bangor, 460 incidents were identified there in 2006, and the latest figures show that there were 654 incidents in 2010. The situation is not being dealt with on the basis of a reducing need. Those figures are almost 50% up on four years ago, so the decision is not being driven by need.

I am sorry to say that the general thrust of the proposals is clearly subject to political interference, as the Minister acknowledged. During a debate at Westminster, it was admitted that the original proposal was to ring-fence the Belfast or Bangor station, whatever you want to call it, as one of the chosen sub centres, yet it was also acknowledged that it was only because of ministerial interference that Liverpool was added as a choice. Perhaps that is because

there are more votes in Liverpool than in Bangor or Belfast. As a result, this choice is not being made on the basis of safety for the people who use the sea, it is politically motivated.

In response, there has been a clear and uniform level of opposition across all political parties in Northern Ireland. I particularly commend Lady Hermon, Jim Shannon and Margaret Ritchie, all of whom represent maritime constituencies, for their responses in Westminster.

Representatives of the coastguard came to Northern Ireland on two occasions. First, they came to this Building, where a range of Assembly Members quizzed them. They then attended a public meeting in Bangor, where all shades of political opinion were represented. There was a clear unanimity of opposition to the proposals for a number of reasons. The representatives of the coastguard were sent over here to provide information and sell a message, although I am sure that they will deny it. However, it was clear that anyone listening to those representatives did not believe in the package they had been sent to sell.

We should oppose the proposals for a number of reasons, the first of which is jobs. If Bangor is to lose out, 23 jobs will go. Although an offer of relocation to other parts of the United Kingdom has been made, many of those who work in the coastguard centre have strong family ties to the area. They may have children who attend schools there. It is simply not an option to be thrown somewhere unknown in another part of the United Kingdom. The effect of that is that those jobs will be filled elsewhere by people who do not have the same experience or knowledge, and that level of expertise will be lost.

Secondly, it shows a lack of commitment by the Government to all parts of the United Kingdom. If the proposals go through and Bangor is stripped of the coastguard centre at Bregenz House, we will be the only part of the United Kingdom without a coastguard centre. A few days ago, the Prime Minister was here expressing his commitment to all parts of the United Kingdom. If the Prime Minister wants to put his words into action, he should see this as a strong issue and reverse his position.

Obviously, the biggest single reason for our opposition is that the loss of a vital service will lead to the loss of lives. When the coastguard experts spoke to us, they told us about the golden five minutes. Those are the first five

minutes of any incident, when the transfer of information and communication could make the difference between life and death. In circumstances in which people are in an emergency situation, they panic anyway and information is not easy to convey. There could be a delay in getting in touch with a coastguard station in another part of the United Kingdom, or an accent could be misinterpreted. I am sure that many of us struggle with the wide variety of accents even in the Chamber, so goodness knows what somebody in Liverpool, Stornoway or wherever would make of some of the accents that come across the radio waves from Northern Ireland.

8.00 pm

The reality is that this penny-pinching exercise, if it is allowed to go through in its current form, will lead to a loss of lives, and not just in coastal areas. One Member, who will remain nameless, said to me that the closure would not have a great deal of effect in their area because it was not bounded by the sea. However, one of the other things that have been admitted is that the Bangor service also co-ordinates operations for the inland waterways of Northern Ireland. So, anyone in a boating accident on Lough Neagh or Lough Erne has to rely on the expertise of the coastguard centre.

There are rumours and speculation, hopefully correctly informed, that the Government, having faced the wrath of people across the UK, are beginning to retreat on this issue. If that is the case, it is to be welcomed. However, it is important that this Assembly speaks with a single voice and says to the Government that it wants to see different proposals, see them withdraw the present proposals and, for the sake of the protection of all those who use the seas and the loughs of Northern Ireland, see them withdraw the proposal to remove the coastguard co-ordination centre at Bregenz House. I urge the Assembly to unite behind and fully support the motion.

Mr W Clarke: Go raibh maith agat, a LeasCheann Comhairle. Speaking in support of the motion, I thank the Members who tabled it and secured the debate.

Coming from a coastal community — the harbour area of Newcastle — I see at first hand the tremendous work that is carried out by the coastguard service and the lifeboat. I also had

ancestors who were involved in the coastguard service many years ago.

My constituency has two very busy fishing ports at Ardglass and Kilkeel. It also contains the Warrenpoint docks, which, as you can imagine, get high usage from large vessels. They are very dependent on the coastguard services, so I am acutely aware of the need for the Bangor coastguard centre to be retained and the need for the strategic and local input on the island of Ireland to be kept.

I will touch on local knowledge for a bit of my contribution. Local knowledge is of vital importance to our rescue services. A number of coastguard members in Newcastle recently received awards for saving a number of lives off the rocks of Newcastle. That was in an area known as the Ballagh, near Bloody Bridge. As was touched upon in the previous contribution, the different townlands, the Gaelic place names and the broad and different accents are all reasons why you would not get the same service if the co-ordination base was in England. You would not get the same service that you get from Bangor.

Having been part of many searches for people who have been lost at sea, I have seen very clearly the need for local knowledge and the need for the co-ordination base at Bangor. There is a lot of confusion during search and rescue operations. There is a lot of panic from people and a lot of things to deal with, but local knowledge gives a faster response. There is a better understanding of the people and expertise. If you lose the 23 personnel, their expertise cannot be replaced.

Another major issue is the all-island co-operation that we have between Bangor and the Irish coastguard. That could also be jeopardised by the closure of the Bangor facility. There is excellent co-operation between Malin Head and Bangor. Again, you would not get that same co-operation if the service was based in Liverpool.

It was pointed out that some people do not understand the service that the coastguard provides. It is a blue-light service. In emergency situations, we want quick responses, because they are essential to save lives. Again, local knowledge is essential for pinpointing the place where a rescue has to take place. For example, there was an instance of flooding in my constituency, and the coastguard showed great co-ordination in dealing with that, as it has

done in many towns throughout the North pretty recently. If the Bangor station were closed, as was mentioned, we would be left as the only devolved Administration with no locally based co-ordination. That is not acceptable, and it is an insult to seafarers in the North of Ireland and, indeed, Ireland as a whole.

We live on an island. The population will go to sea, whether that be through fishing communities or for recreation and leisure pursuits. Many different vessels go to sea, including those from the fishing industry and leisure craft such as kayaks. The tourism product —

Mr Deputy Speaker: Draw your remarks to a close, please.

Mr W Clarke: The tourism product is growing.

For all those reasons, I urge the House to support the motion.

Mr Deputy Speaker: I remind Members that, when Members are joining the debate, they should not proceed in front of the Member who has the Floor.

Mr Cree: Thank you, Mr Deputy Speaker. I was looking to see whether someone was about to pass me, but obviously not.

I am pleased to support the retention of the Belfast coastguard station at Bregenz House in Bangor. Bregenz is Bangor's twin town in Austria. Indeed, St Colmgall travelled from Bangor to Bregenz and established a church there, so we have a direct connection to a higher level.

The Government's proposals, which Mr Weir laid out fairly well, are to shut down more than half of the UK's coastguard stations. Those proposals have serious flaws and are of concern to everyone. For two centuries, the coastguard has had a proud history of service to seafarers and the public. We all acknowledge that technology develops and makes life easier for most of us. However, there is no substitute for local knowledge, and, in cases where there is risk to life, that cannot be dismissed lightly.

Bregenz House is the only station in Northern Ireland, and it is unique in that it is the only station in the United Kingdom that has a land boundary with another European state. Its co-operation and co-ordination with the Irish Coast Guard (IRCG) is vital. Indeed, the Irish Government have nominated our coastguard to respond to emergencies off the Donegal coast.

I have to say that I am also concerned about the suggestion that, should it be retained, Bregenz would revert to providing daytime service only. That would have a dramatic effect on the service that is provided, as well as on risk to life.

Inland waterways and mountain rescue teams also depend on the coastguard. Again, some Members referred to that. For example, the chairman of the North West Mountain Rescue Team (NWMRT) said recently:

"The local knowledge and the rapport the NI coastguard have with the Republic's coastguard means that we get a very effective and efficient service and I would doubt that would happen if that local knowledge disappeared."

In Northern Ireland, unlike other parts of the UK, the only organisations that respond to such emergencies are the Police Service of Northern Ireland and HM Coastguard.

It is unfair to place Belfast and Liverpool against each other. Both have strong claims, but Belfast is unique. It has a strong interface with the Northern Ireland Executive and search and rescue partners across the island of Ireland. Northern Ireland has its own legal framework and a different approach to civil resilience to the rest of the UK.

I believe strongly that the coastguard presence is essential in Northern Ireland and enables an enhanced level of mutual understanding and co-operation under such circumstances. I am, therefore, very pleased to support the motion.

Ms Ritchie: I commend the Members for bringing forward the motion on a matter that there is unanimity on across the Floor of the House.

Given that the British Government are supposed to issue their final decision on the future of coastguard stations throughout Britain and Northern Ireland by 19 July, it is imperative that the Northern Ireland Assembly sends an unequivocal message to the Secretary of State for Transport in London that we want a full-time coastguard station in Bangor retained. We are not opposed to a more integrated service using the best technology and geographical information services and the deployment of the most robust resilience, but Northern Ireland would be the only devolved region without a local coastguard station if the one at Bangor was to be removed. Furthermore, we have a unique reciprocal arrangement with the Irish Government that enables expeditious acts of

coastal and inland search and rescue to take place throughout the island of Ireland, working in conjunction with the Irish Coast Guard. That is an important lifesaving search and rescue service that we want retained.

Representing a constituency that has a maritime coastline that stretches from Strangford Lough to Carlingford Lough, with the fishing ports of Kilkeel and Ardglass, Warrenpoint docks and other coastal locations, and an emphasis on not only fishing but recreational pursuits, I know that it is vital that this service is retained. It is important and necessary to maintain and retain a service that has developed a comprehensive knowledge of our seas, inland waterways and mountainous regions.

The consultation process has been marked by uncertainty and confusion, and such confusion in the process must give cause for concern regarding the outcome. The simple fact that the British Government are re-evaluating and rowing back on their initial proposals makes it clear that they underestimated the value of local knowledge developed over time by our vastly experienced coastguard personnel and were prepared to risk losing that vital asset.

That change of heart is necessary, and it shows that there is a twinkle of hope for us in that they see the importance of the Bangor coastguard station. I saw that for myself at the end of March when the Shipping Minister, Mr Penning, visited the Bangor coastguard station. He was presented with robust proposals by the staff there which showed that resilience could be honoured — the very point upon which they were trying to undermine the Bangor coastguard station — that geographical information services could be deployed, that we could have a more integrated service, that the reciprocal arrangements with the South of Ireland could still be honoured and that we could still have the unique arrangement of inland and coastal coastguard search and rescue services.

However, there is still confusion because I received a letter from Mr Penning just today saying that an independent review team is now being formed, with the agreement of the trade union, and that its members are reviewing the anonymised responses. It adds that when all responses to the consultation have been considered, along with the report from the Transport Select Committee, the way forward will be announced.

There is another reason why the Bangor coastguard station should be retained. There is a unique mapping system. We in Ireland, North and South, use an Ordnance Survey system from the point of origin. That is totally incompatible with the British system, which uses a different basis. Therefore, we need to be on the one page, and the one page can be provided only through the Bangor coastguard station's being retained.

All those concerns were reflected during the consultation process. Indeed, the chairman of the North West Mountain Rescue Team expressed his concern that the closure of the station would adversely affect the relationship between the coastguard station at Bangor and the Irish Coast Guard. Along with the PSNI, it is the only coast service in the North to co-ordinate rescue operations both inland and on waterways in our region.

8.15 pm

Mr Deputy Speaker: I ask the Member to bring her remarks to a close, please.

Ms Ritchie: The courage of those who devote time to rescue efforts on our shores must not be taken for granted by the Government, and funding for that centre must be protected. Hence the need to retain the coastguard centre for our benefit and for the benefit of the communities that we all represent.

Mr Dickson: Mr Deputy Speaker, you, like me, represent the constituency of East Antrim, and, from the busy waters of Belfast Lough to Larne Lough and to the rugged coast as far as Cushendun, both of us have seen at first hand the valuable work of the coastguard and others in providing rescue along that coastal strip.

I put on record the Alliance Party's thanks to the coastguard service in Northern Ireland. It is a vital service, and, as others have said, we must do all that we can to ensure that it remains based in Northern Ireland at Bregenz House in Bangor. The Alliance Party will join all of us here in the Chamber this evening in supporting the motion.

It bears repeating that Northern Ireland has only two category-one responders to emergencies: the Police Service of Northern Ireland and Her Majesty's Coastguard. If we were to lose the coastguard service, not only would north Down lose the service and the employment

opportunities, but the whole of Northern Ireland would lose out.

The coastguard station in Northern Ireland is unique; it is the only station in the United Kingdom with a land border with another European state. The Northern Ireland station can easily co-ordinate and co-operate with the Irish Coast Guard when necessary. One cannot be substituted for the other. Not only does the Irish Coast Guard service assist Her Majesty's Coastguard in Northern Ireland but HM Coastguard also services a great deal of the coast of County Donegal, which would not be the case if the Northern Ireland station was removed. If the station was based in Liverpool, for example, it would be difficult to see how it could also serve Donegal.

Not only does the Northern Ireland coastguard service deal with the co-ordination of search and rescue at sea, it also covers inland waterways such as Lough Erne and Lough Neagh, both of which are hugely important for leisure, boating, recreation and tourism. Without a first-class rescue service, we may damage those services. The coastguard is routinely involved in co-ordinating search and rescue operations in remote inland areas such as the Mourne.

In 2010, the coastguard in Northern Ireland responded to 654 incidents; in 2009, to 572. That highlights the need for a coastguard station in Northern Ireland. We cannot rely on other stations in Great Britain or the Republic of Ireland, as that would simply put lives at risk. Personnel taking a 999 call from a distressed person at sea or in some other location must have local knowledge; that is reassuring to the person in danger. Staff not based in Northern Ireland would not have the same local knowledge to reassure and assist people in distress.

Without the coastguard, we would lose jobs and resources. We would also lose a valuable volunteer base; some 50 volunteers back up HM Coastguard in Northern Ireland. Like mountain rescue volunteers, volunteers with the coastguard often risk their lives to save someone in difficulty at sea or elsewhere at all hours of the day and night. They are often involved in difficult searches at sea, and without them the coastguard service could not operate. I genuinely believe that, because we have a locally based service, we get quality volunteers — people who are willing to support the service.

Northern Ireland has a large shipping and fishing heritage, and, whether people are fishing in Kilkeel or enjoying the recreational water sports in Portrush, it has always needed the services of a coastguard. The coastguard has produced an alternative to the Government's proposals; I hope that it will be taken into consideration in the consultation. I urge the Assembly and the Executive to do all that they can to retain that vital service in Northern Ireland.

Mr Deputy Speaker: As this is the first debate in which we will hear from Gordon Dunne, I remind the House that it is the convention that he make his maiden speech without interruption.

Mr Dunne: Thank you very much, Mr Deputy Speaker. I welcome the opportunity to make my maiden speech this evening. First, I thank the people of North Down for electing me and giving me the great honour and privilege of serving them in the Northern Ireland Assembly. I intend to work on behalf of all the residents of North Down and face the many challenges that are ahead in my time in the Assembly.

North Down has many great assets, none more so than its spectacular coastline and Bangor marina, which attracts thousands of visitors every year. The other great asset, which was mentioned earlier today, is Rory McIlroy. As a representative of the Holywood area for many years at council level before coming here, I am, along with many other people, proud of his achievements. He was born and bred in Holywood, and we take this opportunity to congratulate him and his family on his great success in winning the US Open. As a young person of 22, he is a great ambassador for North Down and, of course, for Northern Ireland. We look forward to his homecoming; I believe that we are organising an open-topped bus, but perhaps, after tonight's debate, it should be an open-topped boat, and we will bring him up the lough from Bangor to Holywood.

It is, indeed, significant that I should make my first contribution to a debate in the House on this local issue, the retention of the coastguard and marine rescue centre at Bregenz House in Bangor, which has recently come under threat from the Government's statement of 16 December 2010 on the modernisation of the coastguard services. Much has already been said on the matter, but I appreciate that that is the nature of a lot of business in the Chamber. Bregenz House is home to Northern Ireland's only coastguard

station and, therefore, plays a crucial role in co-ordinating emergency rescue and ensuring the welfare and safety of our coastline.

I welcome the debate, which has been brought to the House by my colleagues Peter Weir and William Humphrey. I am well aware of the widespread support for the retention of our country's only full-time operational coastguard station, not only in my constituency of North Down but throughout the Province. Despite rumours that the Government are looking again at their original proposals, it is important that we exert whatever pressure we can to ensure that this vital service is maintained. I am well aware of the ongoing campaign in support of the coastguard service, and I know that a lot of good work has already been undertaken by a vast number of organisations and individuals to try to reverse the Government's controversial plans.

I recently visited Bregenz House and learned first-hand of some of the excellent work that is carried out there. Immediately, I was very impressed by the skills and professionalism of the coastguard team. One theme that is vital to the coastguard station's level of service is the importance of having local people with local knowledge working on the front line to protect our coastline. The staff at Bregenz House are among the best-qualified in the UK; of the 23 full-time staff, more than half of the coastguard team are search and rescue mission co-ordinator (SMC) qualified, leaving them well ahead of their colleagues across the water. They are in the best possible position to protect our maritime coastline.

Local knowledge of the coastline is essential when saving lives at sea and when a swift response is so often the difference between life and death. When we think of the coastguard service, we often associate it with boats and vessels. However, the responsibilities of our coastguard station in Bangor extend much further than just the local coastline. It has a key responsibility for co-ordination of emergency services on our inland waterways at Lough Neagh and Lough Erne. The coastguard's remit also extends to commercial ports, including Belfast, Londonderry, Warrenpoint and Larne.

Another vital aspect of the coastguard service is looking after the great number of recreational users of pleasure craft and other types of vessels who use the many small harbours and marinas

in Northern Ireland. In my constituency of North Down, that is a very popular sector, with many boating and yacht clubs, all of which rely heavily on the local coastguard service to ensure their safety at all times. Indeed, during my recent visit to Bregenz House, one of the vessels berthed outside the marina was a large cruise ship filled with hundreds of visitors setting foot in Bangor and, later, travelling up to Belfast.

Mr Deputy Speaker: The Member must bring his remarks to a close.

Mr Dunne: They were under the watchful eye of the coastguard at all times.

In conclusion, it is vital that we unite to save the coastguard. A lot of good work has been done to date, and it is very much appreciated by the coastguard. I trust that the Assembly will unite in that effort.

Mr Swann: I shall start by congratulating the Member on making his maiden speech on this very important subject. I support the motion, and I thank the Members who tabled it. I declare an interest as a shoreline member of the Royal National Lifeboat Institution and as someone who worked in the shipping industry for 17 years. Those of you who are looking at me and doing the maths will probably have worked out that I started as a cabin boy.

The value of the coastguard's work cannot and should not be underestimated, and, from a constituency point of view, the North Antrim coast is a major tourism attraction and one of the most beautiful seascapes anywhere in the world. But we should never underestimate the power and deadly natural force that lies behind that beauty. That is why it is imperative that we retain a Northern Ireland coastguard base.

Although we focus on the Province's offshore and sea fishing industry, there are also a high number of pleasure craft users here who would be happier knowing that our waterways are supported by a locally based coastguard service staffed by people who understand the local accent. An effective coastguard service is an important life-or-death factor in ensuring the future development and long-term survival of the Province's fishing and coastal tourism industries.

We should not underestimate the importance of Her Majesty's Coastguard base in Bangor, which is responsible for all maritime search

and rescue and other emergency situations, incidents and calls for assistance in its operational area. Its area of responsibility stretches from Lough Foyle to Carlingford Lough and includes the important inland waterway tourist attractions of Lough Erne and Lough Neagh. In addition, it is responsible for co-ordinating mountain search and rescue services, ranging from the Mourne to the Sperrins.

Our coastguard base provides guidance and information to all coastal and maritime users in the district, and Bregenz House acts as the UK liaison station and enjoys a close working relationship with the Irish Coast Guard, regularly making use of its air and sea assets as required. Any reduction in coastguard services will put lives in danger, due to the extra time that it will take to respond.

As my North Down colleague Mr Leslie Cree said, and as has been referred to a number of times in this House, removing the coastguard co-ordination centre from Northern Ireland would leave this devolved Administration as the only one in the UK without a centre. As I said at the public consultation meeting in Bangor, the removal of the permanent coastguard station from Northern Ireland would be a devastating blow to the morale of hundreds of volunteers throughout the rescue services. The Ulster Unionist Party has lobbied for the retention of the service, and, following today's business, I hope that it proves successful.

Mrs McKeivitt: I support the motion. More importantly, I welcome the opportunity to support my constituents, many of whom have voiced their distress at the possible loss of our only coastguard station. Recently, I met members of the Kilkeel fishing community and various maritime groups from along our coastline, and they were all alarmed that a resource as valuable as the coastguard might be removed and controlled from mainland Britain.

The coastguard is there not only to provide emergency cover for people enjoying a day at the beach, involving swimming, boating jet-skiing, etc but to offer a sense of security to maritime traffic using the Irish Sea and accessing the ports of Belfast, Derry and Warrenpoint and the many harbours and loughs along our coast.

We are all aware that the coastguard is the fourth emergency service. It has a great reputation, and, only for it, many Northern Ireland people would not be alive today. Mr Deputy Speaker,

can you imagine the outcry if other emergency services were to be cut by more than 50%; if there were to be half the Ambulance Service, half the Fire and Rescue Service and half the Police Service? Now imagine even worse: that they were to be cut completely. In effect, that is what the Government are proposing for our fourth emergency service.

8.30 pm

It should also be noted that not only is the Maritime and Coastguard Agency involved with co-ordinating emergency response but it is proactive in checking that ships meet international safety rules and preventing coastal pollution. Its mission statement, "Safer Lives, Safer Ships, Cleaner Seas", should be something to which we all aspire. The removal of the coastguard service in Northern Ireland would be folly in the extreme.

If the Northern Ireland coastguard centre in Bangor closes, an essential service to fisheries, shipping and tourism will be lost, as will more than 20 professional jobs. Those local people have, over a long period, displayed great commitment and courage. I fully support the motion and sincerely hope that the Government will seriously take on board the consultation responses, which are overwhelmingly against their proposals, will reverse their thinking on the dramatic coastguard station cuts and will announce that in July.

Mr Agnew: As has already been highlighted, the coastguard station at Bregenz House is of immense importance to not just the people of Bangor, where the station is located, but the north of Ireland. I use that term advisedly because the remit of the Northern Ireland coastguard or the Belfast coastguard, as it is often called, extends beyond Northern Ireland as far as Donegal in the north and down as far as Carlingford. Indeed, Northern Ireland is the place where these two islands meet. As has been pointed out, the Bangor coastguard already co-ordinates services with the Irish coastguard, as well as having a close working relationship with the coastguard station at Clyde. It is working north, south, east and west. It is essential, therefore, that its existence continues, because that work is vital. There are legitimate fears that, were that coastguard station to be lost, that close working relationship would be lost also.

In the plans that are outlined in the consultation, there appears to be an over-reliance on switching

to IT to replace the work of those who work in the coastguard and, as has been mentioned, the volunteers. I fear that we would have a drop in volunteer numbers if we lost the professional leadership that is provided by the full-time staff at the coastguard station. Equally, the local knowledge that would be lost cannot be replaced by IT. It is a shame — I know that he is active on this issue — that former Member Jim Shannon is not here today because he might make the point that he would be very surprised if those in Liverpool, if we lost the Bangor coastguard, could understand the Ulster Scots that may be spoken when emergency calls are made.

Mr Weir: I thank the Member for giving way. Many of us in the House at times struggled to understand what Jim Shannon was saying, let alone somebody from Liverpool.

Mr Agnew: Absolutely. I sometimes fail to understand his point of view as well, but at least we are agreed on this issue. Indeed, we were both at the public meeting with the coastguard that was held in Bangor.

Over-reliance on IT could be a dangerous road to go down. As was mentioned by Ian Graham, who is the branch secretary of the Public and Commercial Services Union, the technology that is proposed is the same technology that was rejected by the UK Fire and Rescue Service. That should concern us. We cannot replace local knowledge with Google Maps or something of that ilk.

It is important that the decision is made on an operational basis. There are fears that political rather than operational reasons resulted in the inclusion of the Bangor coastguard at a late stage. I had the opportunity of raising those concerns with the Prime Minister, and he assured me that operational decisions will be the basis for the final decision. I hope that he sticks to that. It is important to note that, as Ms Ritchie said, when the shipping Minister came to the Bangor coastguard station and heard the point of view of the staff there, he was impressed by the fact that they not only provided reasons why it should be kept but explained how the coastguard service could operate better. We have to give credit to the Bangor coastguard for that.

I thank the House for working together on this issue. Because of cross-party working, the issue has been raised at every level, from the public meeting to meetings with the Prime Minister.

That is important, and we should continue to work together on the issue.

Mr Humphrey: In proposing the motion, my colleague Peter Weir asked for consensus in the House similar to that achieved earlier in the tributes paid to Rory McIlroy. I join in the tributes to him for his part in the great achievement that Northern Ireland has enjoyed for two years in a row. Consensus broke out on every side of the House, and that is important.

Mr Weir talked about an interlinked maritime centre and referred to the fact that the centre in Aberdeen is to remain, along with those in Portsmouth, Southampton and London, which will leave the south coast of England well covered. He stressed that he was not opposed to modernisation. He said that the substations in Falmouth, Swansea and Humber will survive and that it will be a choice between Belfast and Liverpool, and, in Scotland, Stornoway and Shetland as to which will stay open.

Mr Weir's view is that the coalition is about saving money and this is a money-saving exercise. He said that use of the sea has increased by around 50% and that, given that increased usage of our maritime coast, the closure is reckless. He believes that the proposals are political interference, and he praised Lady Hermon, Jim Shannon and Margaret Ritchie for their work in lobbying Ministers in our national Parliament in Westminster. He mentioned that 23 jobs would be lost if the coastguard station were to close and that that would show a lack of commitment by the coalition to Northern Ireland. He said that a loss of service would ultimately lead to a loss of life. He also stressed the importance of people being able to understand our regional accents.

Mr Clarke talked about the two fishing ports that he represents, Ardglass and Kilkeel, and he mentioned Warrenpoint port. He also stressed the importance of people being able to understand and quickly identify regional accents, and he said that the closure would result in the service being diluted and co-ordination and response times being affected.

Mr Cree also talked about local knowledge and said that the Bangor station was the only one in Northern Ireland and that it shares a border with Republic of Ireland. He mentioned the Donegal coast and the rapport between Her Majesty's Coastguard here and the Irish Coast Guard. He reinforced the point that the coastguard is

one of the two category 1 emergency service responders in Northern Ireland.

Margaret Ritchie stressed the importance of the Government decision that is being taken on 19 July and of the House reaching a unanimous decision quickly. She also stressed the importance of co-operation between the coastguard and Irish Coast Guard colleagues. She also mentioned that she represents a maritime constituency, South Down. Ms Ritchie stressed that, in her view, the consultation process was confused. She argued that, because the Government are rowing back on their initial proposals, there is a twinkle of hope. She also mentioned the unique mapping system that applies to Northern Ireland, which is different to that used in the mainland.

Stewart Dickson of the Alliance Party said that Belfast lough, Larne lough and the Antrim coast were important to the people of Carrickfergus and east Antrim, and he thanked the coastguard service in Northern Ireland.

Mr Copeland: I thank the Member for giving way. Will he join me in congratulating the Members who have remained in the Chamber at this late hour to discuss this important matter? Will he further join me in remarking on the eloquence, accuracy and standard of debate that we have enjoyed? Will the Members who tabled the motion draw the debate to the attention of the Member of Parliament for North Antrim? It is a reserved matter, and he may well have to take the cause from our hands. We may have to trust it to his care to ensure that the service is maintained.

Mr Humphrey: I thank the Member for his intervention. The Hansard report of this debate will deal with the matter that he has raised.

Mr Dickson said that the coastguard in east Antrim had undoubtedly saved the lives of people in Northern Ireland, and he stressed that the two category 1 responders from the emergency services were the Police Service of Northern Ireland and Her Majesty's Coastguard. He mentioned the border and the vital co-ordination role, and he believes that tourism may suffer if the station at Bregenz House is lost. He also raised the important issue that volunteering will be lost in Northern Ireland as a result. That is a key point.

Gordon Dunne made his maiden speech with the eloquence and wit that we all know him for.

I pay tribute to Gordon and welcome him to the House. His adopted home of north Down is well represented by him and his colleagues here. He also mentioned Rory McIlroy. Gordon also made a recent visit to Bregenz House and said that it is important to have local people who have local knowledge and can make quick and instant decisions. He also said that it is important that the coastguard should be available at the local ports of Londonderry, Larne, Belfast and Warrenpoint, as well as at the marinas.

Robin Swann said that he was a shoreline member of the Royal National Lifeboat Institution and mentioned the inland waterways and co-ordination with the mountain rescue service. Karen McKeivitt said that there would be a huge outcry if there was a 50% cut in any emergency service, yet we are facing the potential withdrawal of the coastguard service. She also said that people are alive today who would not be had it not been for the coastguard. Steven Agnew, on behalf of the Green Party, said that Northern Ireland is a special place. He said that both islands meet here and there are important north, south, east and west relationships. He also mentioned people in Northern Ireland who speak Ulster Scots being understood by those on the mainland. Although it was a jocular remark, it is a very important point.

Members need to be aware that failure to retain the station at Bregenz House in Bangor — I mention the Belfast office deliberately, because it serves Belfast lough and the Belfast port, which is the largest port in Northern Ireland — would leave this part of the United Kingdom without a local coastguard service. As Members said, the first five minutes of any emergency call are crucial, and a local point of contact and an understanding of place names, addresses and so on is absolutely vital in ensuring that lives are saved. In that context, the retention of that service is vital.

I attended a briefing with Members before the election, and I do not think that any of us who attended that briefing in the Long Gallery left reassured by senior coastguard officials that services would be maintained if the station was withdrawn from Bangor. Members should be aware that the east and north coasts and our inland waterways are served by the Bangor station. As Deputy Lord Mayor of Belfast at the time, I, too, attended the public meeting that a number of Members mentioned. It was attended by senior officials, and it was great

to see people from across Northern Ireland, including elected representatives, community representatives, people involved in the maritime industry and people involved in the maritime leisure industry. There was a very clear consensus and a message from that meeting that the service had to be retained. It was also important that representatives from the Irish Coast Guard attended the meeting and showed solidarity with our local coastguard service. Again, I pay tribute to them for ensuring, along with our own coastguard service, that the waters in Northern Ireland are very safe.

I agree with Mr Weir that lives will be lost if the station is lost to our shores. Therefore, it is important that we uphold and maintain the service. Politics should not be played with people's lives, and that is clearly what is happening. The Conservative Party is putting votes in the north-west of England or the Liberal Democrats are putting votes around the Liverpool basin at the potential expense of people's lives here in Northern Ireland. That is not acceptable, and it cannot be allowed to happen.

I am pleased that all local parties and the Secretary of State support the retention of the station. It is time that the junior Minister Mike Penning made clear the position on the retention of the service. It is gratifying that all parties in this House are united in opposing the loss of the station, which provides a vital service.

8.45 pm

I too pay tribute to my party colleague Jim Shannon, Ms Ritchie and Lady Hermon for their work. It shows the importance of MPs networking in Parliament and building up relationships. That is the importance of regular attendance and commitment to Northern Ireland at the House of Commons. In the context of this decision, such work is vital. Lobbying, whether there or in this place, is how we will secure the retention of the station.

If this decision is about efficiency, cost cutting or rationalisation, I agree that all those are vital in the economic climate that prevails in the United Kingdom. However, it is not acceptable for politicians to play with people's lives. In that context, saving money and reducing this service —

Mr Deputy Speaker: The Member should bring his remarks to a close.

Mr Humphrey: — will not save lives. It will, inevitably, cost lives. I have great pleasure in supporting the motion.

Question put and agreed to.

Resolved:

That this Assembly notes with grave concern HM Government's proposal to reduce the number of coastguard centres throughout the United Kingdom and, in particular, the threat to Bregenz House in Bangor, which if closed would leave Northern Ireland without effective coastal protection; and calls on HM Government to revise its proposals to ensure the retention of Bregenz House.

Mortgage Relief Scheme

Mr Deputy Speaker: The Business Committee has agreed to allow up to one hour and 30 minutes for this debate. The proposer will have 10 minutes to propose the motion and 10 minutes in which to make a winding-up speech. All other Members called to speak will have five minutes.

Mr F McCann: I beg to move

That this Assembly calls on the Minister for Social Development to implement a mortgage relief scheme to help those people who are experiencing difficulties in paying their mortgages and are at risk of losing their homes.

Go raibh maith agat, a LeasCheann Comhairle. First, I welcome this morning's decision by the Minister of Finance to make money available for first-time buyers. It will give hope where none existed to many people. However, it did not go far enough for a mortgage relief scheme.

I have raised the issue of mortgage relief in Committee and in the House over the years. Many of us have dealt with people who have lost their home due to the financial mess in which we find ourselves or are being brought to court over mortgage arrears. In the first three months of this year, 822 possession orders were made to the courts, an 11% increase on this time last year. Of those, 542 repossession orders — just over 61% — were granted in the courts. Another 280 — 28.7% — were suspended by the judge in an attempt to allow mortgage holders time to repay their debts. In the last full financial year, 3,658 people had possession cases taken against them. In those cases, 1,795 possession orders were granted, and 1,041 cases were suspended to allow discussions. Assorted other judgements were also made.

Those figures hide the pain felt by many families who have worked, saved and bought a home, believing that they had probably settled into it for life, only to fall foul of the financial crisis. I read an interesting article with the heading that there were more repossessions in the North than in the South. It said that, although courts in the South had granted 136 possession orders in the first three months of this year, only 49 homes were repossessed on foot of a court order. The rest were handed back voluntarily or abandoned. There are about 600,000 households in the North, compared to 1.5 million in the South.

The Northern figures also hide the excellent work done on a shoestring budget by the Housing Rights Service in representing many of those who had their possession order suspended. It is often said that many who face possession proceedings could be helped by getting proper advice at an early stage. I have had occasion to direct constituents to free professional debt advisers, and I have seen the physical and mental relief in those people after they were properly advised. I believe that any mortgage relief scheme needs to have embedded in it proper funding for specialist advice. I also believe that the Minister of Justice has a role in providing permanent financial assistance for such groups to represent people in court, as, I believe, happens in other jurisdictions. At present, those groups provide their services free of charge. Think how much more effective they could be with the right assistance.

In the House on 28 February 2008, the former Minister for Social Development said in her speech on a new housing agenda that she was going to implement a mortgage relief scheme. That gave hope to many people. However, after a costly and confusing consultation, that came to nothing, and no scheme materialised. From then until now, over 11,000 possession orders have been issued, although not all of those led to houses being lost. Had we been able to agree a scheme, many of those people might still be in their home. It is more important than ever to implement some type of mortgage scheme. It is predicted that more people will lose their home as more jobs are lost. When we take on board the severe cuts being made to mortgage interest payments for those on benefit, those possession figures will, no doubt, increase dramatically. There is clear evidence that that is impacting on many families already. With the reduction in the amount allowed by social security for support for mortgage interest (SMI) from 6.08% to 3.63% and the possible withdrawal of SMI from many claimants in the coming months and years, things will get much worse.

In answer to a question for written answer, the former Social Development Minister, Alex Attwood, stated that between 7,000 and 8,000 people could be put at a disadvantage in the North because of the reduction in mortgage interest relief. He said that a situation in which there will be fewer jobs and less money generally would, in his view, lead to increased possessions. That paints a bleak picture. Sinn

Féin believes that the only way to ease the situation is to implement some type of relief scheme that will allow people to stay in their home.

While the Assembly was arguing about implementing a mortgage relief scheme, many different schemes were already operating in other jurisdictions. In fact, the North was the only place where one was not in operation. Not offering help or assistance will cost more in the long run. If people lose their home and end up placed on ever-increasing housing waiting lists or in hostels for the homeless, that will increase the financial and social difficulties for the Assembly in future years. We could look at the best of those schemes in operation elsewhere and develop a scheme that fits the circumstances in the North. One of those mentioned was the mortgage-to-rent scheme, which allows housing associations to intervene to ensure that people remain in their home and are not thrown on to an already bloated social housing waiting list. Co-ownership could play a role by looking at how people could be helped on to a shared equity scheme, and I think that that was what the Minister of Finance and Personnel was hinting at this morning when he announced the additional money.

The cuts to housing benefit in the private rented sector reduced the amount paid to claimants. Undoubtedly, that will lead to many more people being unable to pay the rent set by the private rented sector. Many of those people already subsidise their rent from benefits. For many of them, that is not sustainable. Many rely on handouts from family and friends to pay their rent. Many will have no option but to drift back to family homes, which, in many cases, are already overcrowded. That will be a throwback to the 1950s and 1960s, when two or three families lived under one roof.

No mortgage relief scheme should impact on the social housing newbuild programme that is already trying to deal with huge waiting lists. People on those lists have waited many years to be housed. Any scheme should run over the lifetime of the Assembly, and it could help people through the worst of the financial crisis. The loss of a home impacts on people in many ways, affecting, for example, family cohesion, health and education, and it could lead to the breakdown of the family unit. We have a responsibility to ensure that we do all that we can to assist people who are in desperate straits through the mess created by bankers

and financial institutions. The consequences of doing nothing would be far-reaching for many thousands of people.

Mr Copeland: I support the motion. It is not the first time that the issue has come before the House. It was the subject of a consultation by the Department for Social Development (DSD) as far back as 2008, it was the subject of a motion on 10 March 2009, and it is back here again this evening. That is almost 1,000 days of fearing the arrival of a letter from the postman or 12,000 or 14,000 hours of fearing the phone call that will advise you that the dream has become a nightmare and the four walls and roof that shelter you and your family, which you have paid for, looked after and invested in, suddenly may not be yours any longer. Then, watching television, you see the mortgage companies and the banks, which might in some way be responsible for sending you the letter that will render you homeless, effectively saved from repossession by taxpayers' money. As you try to sleep at night and when you listen to your children and your wife, you wonder what will become of you. You look at us in this place on television and hear us talk flippantly about £45 million here or £45 million there, you hear about clerical errors, and you wonder what the relevance of this place is or what good it can do for people who find themselves in those circumstances.

I understand the difficulties of finance, and I understand that we cannot spend money that we do not have. However, when the cost is offset against the cost of increasing social housing to provide shelter for those who lose their home, the failures in education that will arise from that and the broken hearts, broken homes and broken spirits of people who will be damaged for the rest of their life due to inactivity, is it such a large amount of money? We have a chance in this place to do something.

As you know, I have been away from this place for four years. I talked with some of my people upstairs. We seem to talk and talk and talk and to produce take-note debates, whatever that means. This matter is deserving of serious and prolonged consideration. If the Minister for Social Development makes another bid, I ask that, on this occasion, perhaps something can be done for people who, without our help, will go on to need even greater and more intensive and prolonged help.

I am in the happy position of no longer having a mortgage. I had one for 30 years, and I thought that I would never get rid of it. When it did go, I was glad to see the end of it. My daughter is at an age to get married, and she cannot get a mortgage. A home is the most important thing a person can have. It is not something on which you can easily put a price. A great responsibility resides with us here in this place. If we can do something, we ought to do it. If we can do something and choose not to do it, we will be judged harshly. I stand in favour of the motion.

Mr Durkan: Go raibh maith agat, a LeasCheann Comhairle. I echo the comments and sentiments of the two Members who have just spoken. I back the motion, and I congratulate the proposer on bringing it to the House. It is vital that we, as a legislative Assembly, take decisions to ensure that measures are put in place to protect those who are most in need from continued and severe budget cuts, the loss of jobs and all the other impacts of the cuts.

Rather than considering the cost of introducing a mortgage relief scheme, the Executive should consider the potential cost of not introducing one. Not introducing such a scheme will create not only financial implications and increased stress on already bursting housing lists but the human costs referred to by both Members who have spoken in the debate, such as the costs of illness, unemployment, relationship breakdown and a host of associated problems. That far outweighs the cost of helping those in need.

As a developed society, we cannot stand idly by and watch people whom we could have helped face the trauma of repossession. It is, therefore, vital that we step in to provide what will be for many a vital lifeline.

I find it strange, however, that, given the number of Assembly questions on the issue and the airtime that it appears to have had in the House and in Committee, it has never been backed by the Executive, despite numerous attempts by successive Ministers for Social Development to secure funding for it. Hopefully, that will be addressed, and addressed soon. I support the motion.

9.00 pm

Mrs Cochrane: This is undoubtedly an issue that all Members will have encountered in their constituency and one that is showing little sign of improvement as our economy struggles

to move up to the next gear. Mortgage debt in Northern Ireland has increased tenfold since 2007, and the growing reality is that homeowners from all margins of our society are struggling to meet their mortgage demands. The problem may get worse still, as the Financial Services Authority (FSA) recently highlighted, for the 1.4 million borrowers who took out short-term fixed-rate mortgages when interest rates were much lower and are due to refinance in the next year. Although I understand that the issue has been debated in the House before, as we have discussed, we are still no further on in assisting those facing mortgage arrears and the potential repossession of their property.

It is disappointing to see that the bid in the June monitoring round for £3.2 million for a mortgage rescue scheme was unsuccessful. Outside of the mortgage debt advice service (MDAS), our current assistance is limited to the support for mortgage interest scheme, which, in itself, has become less effective as a result of the emergency Budget at Westminster last June. Even the homeowners mortgage support scheme, which was enacted as a direct result of the economic downturn, is limited in its effectiveness, in that it can be availed of for only up to two years.

Figures from the Northern Ireland Courts and Tribunals Service show that the rate of repossessions has been increasing steadily here for the past five years. From January to March of this year, 542 possession orders were granted. When we compare those figures with those issued by the Central Bank of Ireland, we find that the courts in the Republic of Ireland granted just 136 possession orders in the same period. Given that our neighbours in the South boast more than twice as many households, that is rightly a cause for concern. Where they are succeeding and we are seemingly falling short, is in their provision of a stable and wide-ranging mortgage interest relief scheme. Based on the amount of mortgage paid in a given tax year, it adopts broader eligibility criteria, which affords better rates to first-time buyers.

When we stop to consider the functionality of our existing support structures and the nature of those in operation elsewhere, it is clear that the needs of those most at risk in our communities are not being met. Should we allow things to continue in this way, the situation seems destined to snowball. More families would be financially crippled and, ultimately,

forced from their home, not to mention the deterrent that that is likely to be to potential first-time homeowners. In the light of that, I urge the Minister to take immediate action to tackle this growing problem. The housing crisis has proven to be more volatile here than in other parts of the UK, yet we are still being forced to adhere to a one-size-fits-all system, when clearly the system does not. Schemes such as SMI are little more than a drop in our ever-darkening ocean. What we need now is a system that is tailored to the individual needs of our society. I support the motion.

Mr Hussey: Like many Members, I could have chosen to go home earlier, but the importance of the motion forced me to stay to participate. The quotation used earlier by Mark Durkan comes from Margaret Ritchie in 2008, when she was the Minister for Social Development. What she said then is so relevant that I will repeat it:

“As a developed and wealthy society we cannot stand idly by and watch people we could have helped face the trauma of repossession.”

Those words echo as strongly today as they did in 2008. The question of whether we are a wealthy society is open to further debate. However, the question of the need for a mortgage relief scheme is current and needs urgent addressing. We cannot stand idly by and watch people whom we should be helping face the trauma not only of repossession but of homelessness and family break-up.

I once took a telephone call from a constituent as I was travelling home from a meeting in Belfast. Her landlord had entered her home illegally and dumped her, her daughter and all their worldly goods on the street. The crying of that child still echoes in my mind. I have another constituent who is burying her head in the sand and hoping that loan providers will not enforce eviction proceedings, which I know will happen in September. I worked as a financial adviser, and I know many people bought their home when they were given half a chance in the late 1990s and the early part of this century. Banks bent over backwards to hand over mortgages that were well beyond the ability of the person to pay. They offered loans of six times an applicant's salary and 120% loan-to-value ratios. I could go on, but, in the interest of time, I will not.

The current situation is horrendous for people who can no longer afford to repay their mortgage. Banks and building societies will probably allow

tenants to pay interest only on their loans but, in some cases, that too is beyond their reach. Banks and building societies have a part to play in the resolution of the problem. A notional rent should be agreed in line with Northern Ireland Housing Executive (NIHE) rents. It would be the maximum amount repayable by the tenant until he or she is in a position to resume payments on the mortgage.

Naturally, any solution to the problem rests with the ability of the tenant or the state to pay. As a state, our finances are limited, and, as I have already said, the responsibility of banks and building societies cannot be overlooked. The motion, which I fully support, calls on the Minister for Social Development to implement a mortgage relief scheme to help people who are experiencing difficulties paying their mortgage and, most importantly, are at risk of losing their home. I also call on the Minister not to let the creators of this mess off lightly, to ensure that we get value for money under such a scheme and, where possible, to make the banks accept a payment —

Mr A Maginness: Will the Member give way?

Mr Hussey: Yes.

Mr A Maginness: I just want to make one point to the Member. The motion would have been better framed if it had urged that the Executive endorse this route rather than the Minister for Social Development. Previous Ministers for Social Development have supported such a scheme, but the Executive have blocked it. That is where the blockage lies, and that is where criticism should be levelled.

Mr Hussey: I thank the Member for his intervention. If that is where the blame lies, I am happy to point my guns in that direction instead. However, I also call on the Minister not to let the creators of the mess off lightly, to ensure that we get value for money under such a scheme and, where possible, to make the banks accept a payment of no more than would be paid for an NIHE property. The tenant then maintains the potential to resume payments on their home when circumstances change, and the bank does not have an empty property that is gradually deteriorating due to non-occupation.

I support the motion and hope that there is a speedy resolution to the problem, which is worsening on a daily basis, and that it is soon

brought back to the House for approval, whether through the Minister or through the Executive.

Mr McCausland (The Minister for Social Development): I thank all the Members who contributed to the debate. If my response fails to address any of the specific points of Members, I will, of course, write to them separately. As has been mentioned, this issue has been raised in the Chamber on previous occasions.

I welcome the opportunity to respond to the motion, which calls on me to implement a mortgage relief scheme to help people who are experiencing difficulties paying their mortgage and are at risk of losing their home. I confirm that I support the ideals of a mortgage rescue scheme for Northern Ireland. I am happy to address some of the concerns raised today by highlighting some key actions that have already been taken and those that could be taken, if sufficient funding becomes available.

The impact of losing a home has been highlighted by several Members. Therefore, we need to recognise and deal with that in a caring and compassionate way. Members will be aware that the current economic downturn has resulted in increasing numbers of people being unable to meet their contracted mortgage payments. Resulting arrears have, in turn, led to an increase in the number of house possessions being sought by lenders. There is some evidence to suggest that actions for possession peaked during the 2009-2010 financial year, when 3,902 writs and originating summonses were issued, and 1,795 orders for repossession were granted. However, the number of actions being pursued remains high, with 856 originating summonses issued and 822 orders for possession granted between January and March 2011. That trend concerns me deeply, as it, obviously, concerns Members who are present — hence the motion.

The number of repossessions is likely to be higher in 2011 as a result of wider issues in the economy and the mortgage funding markets. The courts' Enforcement of Judgments Office (EJO) indicates that it expects its caseload to continue to increase during 2011. The size of that increase is, at present, uncertain and, of course, depends on lenders and their solicitors. It is believed that significant numbers of cases have been to court and had orders for possession granted but have not yet been

lodged with the EJO. The delay between an order being granted and being enforced allows time for further negotiation to take place.

The delay may also be reflective of the current quiet situation in the housing market. If house prices begin to rise, lenders are likely to increase further the number of cases that are referred for EJO action. There is a need, therefore, to ensure that home ownership remains sustainable and that repossession cases are minimised. My Department has been able to pilot the mortgage debt advice service, which operated for around two years from May 2009. MDAS provided advice to individuals to help them to remain in their home or, in cases where that was not feasible, to assist them in exploring alternative housing options. I am pleased to tell the House that the pilot has now ended. Following a recent procurement exercise, a new contract between the Department and the Housing Rights Service has been established. That contract can run until March 2015.

Evidence from an evaluation of the pilot in Northern Ireland and the mortgage rescue scheme in England has demonstrated that mortgage default and arrears are often caused by unemployment, reduced remuneration, relationship breakdown and ill health, incidents that are normally considered to be temporary income shocks. Sharp falls in house prices, the restricted availability of credit and the protracted nature of the current downturn prevent those who face financial hurdles from accessing alternative means to resolve their difficulties. It is in such circumstances that mortgage debt advice proves invaluable. Often, work between the homeowner and lender can result in a solution being found to address those short-term problems.

Between the 2007-08 and the 2010-11 financial years, demand for financial advice on housing debt from the Housing Rights Service has grown by almost 50%. Of the 755 clients who approached the Housing Rights Service for advice under the MDAS pilot, homelessness was directly prevented for 180 clients through advocacy and court representation services.

Mr F McCann: I appreciate the information on funding for the Housing Rights Service. It provides a remarkable service in many ways. As I said, if people are assisted early enough, advice can help them more than anything else. However, one big problem is that a large number

of people take it for granted that they will lose their house and do not turn up at court. Built into any grants that are given must be some type of outreach service that allows people to buy in to that and to, perhaps, save their home in the long run.

Mr McCausland: The Member makes a valid point about how people respond to those situations. Some people try to bury their head in the sand and hope that the problem goes away. He already mentioned that. Others take it as inevitable that repossession will happen. It is important that that point is kept in mind. I welcome the Member's intervention.

Another significant fact that Members should note is that, of those who were assisted under the separate Preventing Possession Initiative, 78% had not received any previous advice about their housing debt before the day of the repossession hearing. That suggests that there remains a level of unmet need.

9.15 pm

I know that people here facing repossession are not able to receive legal aid. That is unlike other regions of the United Kingdom, where public funding is available to provide free representation to people facing repossession on the day of the court hearing. That has been the cornerstone for government in mitigating the impact of the economic recession on those at risk of losing their home. I intend to discuss the matter with the Justice Minister in the very near future.

Repossession and the threat of it is a problem across the United Kingdom. The Council of Mortgage Lenders reported that, in the United Kingdom, a total of 9,100 properties were taken into possession in the first quarter of 2011. That is 15% higher than the 7,900 in the fourth quarter of 2010 but 10% lower than the same period a year ago and equal to the average quarterly number of repossessions throughout 2010. The Bank of England's May inflation report suggests that consumer price inflation may reach 5% later this year and, despite then easing back, will still be above its 2% target throughout 2012. The net result is that we have people who will lose or have lost their home, are homeless and need to apply for social housing, which puts further strain on the waiting lists. Social housing need, measured by the common selection scheme waiting list, indicates that, in the seven years from 2004-05 to 2010-11,

there has been an increase in applicants for social housing of over 10,000, from 29,608 to 39,891. Of those, 20,967 are identified as being in housing stress and will hold positions high on the waiting list.

Mr Copeland: Thank you for giving way, Minister. I know that the hour is late, and I appreciate it.

The last time that I was here, the Minister for Social Development referred to the number of people waiting to be rehoused and then to the number of applications. There is a difference between applications and people, as an application could relate to a family of four. Do the figures that you are giving us refer to applications or people?

Mr McCausland: My understanding is that the figures refer to applications.

Provision through the social housing development programme cannot meet the identified need and demand, at least as housing need stress is currently defined. Members will be aware of recent changes arising from welfare reform. A reduction in support for housing costs will impact in two main areas: support for rents through housing benefits and, of interest to us in this debate, payment to support mortgage interest. Many people who are out of work due to redundancy or illness, for example, rely on social security benefits such as support for mortgage interest to prevent their financial situation from deteriorating, including mortgage default and arrears. Under changes to the support for mortgage interest scheme introduced in January 2009, help with mortgage interest for those on income-based jobseeker's allowance continually for two years ended in January 2011. The analysis identifies that some 562 families or individuals across Northern Ireland will be impacted by the removal of help with their mortgage interest payments in the period from January 2011 to March 2012. For those people, the most suitable option will depend on their personal circumstances.

The reduction in the rate of SMI payable — it is down from 6.08% to 3.63% — is also likely to impact on the number of people facing arrears and repossession. More mortgage accounts will lapse into arrears for the first time, and people will default on previously established repayment arrangements. I have concerns about the two-year limit on SMI for those receiving income-based jobseeker's allowance. I understand from the Department for Work and Pensions (DWP)

that it intends to consult on future proposals for SMI in the context of economic-related benefits in the autumn.

It is not all dire news, however. The combination of government support initiatives, the court pre-action protocol and the steps taken by lenders in exercising forbearance with borrowers who find themselves in financial difficulties with their mortgage has perhaps lessened the mushrooming and reduced the speed at which the problem has worsened. On 1 August 2009, the Lord Chief Justice's office published pre-action protocols for Northern Ireland. Those encourage greater contact between the lender and the borrower in an effort to seek agreement between the parties before seeking a repossession order. The Northern Ireland Courts and Tribunals Service and the Housing Rights Service have also set up advice facilities at the Royal Courts of Justice and Laganside courts for those who come to court without their own legal representation.

Throughout the rest of the United Kingdom, mortgage rescue schemes are one part of the suite of government support mechanisms for those who face difficulties with their mortgage. Although mortgage rescue should be a last resort for most homeowners, it is considered that it would help to prevent homelessness in some circumstances. It is nonetheless important to remember that a fully operational scheme would cost over £4 million each year, which would need to come out of other areas of our work.

The present assistance, which is offered by the advice service and which is operational, is open to every member of the general public, including people who have mortgage arrears and those who fear that they might not be able to meet their payments in the near future. Based on the outcomes of the pilot scheme, DSD has projected a need to provide specialist housing debt advice services to 750 people per annum. As I mentioned, that is now being provided through an extended mortgage debt advice service, in addition to the debt advice service that is normally provided by the CAB and the Housing Rights Service.

In certain cases, government should be able to help, and it is therefore important that we look at the available resources. I intend to meet representatives of the banks soon to discuss the immediate problems that are being

faced, as well as to discuss how to stop people getting in over their head in the first instance. I will also remind the banks of the value of working with advice agencies to militate against repossession. I am not proposing that help should be provided in every case, but I want to help those who are most vulnerable and have really tried to help themselves.

Finally, the launch of a full-blooded scheme is subject to the Department of Finance and Personnel (DFP) approval for government funding, and we should assume that, given the publicity surrounding the launch of a scheme, there would be an increased demand for assistance. Therefore, it is estimated that the full proposed rescue scheme would cost £8.25 million over a two-year period. That amount would enable direct intervention for only 72 rescues in each of the two years of the pilot, and it includes the cost of a scheme administrator. That estimate is based on the uptake in other jurisdictions. In Scotland, £20 million was allocated in 2009-2010 and 303 rescues were completed, while Wales allocated £9.5 million and secured 135 rescues.

Since December 2010, departmental officials have worked with representatives of the Council of Mortgage Lenders and the Housing Rights Service to consider the steps that may be taken to assist those who face repossession. Measures such as mortgage debt advice extension and the availability of a mortgage rescue scheme are among those supported by that group. It is envisaged that a campaign to promote the need for borrowers to engage early and openly with lenders on circumstances that may affect their ability to maintain their commitments will commence in the near future. That would communicate the key messages to allow the borrower to gain an understanding of their obligations and responsibilities and would make them aware of the options available for tackling mortgage difficulties.

In conclusion, I welcome today's motion and the debate surrounding it. However, in closing, it is important to note that the bid for the funding necessary to operate the scheme must be considered against the competing bids that are assessed by the Executive, including those for health and education. There is a finite Budget; we recognise that, and I understand the decision by the Executive not to support my bid in the June monitoring round. However, it is an

issue that we will keep very much before us over the coming months.

Mr Deputy Speaker: The Question is that the motion standing on the Order Paper be agreed. Sorry, I am jumping the gun. I call Mr Mickey Brady to wind on the debate.

Mr Brady: Go raibh maith agat, a LeasCheann Comhairle. If you want to carry on, that is fine.

The debate has been very productive and constructive, and there is certainly consensus that this problem is not going to go away. As someone who has been involved in the advice sector for many years, I and others have seen the problem getting increasingly bad over the years. It has now reached crisis point, and that cannot be denied. Other Members have mentioned welfare reform, and I will go into that in some detail during my contribution. Welfare reform will just make the problem worse. Unless something is done, we will be talking about this for a long time to come. A scheme was first mooted in February 2008 by the then Social Development Minister, Margaret Ritchie, and we have been talking about it ever since.

Fra McCann talked about making money available for first-time buyers, and the Finance Minister spoke about that earlier. Unfortunately, there are insufficient funds to provide for mortgage relief. He said that the number of possession orders had increased by 11%. The proportion granted possession was 61%, and, in 27% of cases, people were given time to pay. He cited statistics showing that, compared with the South of Ireland, the number of repossession orders in the North is disproportionate.

Fra McCann and the Minister mentioned the sterling work of the Housing Rights Service, a thread that ran through many contributions. That service cannot be praised highly enough. Without the Housing Rights Service and its work, a lot of people would now be homeless. It has given a lot of help and consolation to many people.

Another point that came through in what everyone said was the importance of good and timely advice. When I was a welfare rights worker, we tried to get that through to people. For some people who had just received an order to appear in court for a repossession hearing, it was too late. Had they negotiated with their lender at a much earlier stage, many would have been

saved from trauma, kept their house and not found themselves in that position.

The reduction in mortgage interest has been a big issue, with the rate of help reduced from 6.8% to 3.63%. That has had an impact on people. We cannot overestimate the impact of welfare reform. It has started, it will continue, and it is coming down the road at us. It will get worse and worse.

Fra McCann also talked about the increasing housing waiting lists. The lack of social housing continues to be a big problem. He talked about people having to return to the family home. In many cases, the situation is probably worse than it was pre-1969. He also mentioned that the problems of repossession, mortgage interest and inability to pay mortgages should not impact on the social housing newbuild programme, which is a lifeline for many people.

Michael Copeland supported the motion. He mentioned that the issue had been brought to the House on a number of occasions. He talked about people fearing repossession for 1,000 days. That is a genuine fear for a lot of people. He spoke of how dreams turn into nightmares. I absolutely agree with him. In my experience, the prospect of losing their home becomes a nightmare for people. He spoke about how people raise the question of the bailout of bankers. That is a valid point: bankers were bailed out.

It must be said that people were encouraged by the Thatcher Government to buy their houses as far back as the 1980s. That was Government policy. Consider that, in my constituency, the Housing Executive stock went down from 12,500 houses to just over 3,000 as people were encouraged to buy their house. They were encouraged to buy, and then the rug was pulled from under them. Unfortunately, that has continued to happen.

Michael Copeland also talked about how the Minister was considering ways of helping and how young people are unable to get mortgages. That is a reality. Some of my children have experienced that problem. He said that we have a heavy responsibility to continue to try to solve the problem as best we can.

Mark Durkan echoed the sentiments of earlier contributors. He said that it is vital that we take decisions to protect the most vulnerable and that we must consider the potential cost of not introducing a scheme. That is another valid

point: prevention is always better than cure. We should not stand idly by. The issue, having been referred to the Executive, must be addressed.

Judith Cochrane said that the issue affects all our constituencies and that mortgage debt has increased tenfold since 2007. She said that, although interest rates are now much higher, no further help has been given. She talked about the unsuccessful bid in the June monitoring round for help with mortgage relief and how the drop in help with mortgage interest affects people. She also talked about having a stable, wide-ranging mortgage relief scheme. She said that the housing crisis here is highly volatile and that we need a system tailored towards catering for our particular needs.

Ross Hussey quoted Margaret Ritchie and talked about the trauma of repossession. He said that we should help the homeless and mentioned some of the many reasons why people become homeless, such as family break-up. He gave anecdotal evidence of particular constituents and the trauma that affected adults and children. He spoke about banks handing out mortgages willy-nilly at one stage, sometimes amounting to six times someone's salary. He said that banks and building societies had a part to play.

The intervention from Alban Maginness did not surprise me. He complained about the wording of the motion. I can say without equivocation that he was defending his previous Ministers. Listening to him, I thought that the current Minister might display more tenacity in pursuing the issue of mortgage relief, rather than just talking about it, as we are still doing over three and a half years later. Perhaps tenacity is a word that should have been applied to previous Ministers.

I welcome the Minister here this evening. I am glad that he came to listen to the debate. Importantly, it shows that he is interested. The Minister said that sufficient funding was needed. He spoke about the current economic downturn and the increase in the number of repossessions sought. He said that the number of repossessions peaked in 2009-2010 but remained high. He explained that the number was high coming into 2011 because of wider economic issues affecting people who cannot afford to continue paying their mortgage.

The Minister mentioned the Enforcement of Judgments Office, where orders are granted

but not lodged. That can give people some time for negotiation. He also mentioned the mortgage debt advice scheme and how crucial that is for many people. He gave many reasons why people have mortgage problems, such as unemployment, family breakdown, the accessibility of credit and so on, and he stressed how invaluable mortgage debt advice is. Indeed, that cannot be stressed enough.

Fra McCann intervened when the Minister was speaking. He talked about an outreach service, and it must be explained to people how important it can be to get that advice. The Minister said that 78% of people received no advice before going to court. In other jurisdictions, people have free representation in court cases. I welcome the Minister's pledge to discuss that with the Justice Minister. He also spoke about homeless people needing to apply for social housing and said that there had been an increase of 10,000 in their number since 2004-05.

Mr Copeland intervened with a valid point about the difference between the number of applications and the number of people affected. Ten applications may represent 40 or 50 people, which is a point worth making.

There needs to be support for rent payments and mortgage interest. Income-based jobseeker's allowance will finish in two years, and the impact of that has kicked in already. From January 2011 until March 2012, people will be affected by that.

Mr Deputy Speaker: Bring your remarks to a close.

Mr Brady: As I stated, welfare reform is coming. Its impact will worsen, and we need to do something urgently. The point was made earlier that we should not just talk about it; we need to do something. I support the motion.

Question put and agreed to.

Resolved:

That this Assembly calls on the Minister for Social Development to implement a mortgage relief scheme to help those people who are experiencing difficulties in paying their mortgages and are at risk of losing their homes.

Adjourned at 9.34 pm.

