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Northern Ireland Assembly

Monday 10 June 2013

The Assembly met at 12.00 noon (Mr Principal Deputy Speaker [Mr Mitchel McLaughlin] in the Chair).

Members observed two minutes' silence.

Assembly Business

Mr Principal Deputy Speaker: I would like to notify Members that the Minister of Agriculture and Rural Development has written to the Speaker to advise that she is unwell and is unable to attend the House today, so the statement on the North/South Ministerial Council meeting in aquaculture and marine sectoral format will be rescheduled, and junior Minister McCann will respond to the motion later today on the farm inspections process 2013 on Minister O'Neill's behalf.

Executive Committee Business

Suspension of Standing Orders

Mr Principal Deputy Speaker: I call the Minister for Social Development to move the motion on behalf of the Minister of Finance and Personnel.

Mr McCausland (The Minister for Social Development): I beg to move

That Standing Orders 10(2) to 10(4) be suspended for 10 June 2013.

Mr Principal Deputy Speaker: 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 10 June 2013.

Ministerial Statement

Northern Ireland Housing Executive: Maintenance Contracts

Mr McCausland (The Minister for Social Development): With your permission, Mr Principal Deputy Speaker, I wish to make a statement in relation to the Northern Ireland Housing Executive and the management of maintenance contracts.

It was just this time last year that I made a statement here in the Assembly in relation to the Housing Executive's management of response maintenance contracts. At that time, I advised of the long track record of concerns about the Housing Executive's contract management regime and how, on taking up my post, I had expressed my significant concerns about the issues surrounding its management of contracts. In fact, so great were my concerns that I asked for a forensic investigation to be carried out of a sample of Housing Executive response maintenance contracts to provide me with assurances on the contracts, the quality of services to tenants and the proper use of public funds.

The findings in the ASM report unfortunately proved that my concerns were exactly right. The findings and the evidence in the report clearly demonstrated to me that there were considerable issues and shortcomings in relation to the Housing Executive's management of response maintenance contracts. The report's key findings covered quality of workmanship; invoices submitted by contractors; completion of work on a timely basis; NIHE inspections; ability to recover overcharging; and duplicate schedule of rates codes.

Many examples in the report point to poor workmanship and poor contract management by the Housing Executive, which indicates clearly to me that tenants are not getting the services that are expected or being paid for by the taxpayer. The report covered six response maintenance contractors and followed on from the failings identified in Red Sky. The companies were Omega, PK Murphy, MDC, Carillion, Leeway Maintain and H&A Mechanical.

Again, at the time of my previous statement, I advised that the Northern Ireland Audit Office, following significant concerns raised by whistle-blowers, MLAs and the media, had also decided to examine the Housing Executive's management of response maintenance

contracts in view of the seriousness of the problems identified in the management of specific contracts. That report supported the work that my Department had undertaken and pointed to the fact that the Housing Executive's own management systems were demonstrating the weakness of its management of those contracts. You will all be aware that that report was the subject of a hearing at the Public Accounts Committee on 5 September 2012. The Committee's report, which was damning, was published on 20 March 2013, and the memorandum of reply was laid in the Assembly on 24 May 2013.

Taking account of all the factors together at that time, I advised that I believed that the Housing Executive, as an organisation, had failed to demonstrate the required response to known shortfalls in contract management, either in a manner that recognised the importance and significance of these issues or which demonstrated an unequivocal determination to address these matters with the necessary pace and urgency that anyone would, rightly, expect. Therefore, in July last year, I took the unusual step of introducing special accountability measures to bring about improvements efficiently and effectively and to enhance significantly the current oversight arrangements between my Department and the Housing Executive. I also advised then that I had to assume that the types of problems evident in the management of response maintenance contracts could also be evident in the way in which the Housing Executive managed its other contracts, such as planned maintenance contracts. I can assure you now that it gives me no pleasure to advise that, once again, I was, in fact, correct in my assumptions. Indeed, what the new chairman of the Housing Executive has discovered in his first six months in regard to planned maintenance is of such a scale that the issues of response maintenance pale into insignificance by comparison.

You will be aware of the statement by the chairman of the Housing Executive this morning on the level of overpayments to planned maintenance contractors. In his statement, he said that, when he took up office in November 2012 and was briefed on the Housing Executive's management of maintenance contracts by me, he requested a comprehensive investigation by the chief executive into those matters. He also said that the board considered the findings at its May meeting. The findings are extremely disappointing, given the scrutiny that the organisation is already under for its management of response maintenance contracts, and I totally concur with this.

The figure is estimated to be some £18 million. Let me say that again in case you think that you have misheard: £18 million in overpayments to four contractors. I have been advised by the Housing Executive that the four contractors are PK Murphy, Bann, Mascott and Dixons. I am sure that you, like me, are astounded at that amount and wonder at the level of incompetence in the Housing Executive that led to that state of affairs. The scale of what has been uncovered has been a scandal. Let us not forget that this is taxpayers' money that could have been used to build around 200 much-needed social homes.

How did this happen? I can still recall the assurances that the former chairman, Brian Rowntree, gave me last year in relation to contract monitoring arrangements and the assurances he gave me that, during his tenure, significant progress had been achieved in dealing with the contract issues. Those emphatic assurances from Mr Rowntree — verbal and written — were useless; they were not worth the paper they were written on.

When I said last year that the Housing Executive as an organisation had failed to date to demonstrate the required response to known shortfalls in contract management, I also advised that I had major concerns about the culture in the organisation and the level of aspiration in the Housing Executive to deliver a quality service to tenants regardless of cost and contracts. For me, that is clearly still the position in that organisation.

How was this allowed to happen in the first place and then continue? Why has the appropriate action not been taken to identify the issues and weaknesses and to address them, to effect the change required? Are the problems evident in any further areas of contract management; for example, heating or grounds maintenance?

The recent PAC report on 20 March points to one reason when it recorded that the Committee was shocked at the attempts by the Housing Executive management to suppress internal audit reports. Indeed, the PAC even found evidence that the Housing Executive management exerted pressure to have audit opinions watered down. It referred to a culture of stifling any form of criticism and called it "institutional resistance": I have to agree with that phrase. The PAC advised that a key attribute of a mature and open organisation is that, where mistakes are made, they are recognised and improvements are made as a result. That did not happen in the Housing Executive.

So what am I going to do about it? As I said, I introduced my special measures last year, which include a monthly accountability meeting between my permanent secretary and the Housing Executive's chief executive where the position on these and other key issues is reported. The Housing Executive has advised in its regular reports that a number of special measures actions have been completed. My permanent secretary therefore has already instigated a further governance review by my Department's head of internal audit to assess the outcome of the implementation of the recommendations of the Housing Executive governance review in 2010, the special accountability measures and the ASM recommendations. It will also look at the lessons learned by the Housing Executive in respect of the management of response maintenance and the extent to which they have been applied to the management of planned maintenance contracts. A report is expected from the team later in the summer.

12.15 pm

Terms of reference have also been developed for the work by DFP's performance and efficiency delivery unit (PEDU), which will support the internal audit team. The focus of PEDU's work will be on the contract management processes. I have recently sent the terms of reference for this work to Minister Wilson to agree. My officials have also been reviewing the oversight arrangements in place, including the update of the management statement and financial memorandum between my Department and the Housing Executive. My permanent secretary has also just written to the chairman to advise him of additional actions to be put in place by my officials.

More importantly in tackling these issues, I have appointed a new chairman, Donald Hoodless, who has taken on an incredibly difficult job but is determined to put in place clear governance and assurance systems and to tackle the issues and make the organisational changes that are required to bring this organisation into line and to ensure that appropriate services are delivered to tenants along with value for public money. That is what my priority has always been. Since his appointment, I have been meeting the new chairman monthly, along with the new vice-chair, to discuss key issues of concern. He has already demonstrated to me, both in words and actions, that he has the required leadership for the Housing Executive board that has been lacking in the past, and I am fully supportive of the actions he has taken to date.

I also have to factor in the implementation of the fundamental review of the Housing Executive — the social housing reform programme — which will result in a new social landlord body or bodies with a similar function to the housing associations. The outcome will be that such bodies will be subject to the same inspection regime as the existing housing associations. As part of its preparations for the review, the Housing Executive board has decided to begin the process of reorganising the Housing Executive into two key entities: the landlord function and the regional strategic function.

Concerns that my officials and I have about contract management arrangements in the Housing Executive are well documented and have been evidenced by a substantial enhancement of the accountability arrangements between the two bodies. In view of the continuing accountability issues, my permanent secretary and I consider that the time is ripe to rethink the whole process of obtaining assurance on contract management and other landlord functions. I therefore believe that it may now be appropriate to introduce an inspection regime to the landlord function of the Housing Executive, and I have instructed my officials to proceed with the necessary arrangements. There are two main advantages with such a proposal: namely that an inspection regime similar to that currently in existence for the housing associations will greatly improve the level of assurance that my accounting officer will receive on the landlord function and that the Housing Executive will have the benefit of experiencing and acclimatising to an inspection regime that it will be subject to post the review.

The position that the Housing Executive finds itself in now in relation to its management of contracts is totally indefensible and will not be tolerated any further. Change must happen and happen quickly and correctly. Whilst we need to look to the future, we must also identify the weaknesses and the mistakes of the past in order to learn, to change and to make sure we do not find the organisation in this position ever again. I do not underestimate the size of the task ahead, both in my Department's oversight of the Housing Executive and the work that is required from the board of the Housing Executive, but there will be no shortcuts to making sure that there are significant changes in the Housing Executive.

What has happened in the past must not happen in the future. As yet, it is not clear whether what has taken place in the past is a result of incredible incompetence or wilful

corruption. Time will tell. I will support the chairman in the work ahead, but this is a major challenge to the board to show the required leadership, drive and determination to deal with these issues and begin to effect change now.

Mr Brady (The Deputy Chairperson of the Committee for Social Development): Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank the Minister for his statement. Anyone who hears those figures — £18 million of overpayments to four contractors — will be astounded. Frankly, it beggars belief. Without being prejudicial, this is either incompetence on a scale never seen before or something more serious with potential legal implications. As the Minister said, this is public money that could have been directed towards the building of social housing to address our long waiting lists rather than lining the pockets of others.

I am pleased to note that the Minister is taking further action to address governance issues, including those relating specifically to contract management. However, in the wider context of social housing reform, we must all maintain a cool head. I am sure that the Committee will wish to engage with the Department and the Housing Executive on the decision to begin the process of reorganisation of the Housing Executive into the landlord function and the regional strategic function. We should not conflate the future reform of the Housing Executive and the current problems with overpayments to contractors. Change in contract management —

Mr Principal Deputy Speaker: Bring your remarks to a close. You need to come to a question.

Mr Brady: Change in relation to the reform of social housing must be given detailed consideration before decisions are taken. Therefore, I urge the Minister to consider that as we move forward together with social housing reform.

Mr Principal Deputy Speaker: Did the Member have a question? Did I rush him past one? We were waiting for a question.

Mr Brady: No.

Ms P Bradley: I thank the Minister for his quite shocking statement today. Minister, do you have confidence in the current senior management team in the Housing Executive?

Mr McCausland: When we look at the scale of what has been disclosed today and the fact that the situation prevailed over a number of years, it is clear that the senior management team has questions to answer. We need to remember that the senior management team is initially answerable directly to the chair and the board. I am sure that they will put those questions to the senior management team.

Mr Durkan: Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank the Minister for his statement. It certainly made for shocking listening and reading. The Minister said:

"As yet, it is not clear whether what has taken place ... is a result of incredible incompetence or wilful corruption."

Does the Minister believe that, potentially, corruption is at play? If so, is he confident that he can identify it and eradicate it?

Mr McCausland: In a situation in which there were overpayments of £18 million, it is clear that there are only two possible options. They are the two options that I identified quite a long time ago in this very Chamber: either people were not doing their job properly in checking and managing — the management of contracts should be a priority in the Housing Executive — and work was being done incompetently or people were simply not bothering to do their job, or, on the other hand, there was something more sinister than that. Those are the only two options. There is an old saying that somebody is either a fool or a knave; either they do something because of stupidity and incompetence, or there is something untoward behind it. Time will tell; we just do not know at present. However, I assure the Member and the House that I am determined to get to the bottom of this. I very much sense the same desire on the part of those now in charge in the Housing Executive: the chair, the vice-chair and the board also want to get to the bottom of this. This situation should not be tolerated; it is totally unacceptable. That is why I used the word "scandal". It is a scandal.

Mr Swann: Does the Minister agree that the culture and structure of Egan contracts allowed these abuses and malpractices to happen? Is it time to completely remove Egan contracts from the Northern Ireland Housing Executive?

Mr McCausland: I thought that the Member would have been aware that we have moved forward with new contracts. However, I do not think that we can simply put it down to the contracts or whatever. There was clearly

something of a culture endemic in the organisation. This was systemic in the Housing Executive. In due course, Members will come to their own conclusions, and, in due course, the evidence of the exact nature of what that was will appear. However, there was something very badly wrong in that organisation. I think that it was clearly wrong at a number of levels, because of the extent of it; it was not restricted to one small part of the organisation. We are talking about £18 million of overpayments, so it was very widespread. As I indicated, a number of contractors were involved in receiving overpayments. If there are only four contractors and £18 million, you are talking about very large amounts per contractor.

Mr Campbell: When a Minister comes to the Assembly and makes a statement of this magnitude, it obviously indicates that something is significantly and seriously wrong. The Minister alluded to heating or grounds maintenance: will he indicate whether serious investigations have taken place to see whether there are further causes for concern in those contracts?

Mr McCausland: Work is moving forward on other fronts. We started off with response maintenance and moved on to planned maintenance. Now, other areas need to be explored.

Mr F McCann: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his statement to the House, although a lot of it does not make good reading. Part of my question is about what has been done to claw back the money that has been paid out.

There has been a serious problem, not only in the maintenance end of the Housing Executive. Minister, your predecessors and you, during the Red Sky scandal, said that there were serious problems. Will the Minister tell us why he did not act back then when he knew through Red Sky that there were serious problems to implement the sort of measures that he is now —

Mr Principal Deputy Speaker: The Member knows that he has one question.

Mr McCausland: I did act, and I came in for criticism from some people because I acted.

At the time, I asked, "If there is an issue with a contractor and we are taking contracts away from that contractor and giving them to adjacent contractors" — as we did — "have we an assurance that those adjacent contractors are

not in any way responsible for or guilty of the same sort of things that were happening with Red Sky?". That was the ASM report. As I said, that report revealed that there were problems not just with one company but with a range of companies. It investigated the adjacent companies to which the Red Sky contracts were then given. It was right that we looked at that to see what was going on and whether we were simply taking a contract from one company and giving it to another that was doing a similar thing. Why would you do that?

I remind the Member that, as I pointed out in the statement, at that point, I sought an assurance from the then chairman of the Housing Executive, Brian Rowntree, that the companies to which the contracts were awarded after they had gone from Red Sky had no questions over them. He gave me assurances verbally and in writing.

As I said, the assurances were not worth the paper that they were written on.

12.30 pm

Ms Brown: I thank the Minister for his statement. Does he support and, indeed, encourage the practice of whistle-blowing in his Department, particularly given the serious nature of his statement?

Mr McCausland: Yes. When people are aware of things that are being taken forward in an improper manner, or that there is impropriety in an organisation, it is right and proper to highlight them. That is a good thing, which I certainly stand over.

Mr Byrne: I thank the Minister for his statement, which is alarming and many years overdue. Does the Minister agree that there is legacy of the paramilitary campaigns being used as a factor in determining excess pricing in contracts here? Does he further accept that it is dangerous to have a select tendering process —

Mr Principal Deputy Speaker: Members know that they have to restrict themselves to one question.

Mr Byrne: — that cuts out many contractors. Good professional firms believe that something untoward is happening —

Mr Principal Deputy Speaker: I call the Minister.

Mr McCausland: The issue about Housing Executive contracts is not new:

"Housing Executive Board Shaken By Contracts Report ... Report recommended that the system of contracts should be changed".

That was a headline in 'The Belfast Telegraph' on 2 May 1978. More than 30 years ago, there were issues about Housing Executive contracts; it is not new.

We have clearly identified that the scale and scope of this is £18 million. Bear in mind that that £18 million is not spread evenly. I understand that, in the case of one of the contractors, the highest amount overpaid was in the region of £8.9 million. That is the scale of it. Whatever arguments, analysis, scrutiny or views people may hold, the first thing is to get to grips with the scale of this. We will now take forward the work, and I have every confidence in the chairman and vice-chair of the Housing Executive. Their arrival has transformed the relationship with the Department to a position where there is openness and transparency. We will be able to move forward and to tackle these issues. However, there is certainly something badly wrong within the Housing Executive and in the whole management of maintenance contracts.

Mr Principal Deputy Speaker: I remind Members to ask one question only, in fairness to other Members who wish to ask a question.

Mr Copeland: Thank you, Mr Principal Deputy Speaker, for that timely reminder. Minister, I, too, thank you for bringing the statement to the House. It must have been quite difficult, given the scale of what is involved. For the purposes of the statement, what constitutes an overpayment?

Mr McCausland: I would have thought, with respect, that the word is fairly self-explanatory. An overpayment is a payment over and beyond the correct payment for a particular job. The nature of the contracts being what they are, there will be different forms of overpayment, which takes us into the fine detail of how all this arose. That is the sort of thing that will now have to be teased out by the Housing Executive and, indeed, by an independent review.

We are taking forward an independent review of this and it will be looked at in some detail. The ASM report, for example, looked into overpayments in regard to response maintenance. A look at the nature of the

problems showed that it took various forms. It might have been somebody charging for something that they had not done; somebody tending to charge too much for something that they had done; or somebody charging for something that they said they had done but had not. Overpayments can arise in a range of ways.

Mr Douglas: I thank the Minister for his statement. The overpayments that he mentioned are, quite frankly, on a startling scale. Will he confirm that the company that replaced Red Sky is one of the worst offenders, to the extent that it dwarfs any concerns involving Red Sky?

Mr McCausland: The Member will be aware, as indeed other Members will be aware, of the company from which the contracts were taken by the Housing Executive and given to after they were taken from Red Sky. Yes, that company is one of the companies that featured quite significantly in my statement this morning.

Mr Kinahan: I thank the Minister for his statement. I think that we are all shocked by the scale of this blatant disregard for public money. With regard to the overpayment of £18 million to the four contractors, will the Minister detail what steps have been taken to start the process of clawing the money back and whether he actually believes that we can get that money back?

Mr McCausland: I understand that the Housing Executive has commenced appropriate action, including legal action, to recover overpayments. That work is ongoing and will, I am sure, be ongoing for some time. It is a substantial amount of money that needs to be recovered.

Lord Morrow: I, too, thank the Minister for his statement today, which makes for horrific listening and reading. In relation to the timescale around all of this, a credibility gap has opened up here. It is important that the matter is brought to a close as swiftly as is possible but as accurately as is possible. Has the Minister any indication as to what timescale will be placed on this? Hopefully, it will not take another £18 million to ascertain what did go wrong.

Mr McCausland: It is a complex process legally to get to the bottom of these things and seek to have money recovered. I think that I would be unwise to put a timescale on it. What I will say is that I believe that there is a commitment by the chair of the Housing Executive to lead the work, as quickly as

possible, on what needs to be done within the executive. There will also be an independent review to get to the bottom of the full detail. However, these are complex things.

Look at the ASM report. It was initiated soon after I came into the Department, and we are two years on. The processes here are slow; you have to check through so many documents, inspect pieces of work and so on. It is a slow process. However, I assure the Member that I do not want to see this running on beyond the time that is required. We need to get it done thoroughly, so that whatever can be recovered for the public purse is recovered.

Mr McCarthy: In view of the horrendous statement this morning, the Minister said in response to another Member that there have been problems with the contracts for running over 30 years. In God's name, somebody somewhere should have seen what was happening and not allowed it to reach the point where 18 million quid of public money has gone astray. Will the Minister tell us whether there is any possibility that somebody will be made accountable for this error and that criminal proceedings will be initiated so that at least some of the money will be recouped on behalf of the taxpayer?

Mr McCausland: The Member poses a question about the duration of impropriety. Certainly it is the case, as was indicated in that headline, that back in 1978 there were questions about Housing Executive contracts. They may have been different questions, but nevertheless questions were being asked even then. If this was the private sector, and somebody announced at the annual meeting of a company that £18 million had been overpaid, I think that heads would roll and people would be out the door very quickly. Things do not always happen in exactly the same way in the public sector and the private sector. However, we do need to get to the bottom of responsibility here. It is about not just what happened but how it happened. People have to take responsibility for their actions — or inactions, as the case may be.

Mr Newton: I, too, thank the Minister for his statement this morning, concerning as it is. Does he agree that those elected representatives who made representation on behalf of east Belfast company Red Sky, and who were pilloried in the press for doing so, have now been completely vindicated?

Mr McCausland: On the basis of the report, there is really no doubt that the issues with

Housing Executive contracts were not unique to Red Sky. Indeed, it is clear that a significant number of contractors were engaged in the same or similar practices. At the time that the Red Sky contracts were terminated, it was argued by some people that Red Sky was singled out, and the motivation behind that decision was questioned. The Department received representations at the time from a number of political parties from east Belfast, as the Member will know, including the DUP, the Ulster Unionist Party and the Alliance Party. All of the parties in east Belfast spoke out at that time on the matter. The first point that I made — that the other contractors that were around were engaged in similar practices — has certainly been vindicated by the report.

Mr Beggs: If a householder was getting a workman to carry out a repair job, they would inspect the work, satisfy themselves that the work had been completed and then pay. Why can a multi-million pound organisation not follow those basic principles? Will the Minister indicate what level he feels that the failings have been at? Is it at the level of just the basic clerk, or is it at a much higher level in the organisation?

Mr McCausland: That is a question that would be good to put to those who were in charge of the Housing Executive during the lengthy period when that situation prevailed, including previous senior management in the organisation and previous chairs. There were other folk around when those things were happening who have questions to answer. Does it happen simply at a low level in the organisation or at a high level? I suspect, from what I have seen of it so far, that there was something in the culture of the organisation itself that meant that there was a very cavalier and casual approach to a lot of those things. When you are talking about £18 million you can certainly use words like "casual" and "cavalier" about the approach. There was not the proper management or the proper internal controls. The people at the top of the organisation — previous chief executives and so on — should have been on top of that sort of thing, but they clearly were not.

There is a lot of work still to be done to get to the bottom of it all, but it was important that, following the statement from the new chair of the Housing Executive, we brought it to the Floor of the Assembly this morning and gave Members an opportunity to comment, ask questions and seek clarification on it. There is certainly a lot of investigation still to be done.

Mr Allister: If there has been wrongful siphoning off of £18 million of public money, has the Minister called in the police? Can he answer Mr McCarthy's question about how long it has been accumulating? If it is endemic in the Housing Executive, why did the director of corporate services recently get a huge handout upon his redundancy?

Mr McCausland: First of all, the £18 million was over just a short few years; it is not going back over a lengthy period. Secondly, I do not intend to comment this morning on the role of any particular individual in the organisation. Certainly, as yet, the Housing Executive has not called in the police. The investigations are ongoing. *[Interruption.]* The Member may just care to listen.

12.45 pm

The issue is now with the Housing Executive. It was brought to my attention in the past few days. The Housing Executive will look at it, as will the Department, and decisions on the right way forward and the recovery of moneys will be a top priority.

What will come from that in due course? Time will tell, but we need to find out first exactly how things were. I will want further briefings from the Housing Executive about the ways in which this particular immense sum of money arose. It goes back a number of years, well beyond the time when I went into the Department. As soon as I went into the Department, I started the process of investigations because I knew that things were wrong. I am determined that we will get to the bottom of it.

An independent review of the matter is being carried out to get to a further level of information but, as with previous examples of inappropriate behaviour in public sector organisations, there seems to be a general acceptance that you do the internal work first to gather evidence and then you look at whether criminal issues arise or whether the police should be brought in. A lot of information has still to be gone through in the Housing Executive.

Mr Agnew: I welcome the fact that this problem has been identified and that efforts are going to be made, where possible, to recoup some of the money. However, it seems to fit the Minister's agenda to paint the Housing Executive as bad and housing associations as good. If we look at the performance of housing associations and their response times in

maintenance contracts, we see that the percentage of targets met is as low as 75%.

Given that the proposal is to, effectively, hand this issue over to housing associations, why are they not under equal scrutiny and why has their performance not been investigated to the same degree?

Mr McCausland: I welcome the Member's agreement that getting this information out as quickly as possible was the right thing to do. The fact that the information has gone out this morning in the way that it has done clearly vindicates the strong stand that I have taken with the Housing Executive over the past two years. We have been interventionist in a way that has not been the case previously. That is right and proper, and there are 18 million reasons why it was the right thing to do.

The Member talked about painting the Housing Executive as bad. You do not need to paint the Housing Executive as bad in this instance because it did that by itself. Housing associations are, obviously, much smaller organisations; they are scrutinised and are subject to a high level of oversight, I would contend. However, it is wrong to conclude that, as the Member seems to be doing, housing associations as we know them now in Northern Ireland will somehow or other take on the landlord role under some future restructuring. That has not ever been said to be the case.

We need to view housing in a holistic way. We need to look at social housing but also at the regulation of the private rented sector and of housing associations. All those elements need to be taken forward together. That is why we introduced a housing strategy last year so that we can have a more holistic approach to housing. All those elements have a role to play.

I want to emphasise the point that the Member made at the start. The content of this morning's statement vindicates everything that I have said and done regarding the Housing Executive's shortcomings over the past two years.

Executive Committee Business

Main Estimates 2013-14

Mr Principal Deputy Speaker: The Business Committee has agreed to allow up to four hours for the debate. The Minister will have up to 60 minutes to allocate, as he wishes, between proposing and making a winding-up speech. All other Members who are called to speak will have 10 minutes. I remind Members that the vote on this motion requires cross-community support.

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

That this Assembly approves that a sum not exceeding £8,271,268,000 be granted out of the Consolidated Fund for or towards defraying the charges for Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 and that resources not exceeding £8,558,118,000 be authorised for use by Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 as summarised for each Department or other public body in columns 3(b) and 3(a) of table 1.3 in the volume of the Northern Ireland Estimates 2013-14 that was laid before the Assembly on 29 May 2013.

Thank you, Mr Principal Deputy Speaker. Since this is the first time I have been in the Assembly while you have been in the Chair, I congratulate you on your post. I hope that you will look kindly on me if, by some mistake, I overstep the mark.

The debate covers the Supply resolution before the House. The resolution seeks the Assembly's approval for the 2013-14 spending plans of Departments and other public bodies, as set out in the Main Estimates. The Main Estimates were laid in the Assembly on Wednesday 29 May 2013.

The resolution before the House relates to the supply of cash and resources for the remainder of the current year, 2013-14, as detailed in the Main Estimates. The Vote on Account, which was passed by the Assembly in March, provided initial allocations for 2013-14 to ensure the continuation of services until the Main Estimates could be presented to the Assembly for approval.

This resolution and the Budget Bill, which I will introduce later today, request the balance to complete the total 2013-14 cash and resource requirements of Departments and other public bodies. The balance to complete amounts to over £8 billion of cash and over £8.5 billion of resources. Those requirements have their origins in the third year of the Executive's Budget 2011-15, which was approved by the previous Assembly on 9 March 2011, as well as in the demand-led annually managed expenditure (AME). On behalf of the Executive, I request and recommend the levels of supply set out in this resolution under section 63 of the Northern Ireland Act 1998.

Accelerated passage is required for the legislation, and there is provision for this specific instance in the Assembly's Standing Orders. The Committee has agreed to grant accelerated passage, and I want to place on record my appreciation of the Committee's work in agreeing this important step in the process.

I expect that, during today's debate on this important resolution, we will hear many voices using the debate to raise important and relevant issues. I also suspect that there will be some who will, shall we say, provide tenuous links to the Supply resolution in order to raise their own pet issues that may not be so relevant. I can already see that there are a number of Members lining up to do just that. So, be warned, Mr Principal Deputy Speaker. Although I do not doubt their sincerity, I urge Members not to stray too far from the specifics of the Supply resolution before us. I make that plea on all these occasions, and it always falls on deaf ears, hence my reliance on you, Mr Principal Deputy Speaker, to keep the Members in line and not let them stray too far off the path.

Taking my own advice, I will move on to the subject of today's debate. The 2013-14 financial year, like previous years, will present significant challenges for the Assembly in the provision of public services. When the 2010 UK spending review outcome for 2013-14 was set, in real terms it provided resource departmental expenditure limits (DEL) that were 6.1% lower than the 2010-11 baseline and capital DEL that was over 40% less than the 2010-11 baseline.

However, since then, two material changes have occurred. First, subsequent UK Budgets and autumn statements have increased our 2013-14 resource DEL by £145 million and our capital DEL by £151 million. Secondly, it must be remembered that a number of difficult decisions on curtailing public expenditure have already been taken in 2011-12 and 2012-13, meaning that we are more prepared for the level of public expenditure available and have laid the groundwork for some of the required savings.

Since the Assembly agreed the 2011-15 Budget in March 2011, a number of other external issues have changed the 2013-14 financial landscape. Probably the most important in determining the scale of the Northern Ireland block is the UK Government's change in spending emphasis in that they have switched the resourcing emphasis from current to capital spending. In light of these issues, the Executive undertook a review of the 2013-14 and 2014-15 years in November 2012. The outcome of that is reflected in the Estimates before the House today.

The changes that I outlined have been agreed by the Executive and are reflected in the Estimates before us, ensuring that the necessary resources are in place as early as possible to allow good planning and delivery of essential public services. It would be easy to stop there and focus solely on delivering public services. However, we, as an Assembly, must continue to support our economy and encourage our private sector as it continues to face financial difficulty. We must utilise the resources in this Bill in the most effective way possible to ensure that we can provide a sound footing for our businesses, our society and our people. Today's news about better prospects for the private sector is an indication that the emphasis that we have placed on it is beginning to bear fruit.

Those are some of the difficulties that we face in 2013-14, but we also have much opportunity. Invest Northern Ireland continues to encourage our fledgling businesses and to support our established ones. The number of job announcements over the past number of weeks is an indication of the success that has been achieved.

In tourism, this year again provides many opportunities for us to promote Northern Ireland as a major tourist venue. The World Police and Fire Games, which are being held here, will provide a platform to promote our tourist industry. The UK City of Culture celebrations continue in Londonderry. There will also be a

further increase in cruise ship business in 2013, with 58 ships and 114,000 passengers due to visit Belfast; that will mark a growth of around 30% over two years.

For those among our ranks who have an interest in cycling — I notice that the Member for South Belfast is not in his place, but he is a keen cyclist — the start of the Giro d'Italia cycle race will begin here in 2014. I do not know whether the First Minister also intends to join that; he certainly has the kit if not the ability. That event will bring a significant amount of tourism. I can assure Members that I will not be participating. I prefer bikes that exercise the wrists rather than the leg muscles. Who could forget, also, that the eyes of the world will be on us next week when the G8 summit provides an opportunity to showcase our country?

I turn to our public expenditure environment. Over the coming months, there will be a number of critical public expenditure issues to be addressed with Treasury Ministers that will have a strategic impact on Northern Ireland. In a few weeks' time, the Chancellor will announce the outcome of the 2015-16 spending round, including the level of funding for Northern Ireland. In addition, there is the ongoing issue of implementing the UK Government's welfare reform agenda in Northern Ireland. Ministers continue to work through that very complex area. As I have mentioned in the House previously, we can expect HM Treasury to exert greater control and scrutiny on the drawdown of annually managed expenditure.

It is easy to interpret some of the constraints that we face as a reflection of an economy in difficulty.

However, I am certain that we face 2013-14 in a better position than we might have envisaged after the 2010 spending review. There are some tentative signs that the Northern Ireland economy is beginning to stabilise; for example, there was an increase in employee jobs during 2012, and the number of unemployment benefit claimants is unchanged from December last year. Our latest output figures are also encouraging, with growth across services, production and construction in the final quarter of 2012. The latest Bank of England forecasts paint a relatively optimistic and positive scenario for the UK economy as a whole, and, as I have outlined, our regional economy also appears to be returning to growth with the public services budget having some degree of certainty towards 2015-16. Despite those positive signs, there are clearly a number of challenges still facing the local economy,

particularly on bank lending procedures, which the Assembly will continue to help address.

1.00 pm

It is now up to all of us to support our economy, equip our workforce and direct our public services to maximising the position that we find ourselves in, and I believe that the Estimates before you today will facilitate that process. Mr Deputy Speaker, I look forward to the debate on the expenditure plans in the Main Estimates and on related issues, and I look forward with some interest to see how you will deal with Members who stray from that path in their zeal to represent their constituents and pursue particular interests.

Mr Allister: What is he scared of?

Mr Wilson: I am not afraid at all, but I want to get home tonight. We have the sun, and we really do not want to miss out on that if we can avoid it. I certainly do not want to be here until midnight, and I am sure that Members do not want to be here until midnight either. I request the support of Members for the resolution to approve further Supply for the 2013-14 financial year to enable vital public services to continue beyond the current provision in the Vote on Account.

Mr Principal Deputy Speaker: I exhort Members to follow the Minister's very good example.

Mr McKay (The Chairperson of the Committee for Finance and Personnel): Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I am sure that the Minister will be glad to hear that I will not raise any pet projects. However, he raised the issue of the Giro d'Italia, and that should be of benefit to north Antrim. If the Minister can do anything to lead those cyclists up into north Antrim, perhaps along a newly extended A26 to the Drones Road, all the better.

Senior DFP officials briefed the Committee on the Main Estimates for 2013-14 and the associated Budget (No. 2) Bill, which gives legislative approval to the Estimates and is to be introduced in the Assembly following this debate. Advanced copies of the Main Estimates and the Budget Bill were made available to Committee members prior to the briefing. DFP officials also provided a paper to the Committee that, amongst other things, reconciled the figures in the Main Estimates for 2013-14 with the original allocations for 2013-14, which were contained in the four-year

Budget 2011-15 that was agreed by the Assembly before the end of the last mandate.

The Committee's scrutiny of the Main Estimates focused on establishing the background and the reasons for the changes in the allocations for each Department. The moneys involved were significant, including a total of almost £100 million in resource allocations and £313 million in capital allocations. There was a total of £57 million in resource reductions and £346 million in capital reductions, while there was £154 million in resource transfers and £6 million in capital transfers with Whitehall Departments. There was also a range of resource and capital technical adjustments.

In addition to explaining the make-up of those changes during oral evidence, DFP officials provided a detailed breakdown for each Department in writing to the Committee. While the scrutiny was, by necessity, detailed and painstaking — I do not intend to rehearse that today — perhaps it will help to inform today's debate if I highlight a few of the more significant changes affecting some Departments since the 2011-15 Budget.

The largest of the resource allocations applied to the Department for Employment and Learning and the Department of Education. The former received £58.3 million, which splits into £29 million for student fees and £29.3 million for training and employment initiatives under the economy and jobs initiative. For DE, the figure is £25 million, which includes an Executive allocation of £15 million and £10 million for schools estate maintenance as part of allocations under the economy and jobs initiative. On resource reductions, the DETI figure amounted to £13.8 million, mostly comprising an Executive reduction following their assessment of how Departments were performing in relation to their original budgets. DRD reductions amounted to £12.5 million, which was also comprised mainly of an Executive reduction.

The most notable of the amounts in capital allocations was £240.9 million for DRD, which included the reprofiling of £195 million in A5 capital and £44 million in capital acceleration. The Department of Health, Social Services and Public Safety received £37.3 million from the reprofile of that A5 capital. DFP officials explained that the Health Department was awarded an additional amount for the Ulster, Omagh and Altnagelvin hospitals. On capital reductions, the most notable amount was £336 million for DRD, which included amounts relating to the removal of initial A5 and A8 moneys and an Executive reduction. During

their oral evidence, DFP officials also explained that the £123 million transfer for DSD related to the movement of housing benefit and the social fund from annually managed expenditure to departmental expenditure limit budgets, which do not represent additional amounts.

Finally, on the changes since the 2011-15 Budget, it is also worth noting that there were a range of technical items, including a DSD figure of £16.7 million capital that relates to asset management unit receipts, and a transfer of resource from DARD to DFP in respect of shared services.

On behalf of the Finance Committee, I thank the departmental officials for taking us through the reconciliation of the Main Estimates before us with the original Budget for 2013-14. The Department has recognised that prior-year out-turn information is beneficial to the Committee in considering the overall financial performance of Departments. Accordingly, DFP provides the Committee with the monthly financial performance of each Department, including the forecast out-turn position at the end of each financial year. That data provides a useful tool for scrutiny, and so the Finance Committee shares this with the other Statutory Committees, which, in turn, can receive Department-specific briefings from the financial scrutiny unit in the Assembly Research and Information Service. This represents an important step forward in the transparency and scrutiny of public finances, and I encourage all Statutory Committees to set aside time to regularly monitor departmental performance in this regard going forward. I also ask that DFP endeavour to provide the forecast out-turn position for the year end to the Finance Committee slightly earlier than on this occasion, when the figures were received the day before it was due to consider the Main Estimates and the Budget (No. 2) Bill.

Following the DFP briefing on 29 May, the Finance Committee agreed to grant accelerated passage to the Budget (No. 2) Bill for 2013 on the basis that it is satisfied that there has been appropriate consultation with it on the expenditure proposals in the Bill. I have advised the Speaker accordingly.

Finally, on improving the Budget and financial processes, the Committee wrote to the Department recently to seek an update on the review of the financial process. From the Department's response, I deduce that the long-standing bone of contention between the Department of Education and the Department of Finance and Personnel remains concerning the review recommendation that the spending

areas in departmental expenditure plans be restructured. The conflicting views on that have been well aired in the Chamber, and I certainly do not wish to rake over the ashes of that one. However, given that the Committee and the wider Assembly were generally supportive of most of the review recommendations, I trust that that disagreement will not prevent at least some of the positive recommendations from being progressed in the meantime.

In that regard, the Finance Committee previously agreed that it would take forward the complementary and interrelated exercise of developing a memorandum of understanding (MOU) on the Budget process. I am pleased that officials from the Assembly and DFP are currently collaborating to develop a draft document for consideration by the Committee and, ultimately, by the Assembly and the Executive. We are agreed that the MOU should help to address some of the difficulties encountered in previous Budget processes by setting out the principles for guiding the relationship between, on the one hand, the Assembly and its Committees and, on the other, the Executive Ministers and their Departments. Those might include, for example, mutual recognition of the value of the respective roles of the Assembly and the Executive in the Budget process; the requirements for proper consultation with Committees; the need for proportionality in the demands of Assembly Committees on Departments; and the need to maintain constructive and effective working relationships. It could also set out how the guiding principles would be applied and how breaches of the agreement would be addressed. As envisaged by both the Finance Committee and the Department, that type of high-level agreement would be underpinned by new Assembly Standing Orders.

The Finance Committee has previously recognised that the successful implementation of the memorandum of understanding would help achieve some of the recommendations from the review of the financial process, particularly in streamlining the end stages of the Budget process, in which we are presently engaged. Moreover, by enabling stronger oversight of departmental budgets and expenditure by Assembly Statutory Committees, the MOU will help to ensure the Executive's strategic priorities are developed effectively and efficiently and will also —

Mr Principal Deputy Speaker: Will the Member bring his remarks to a close?

Mr McKay: — allow problems to be identified early enough for corrective action to be taken. On behalf of the Finance Committee, I support the motion.

Mr Girvan: I support the Supply resolution motion before the House. I appreciate that we had our Vote on Account issue dealt with previously, which allowed us to go ahead with 45% of our spend and to move ahead with 55% still to spend in this current financial year.

I just want to set the scene for the process. I appreciate that the review of the financial process is ongoing and has been for some time. I, for one, feel that there has been an element of foot dragging in that matter. I appreciate that one Department in particular — the Department of Education — seems to have an area in which it just wants to keep everything under a single blanket heading: delivery. I have some concern about that.

I will take the guidance of the Minister, and I appreciate that we have to stick to the debate for today. We have shown real delivery to the benefit of the community and the business community at large in relation to the rate relief scheme that was piloted by the Assembly. We started with a rate ceiling of £5,000 in 2011-12 and increased that to £10,000 in 2012-13. In this year, 2013-14, we are now up to £15,000, which equates to roughly 50% of businesses that can take advantage of the 20% reduction. That is intended to encourage those businesses through a difficult and awkward time.

Other points that have been brought forward include the prompt payment scheme, which offers some direct help to those who struggle to get payments through — contractors and particularly subcontractors — albeit that some work needs to be done to ensure that the subcontractors get the benefit passed down to them correctly. Some subcontractors that are bought in at a very late stage and are not necessarily on the list could fall through the rails and not benefit.

1.15 pm

We must also consider that we started from a very difficult position. We have a £4 billion cut over the Budget period from our block grant under the Barnett formula. We had a cut of £4 billion in what we will receive up to 2015. Therefore, we have been trying to manage that effectively. Some of that was being dealt with by the savings delivery plans that were put forward by Departments. Some Departments seem to have one view of what a savings

delivery plan is and others seem to have a different idea. Therefore, there needs to be some clarity. The Department of Health, Social Services and Public Safety decided to close some wards in a hospital and said that that was a savings delivery plan as opposed to a cut. In one person's view, it is a cut; in another person's view, it might well be a savings delivery plan. We need to get savings, but we must be sure that we are not cutting services. The Finance Committee has been looking into that matter, and it needs to be sure that that is what it is getting.

I appreciate that the October monitoring round is probably the most important, and it is vital that, when Departments identify that their spend may not be met, they release that money back so that it can be allocated as early in the process as possible. Let us be honest: when it comes in January, there is a very small window of opportunity to spend it.

We have major concerns about some of the arm's-length bodies. The Social Development Minister made an announcement to the House this morning about an £18 million overspend in his Department. That indicates that we are not necessarily getting true accountability with regard to the money that we hand out to arm's-length bodies to be managed through Departments. Assurances need to be given that the process of managing and governing arm's-length bodies will be looked into and that a proper spending plan will be put forward.

Two figures are mentioned in the motion: £8.2 billion of cash and £8.5 of resource. We need to be sure that we get value for money for all the spend. In all cases, we are making improvements, and it is vital that we see improvements. By no stretch is that down to the Minister of Finance and Personnel: I have to sing his praises, as you would expect. However, the war is not over, and we still have to fight to ensure that we get the help required for the other tool in the box — corporation tax. Devolved corporation tax powers are another tool that we can and should try to deliver to maximise what Northern Ireland can achieve both in the private sector and with regard to helping fund and deliver the public sector.

We have had many reports on how the Rate Collection Agency is performing. Rate collection is the only tax-gathering power that we have in Northern Ireland at present. It is vital that we get the return and that the money is lifted early and efficiently, and that is happening.

Mr D Bradley: Go raibh míle maith agat, a Phríomh-LeasCheann Comhairle. Gabhaim buíochas leat as an deis cainte ar an díospóireacht thábhachtach seo ar an Rún Soláthair agus ar na Príomh-Mheastacháin. Thank you very much, Mr Principal Deputy Speaker, for the opportunity to contribute to the debate.

The Member who spoke previously mentioned that the budgetary settlement under which we are working was one of the most difficult ever, with losses of £4 billion and a further £300 million through end-year flexibility. Even with that, last year, some Departments had extremely high figures of easements, amounting to around £150 million on the revenue side alone. The Minister was surprised by that, as were Assembly Members. On the back of that, the Minister introduced a review of departmental spending to try to ascertain whether there was a need for reallocations in the final years of the Budget, and I know that that work has been completed. It would be interesting to know whether the Minister is satisfied with the outcome of that review and whether he feels that further reallocations are necessary.

The Minister warned us at the beginning not to bring up pet subjects, but I am afraid that I will have to err on that issue and refer to one that I have referred to in several debates. Although it might be a pet subject, it is still relevant to this debate, so I would be eager to hear from the Minister where we are after two years and what his forecast is with regard to the remainder of the budgetary period for capital receipts. Is the Budget still on target for capital receipts, given that we are now into the third year? Where have the major new receipts or revenue streams over and above the usual sources, such as rates etc, come from?

I have a few other points that I would like to raise. The A5 slippage was mentioned and how some of that money has been reallocated. Are there still moneys from the A5 project that are open to departmental bids?

Moving on to the stadium project, I note that Crusaders Football Club has won the right to legally challenge the Government's allocation of £25 million to the redevelopment project at Windsor Park. The judge, Mr Treacy, ruled that Crusaders had established an arguable case and that there was a possibility that the redevelopment of Windsor Park amounted to unlawful state aid. He granted leave to seek a judicial review on that point and on the alleged lack of transparency around that. Whether or not Crusaders is successful in its action, is it the

Minister's view that that action will lead to a delay in those projects, and, if so, what are the possible financial implications?

Earlier in the year, we had the case of the Titanic signature project, where the EU rejected an application for £18 million on the basis of the nature of the procurement exercise. I would like to raise that with the Minister and ask him whether he is satisfied that the single tender procurement with no element of price competition represents value for money. I think that he said in his statement that the £18 million could be allocated to other projects. It will be interesting to know what progress has been made on that reallocation and what projects have benefited.

Welfare reform looms large. I think that the latest prediction is that the Bill will come before the Assembly in the autumn term, so it is important for the House to know what provision has been made in the Budget Bill to mitigate some of the impact of welfare reform, particularly in relation to the bedroom tax, which has caused much anxiety in our community. If the Executive decide to go for a substantial mitigation of welfare reform, how will that be resourced and can it be done without top-slicing Departments?

In relation to the social investment fund — I think that it is now called "Delivering Social Change" — it is disappointing that, three years into the Budget, none of those funds has been dispersed. Will the Minister inform the House whether there is an expectation that that process will begin this year and whether there is adequate time in the remainder of the budgetary period for those funds to be utilised?

Likewise, with the childcare fund, I think that £12 million was allocated to the initiation of a childcare strategy. To date, only £300,000 of that has been released. What is the present situation and what will be the implications of further delay? Many community groups involved in providing childcare services are extremely disappointed at the slowness of the process. Indeed, many have had to let valued employees go because of the delay.

In relation to the united community announcement, the House will be interested to know the estimated cost of the recently announced shared school campuses — 10, in all — the urban villages project and the NEETs cross-community employment programmes. For example, what will the costs be in the current year, and where is that additional money to be found in the Budget Bill? How will the money be provided in future years, or is the

whole project purely contingent on an economic package from London to provide more resources?

I am interested to know whether there is provision for potential EU infraction costs across all Departments. If so, what is the scale of that?

Sin a bhfuil le rá agamsa, a Phríomh-LeasCheann Comhairle anois, ach, ar ndóigh, beidh deis cainte eile ann amárach, agus beidh mé ag dúil le páirt a ghlacadh sa díospóireacht sin fosta. I look forward to continuing discussions tomorrow.

Mr Cree: We have reached that stage in the year again when we have to allow the Main Estimates and the associated legislation in the Budget Bill tomorrow to pass. Despite having voted against the four-year Budget in 2011 and having expressed serious concerns about aspects of that Budget, we have little option but to raise those concerns once again and move on. The Minister will be pleased to know that. This stems from the fact that we have a financial process — again, the Minister will recognise that he has heard from me on this before — that is not fit for purpose. I have said that many times in the House and in many Budget debates throughout the years. In the past, the Finance Committee did good work in an attempt to remedy that. It held an inquiry into the role of the Northern Ireland Assembly in scrutinising the Executive's Budget and expenditure, and it made recommendations, including the need for formal agreement on a regularised or structured Budget process. It was also felt that an early formal stage in the process was necessary to give the Assembly the opportunity to influence the Minister's thinking, if that is possible, and to enhance effective scrutiny.

1.30 pm

The Department of Finance and Personnel is taking forward a review of the financial process on behalf of the Executive. Its terms of reference state:

"the overall aim of the review is to examine and make recommendations on the options 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."

Both the inquiry's recommendations and the stated intention of the review of financial

process are laudable and would undoubtedly improve the situation, not least by making debates such as this and the one tomorrow more meaningful. This question, however, remains: what has happened to that vital work? The Committee for Finance and Personnel inquiry sits on a shelf somewhere, and the review of the financial process is being frustrated by the Sinn Féin Education Minister, who refuses to make his Department's expenditure transparent. That is unacceptable. There has been much talk recently about a rotation of the Finance Ministry by the DUP. I hope that one legacy of Sammy Wilson's time in office will not be that he could not carry through the vital reform of the Assembly's financial dealings.

In today's motion, the Minister seeks the Assembly's approval of the 2013-14 spending plans of Departments and other public bodies as set out in the Main Estimates. The combined sum is £8,271,268,000. That vast amount should be adequately scrutinised by the Assembly, but that is simply not the case at present. So that we do not complicate matters or jeopardise the drawdown of funding by Departments, but in the full knowledge of our previous opposition to the four-year Budget and the concerns that many colleagues will outline over the next two days, we will not obstruct the budgetary process at this stage.

In closing, I will mention a few areas in the Main Estimates on which I would welcome clarification from the Minister when he responds to the debate. First, the First Minister and deputy First Minister recently announced the strategy, Together: Building a United Community. However, I am aware from my membership of the OFMDFM Committee that it has not yet been factored into any budget. Assuming that some or all projects will be up and running in the incoming year and bearing it in mind that junior Minister Bell claimed that £0.5 billion would be allocated to it, some detail would be interesting, given the lack of consultation thus far with other parties.

Secondly, the Minister has been granted additional infrastructure funding of over £200 million by the Treasury through the Barnett consequential. Will he outline the specific projects for which that money will be made available? It is important that it is seen to make a tangible difference rather than simply evaporating into the Minister's coffers with little or no transparency.

Lastly, the legal dispute over the European grant for the Titanic project was raised during previous budgetary stages and by Mr Bradley

this afternoon. I would like to hear the Minister's explanation of the current position on the £18 million and the request from the Enterprise Minister. I know that, in the past, he told us that, for the money to be a net saving, it had to be for a project already included in the Budget, but perhaps he will clarify that.

Mrs Cochrane: I too welcome the opportunity to speak on the motion today. It is every Member's responsibility to interpret how the consequences not only of the Estimates but of the impending Budget Bill might serve to improve and develop our local economy and what impact that will have on our constituents.

I am glad that the Minister, in his opening remarks, highlighted our need to focus not only on our public sector spending but on the importance of supporting our private sector. As someone with a key interest and background in business, I look forward to chairing the first formal meeting of an all-party group on small and medium-sized enterprises tomorrow, at which we will hear directly from our small business sector on how we can further assist it to grow and prosper.

The challenging financial environment that we face must be handled maturely and innovatively as, although there has been some good news today, there will, undoubtedly, be further impact on the economy through, for instance, the Welfare Reform Bill, as it progresses. Mr Bradley has already outlined some concerns that we have around that.

In some aspects, the challenge can pass to Departments to manage their individual budget, but that would be rather short-sighted and would indicate a missed opportunity. Collaboration between Departments is imperative, and we must continue to focus on early intervention and prevention, as a shift in the balance of resources into programmes that seek to prevent problems from emerging or to intervene at an early stage can produce savings through avoiding the need to spend greater resources as problems fully develop.

More than ever, we must seek to tackle our duplicated services and the divided society that that perpetually reinforces. I am sure the Minister will not be surprised to hear me state in the House once again that the cost of division in Northern Ireland drains our economy of around £1 billion a year. I welcome the fact that other parties have finally come round to the Alliance Party's way of thinking. We have the First Minister and deputy First Minister's Building a United Community strategy, for instance. Shared future sound bites are worth nothing

unless serious action is taken at Assembly level. We need to create serious and achievable targets in order to progress a truly shared future for everyone. Those targets must have the required resource allocated to them through our Estimates and our budgeting process.

One of the most significant areas of duplication remains our education system, and the vast majority of our schools still serve only one part of the community. We have ended up with too much of the Department's money locked up in capital, so the pressure for cuts then falls on our teachers, pupils, transport and special needs etc. Expenditure per capita in Northern Ireland is significantly higher in education than in all other UK regions, but that resource is actually being eaten up through overadministration and overprovision of partially empty schools. Even in the immediate term, the potential for collaboration could start to realise up to £80 million a year of savings, but, unfortunately, the issue of integrated education has been slightly neglected in the Building a United Community strategy, even though integrated education is the issue that most people would identify as a means of overcoming division and making the resulting savings. The less ambitious forms of sharing are unlikely to deliver what is needed. Therefore, as we look ahead, we must consider if this is the most effective use of our resources. The Minister for Employment and Learning is, however, reviewing our fragmented teacher training sector. At present, that is the only potential move to develop integration as opposed to merely sharing.

In housing, we still have residential segregation, which creates significant cost pressures for private and social housing. The territorial display of flags and emblems, along with peace walls, creates major inefficiencies in our housing market. Perceptions of territoriality must be addressed, as it also has a negative impact on our business sector.

There is a strong financial and economical imperative to build a shared future so that our public spending is not wasted on maintaining division. The concept of separate but equal is unsustainable economically and morally. Policies that simply adapt to segregation result in inefficient resource allocations. Shared proofing of all policy and spending commitments, therefore, will assist in effective budgeting and spending in Northern Ireland. That is already the practice of the Alliance Ministers and, thankfully, has now been recognised in the 'Together: Building a United Community' document. I look forward to seeing

the positive impact that that can have. I support the motion.

Mr Givan (The Chairperson of the Committee for Justice): I am pleased to speak as Chairman of the Committee for Justice in support of the Supply resolution for the Northern Ireland Main Estimates for 2013-14, which will grant the Department of Justice over £715 million to enable it to fund its responsibilities and priorities. Of course, the Committee regularly scrutinises the Department of Justice budget and receives detailed information on monitoring rounds. The Committee pays particular attention to the savings delivery plans and the likely impact on the delivery of front line services.

On 30 May, the Committee for Justice received a detailed briefing from officials on the budgetary position, the pressures that are faced and the 2012-13 provisional out-turn. The Committee noted that the Department's resource DEL underspend represents 0.65% of the budget, which is a good outcome in managing that budget. Over the coming months, the Committee intends to scrutinise closely the spend against budget by the Department of Justice and each of its agencies and non-departmental public bodies, and to assess that against the associated outputs.

I will highlight for Members some of the key budget challenges that face the Department of Justice in 2013-14. The main pressure that is faced by the Department continues to be the cost of legal aid. Already, the Legal Services Commission has forecast a pressure of £27 million. It is important to note that we no longer have access to Treasury funds in respect of meeting the continuing legal aid shortfall. That £27 million needs to be found from the Department of Justice's allocation. That money could be spent on police stations, prisons or on various community safety projects. Indeed, I will highlight an early intervention project in my local area. The Department of Justice needs to get more involved in such projects and team up with the Department of Health, Social Services and Public Safety and the Department of Education to try to prevent young people from ever becoming engaged in activities that can lead them down a path that, inevitably, ends up with them going through the criminal justice system and the revolving door that that becomes. Money needs to be allocated at that early intervention stage. In my constituency, a project under the Resurgam Community Development Trust is taking forward that type of work. That is an example of where £27 million would be much better spent — not only in my constituency, but in every Member's

constituency — than on easing the pressure faced by the Legal Services Commission. The Department intends to provide £15 million to ease that pressure at this stage. It is unsustainable for substantial additional funding to be provided year after year to meet that cost, given that a significant budget of £85 million is already allocated to fund legal aid.

Despite changes having been made to the fees that are paid for criminal legal aid, which have reduced spend in that area considerably, civil legal aid costs have trebled over the past 12 months. The main cause appears to be a large increase in the number of complex higher cost cases from 32 cases in 2011-12, costing £2.6 million, to over 100 cases last year, at an estimated cost of £8 million. Members may draw their own conclusions as to how criminal legal aid has reduced because of a fee change that was not applied to civil legal aid. A different cost system operates in civil legal aid. Now, 12 months later, the costs have trebled. Members can form their own views about how that came about. In this area, the Committee has repeatedly shown its support to the Minister, David Ford, for bringing in changes to legal aid structures. I trust that, when changes are brought forward — I believe that changes to how civil legal aid operates are needed — the Committee will not be found wanting. We will certainly challenge and scrutinise. Ultimately, however, the current system does not provide value for money for taxpayers, although it may provide value for money for others. We have requested further information on the reason for that increase. We will continue to scrutinise that information as it becomes available.

I turn to the G8 summit. During a briefing with officials on 30 May, the Committee pressed strongly for further information on where the money is coming from to fund the summit, the estimated contribution that would be required from the Department of Justice, and what guarantees the Executive have that the Northern Ireland Budget would not have to pick up the costs. Of particular concern is the likely policing bill. Officials were unable — maybe unwilling — to provide any concrete information at that briefing. I certainly think that, if the Finance Minister was able to shed some light on the anticipated costs of the G8 summit and comment on the Northern Ireland Executive's likely contribution to meet some of those costs, the House would appreciate that.

1.45 pm

I certainly recognise the benefits of having the G8 in Northern Ireland, and I think that it is right that we recognise those benefits. However, it

was the Prime Minister's decision. We would, therefore, argue that the significant liability for meeting the costs should rest with the Treasury. The Chief Constable has indicated that he has received a written assurance that the UK Treasury will pick up most of the costs relating to the policing of the G8, which is welcome news. However, we are aware that DFP has been leading on the discussions with Treasury. If there is any information pertaining to that, it would be appreciated.

The prison officers' voluntary exit scheme was launched on 8 November 2011. So far, 360 staff have been released, and the Executive have provided additional funding to enable a further 157 to be given the certainty that they will be allowed to leave under the scheme. That leaves 27 staff — seven governors and 20 senior officers — who are waiting for a guarantee that they will be allowed to leave the service. I welcome the indication that the Justice Department is in discussions with DFP to see whether further funding can be secured this year in order to provide those officers with confirmation that they will be allowed to go. It is important that the scheme is brought to a satisfactory conclusion as soon as possible to create certainty for all officers concerned. I trust that DFP and the Executive will be able to support DOJ's application, which will enable all the remaining staff to leave.

Speaking personally, I certainly welcome the fact that the Executive have recognised the invaluable contribution of the prison officers who availed themselves of the scheme. I declare an interest, because a family member is one of those who have left the service under this scheme. It is right that we give recognition to the prison officers who served during the darkest days of the Troubles in Northern Ireland, 29 of whom lost their lives.

Mr D Bradley: Will the Member give way?

Mr Givan: I am not going to give way; I want to make a few more points.

Twenty-nine officers lost their lives during that conflict. The scheme recognises the particular circumstances faced by those officers. Of course, there is a monetary benefit for the Executive, and that point should not be lost. It is an invest-to-save scheme, so, ultimately, the costs of funding it will be recovered for the taxpayer. In that sense, it is a win-win: the contribution of staff is recognised, and the taxpayer will achieve a more cost-effective service in the long term.

Desertcreat is a key capital project for the Committee to scrutinise. The Committee is extremely concerned about the problems with the project. The project team briefed the Committee on the reasons for the additional £30 million cost to the scheme. We are aware of the efforts being made to reduce that additional cost, and we have sought assurances that this work will not impact adversely on the quality of the training facilities to be provided at the college. The Committee will keep a close eye on this. On 20 June, the project team will again come before the Committee to provide answers to the many questions as to how the project has been managed, why there has been such an overrun and whether there will be detrimental consequences for the core facilities at the college, and also any questions that may pertain to jeopardising the tendering process. Judicial reviews and other projects were mentioned earlier, and we are concerned that this could get stuck in judicial proceedings, unless things are carried out exactly to the letter of the law.

In the last few moments, I want to commend the Minister for bringing this to the House. I know that my colleague Mr Girvan from South Antrim indicated that you would expect us to say so, but I think that it is right that we recognise Ministers who do an effective job for all of us in the House. Minister Wilson has gone repeatedly to the Treasury and secured a number of key concessions — for example, air passenger duty — and represented the Executive in other areas. I think that it is right that we commend him not because we have to but because that commendation is worthy and justified. I support the motion.

Mr McQuillan: I welcome the opportunity to take part in the debate today. This is once again an important motion, as Departments would not be fit to operate without its being passed by the Assembly. As the Minister said, we have more resource available to us than we previously thought we would, due to the UK Budget and Autumn Statement, but we understand that we continue to live in a period in which resources are not as plentiful as they once were. We have to live with the money and resources that are available to us, and I want to commend the Minister for the work that he has done despite the difficult circumstances that we find ourselves in.

I would like to make a few points; the first is in relation to the new councils. The first elections to those bodies are expected in May 2014. This will, of course, save us money in the long term, but a number of costs must be met

beforehand. One of the most pressing concerns is about rates convergence. Many people have asked how the new councils will affect their rates. In my constituency, Coleraine and Limavady Borough Councils are merging with Moyle and Ballymoney councils to form the new Causeway Coast and Glens District Council. People want to know how their rates will be calculated and how the merging of these councils will affect the size of their rates bills. I welcome the fact that money has been made available to deal with this, and it would be useful if the Minister could outline what allocations have been made to deal with rates convergence in addition to any other costs of transition, such as councillor severance and the shadow councils.

On a separate issue, I would also like to mention the help that these resolutions will make to the level of domestic and business taxation. I welcome the fact that, despite the difficult times that we live in, the Executive have taken steps to ensure that families are helped with the cost of living. In particular, steps that the Executive have taken in relation to rates mean that the level of domestic taxation in Northern Ireland is among the lowest in the UK. The regional rate has been limited, not only to inflation but to the lowest indicator of inflation. This has provided real help and is to be welcomed. Perhaps the Minister could outline to the House the differences in domestic taxation levels among different parts of the UK. That will no doubt demonstrate how devolution and the decisions that this Executive have taken are working to the benefit of the people of Northern Ireland.

However, we all know that it is not only the householders that have been helped but businesses as well. Due to the measures that the Executive have taken, business taxation is among the lowest in the UK, and it is helping to make Northern Ireland one of the most competitive places in the UK to do business. We can see that this is paying dividends by the number of job announcements that we have witnessed recently. In addition to this, the small business rate relief scheme has helped many businesses in my own constituency of East Londonderry to the sum of almost £2.5 million. That scheme has been adopted by the Scottish Government, and it is good to see that the Executive are making decisions that other parts of the UK are keen to follow.

Obviously, these resolutions have wide-ranging implications, and it would be impossible to cover everything, but I welcome the fact that the Finance Minister is using the resources available to him to help householders,

businesses and the growth of our economy. I support the motion.

Mr A Maginness: I welcome the debate, but I seek reassurance from the Minister in relation to the recovery of our local economy. The Minister said some rather encouraging words about the current economic situation, but I hope that he will expand on that and give us even more encouragement. It seems to me that, sadly, we are still in the doldrums, and we all must work very hard to try to develop our economy further. I hope that the Minister will put his best foot forward and give a more detailed analysis of the current situation.

There is no such thing as a free lunch, and the G8 springs to mind. I thought I was reassured by the Minister of Justice during Question Time some weeks ago, when he indicated that there would not be a cost to Northern Ireland for hosting the G8 summit in Enniskillen. I may have been mistaken, and if I was, I apologise to the Minister, but it comes to me, and to others I would think, as a bit of a surprise that we would be expected to pay for the summit. It seems that it is part of a UK arrangement. If that is the case, the central Government should, in fact, bear the burden of the G8. I know that they are carrying a considerable amount, but I am not so certain that Northern Ireland needs to pay the contribution that has been suggested. I am not sure whether that is 5% or 10%, but, nonetheless, it has been suggested that the cost will be in that region for Northern Ireland. I would like the Minister's view on that. He is a man given to great discretion on these matters, but he certainly expresses his mind from time to time. Perhaps he might want to do so about this issue.

Another issue that springs to mind is corporation tax. That has been put on the long finger. I know that the Minister has never expressed his commitment to that in enthusiastic terms, although there has been a commitment nonetheless. I wonder whether the fact that corporation tax has been put on the long finger impacts on his view of our economic future, how we develop our economy and how we work our way out of this recession. Perhaps a more practical and important pressing issue at the moment is that of regional aid. Is the Minister confident that he can persuade his counterparts in the Department for Business, Innovation and Skills (BIS) of the need for Northern Ireland to be treated differently and to maintain regional aid here? It seems that, if we are losing out on corporation tax, we have to have a firm commitment from the British Government on regional aid. That is a fair point. There were various arguments with the

European Commission about that. I believe that the European Commission has been successfully persuaded to accept the position that Northern Ireland should be treated very sympathetically regarding regional aid. I would welcome the Minister's comments on that issue. It seems to be very important.

A further point relating to the Department of Justice is Desertcreat. I wonder whether the delay in Desertcreat will impact our Budget further down the line. It is a fairly substantial amount of capital expenditure. What is the impact of delay? It may well be a beneficial impact, but it could also have a malign impact by squeezing out other worthy projects in the near future. Perhaps the Minister will comment on that.

The Welfare Reform Bill will obviously have an impact on Northern Ireland. I hear worrying talk at Westminster about further cuts and, of course, controlling welfare expenditure. I wonder whether there is any way in which we, through a more imaginative use of our resources, can mitigate the impact of those welfare cuts in Northern Ireland. Those questions should be answered. The people out there who are worried stiff should be given some reassurance. I hope that the Minister will give that reassurance.

2.00 pm

Finally, last week in the Assembly, the issue was raised of the workers employed in and seconded to the PSNI and the Department of Justice who have not benefited from the equal pay settlement. I ask the Minister to make some comment on that issue. If funding is available, although it may be difficult, perhaps it could be allocated so that workers who have been seriously disadvantaged — that is the view of the House — will receive some reassurance that their position will be altered to their advantage.

Mr Swann: I welcome the opportunity to outline the Employment and Learning Committee's view of the Budget Bill. The pressures on all Departments are well known to all in the House, so I will not rehearse the issues here. I am sure that the Minister will be glad to hear that. However, the Committee for Employment and Learning would argue that the work of the Department for Employment and Learning is central to directing Northern Ireland out of the current financial difficulties.

Through its inquiry into careers and hearing evidence from the Department and

organisations such as the CBI, the Committee has learned that one of the main drivers for recovery is to ensure that Northern Ireland has the workforce, skills and training to enable it to compete for jobs in the global market. That said, the Committee welcomed the Executive's prioritisation of the issue in their economy and jobs initiative, announced in November 2012, and the £200 million attached to it, albeit that it was, for the most part, recycled money. The Committee welcomed the initiatives for more PhD students, more STEM places and funding programmes to provide assistance to the unemployed to re-enter the labour market.

On 14 November, the Minister came to the Committee to explain the new economic measures and to detail how the funding was made available. The Committee will continue to oversee the spending of these additional economic measures in 2013-14 and 2014-15 to ensure that the targets that have been set are met.

On 29 May, during its briefing on the June monitoring round, the Committee acknowledged that the difficult economic climate creates pressures on the DEL budget. The Committee was briefed on the budget transfers in and out of the Department, including the £5.8 million that is due from the Department of Health, which is its contribution towards the costs of medical, dental and social work student places, and a contribution of £1.85 million from the Department of Education towards the cost of retaining the £200 a year bonus in the education maintenance allowance scheme.

The Committee is also cognisant of the £3 million reclassification from resource to capital in further education. The Committee intends to keep the reclassification of the colleges to non-departmental public bodies under review this year.

Speaking as the Ulster Unionist Party's spokesman on employment and learning, I raise concerns. Looking at further education in colleges, we can see that some £172 million is being allocated over 2013-14, which is down from over £200 million in 2011-12. However, I welcome the increased budget that has been afforded to higher education year on year since 2011. It will receive nearly £200 million in the year that the Main Estimates refer to.

Mr Cree has raised concerns about the Together: Building a United Community strategy, which, in a number of places, outlined strategies that cross over into the territory of DEL. An example of that is the United Youth programme, which aims to create 10,000 one-

year placements and 100 summer schools. For the purposes of the Main Estimates, I would be grateful if the Finance Minister could detail whether he knows how those policies will operate alongside current DEL policies and, most importantly, how they will be funded.

In her contribution, Mrs Cochrane referred to DEL's statements and progress on teacher-training colleges. The funding of Stranmillis University College remains a concern. Fears were alerted when the Minister for Employment and Learning announced in a statement to the House in November 2011:

"In the event that the Stranmillis/Queen's merger does not proceed, the outlook for Stranmillis University College is bleak ... I do not have any additional funding for Stranmillis." — [Official Report, Bound Volume 69, p77, cols 1-2].

However, in a statement to the House in May 2013, the Minister said:

"Stranmillis's longer term projections, based on its assumptions, indicate that it will maintain a positive income and expenditure reserve and cash balance, but, again, the trend towards a deficit position each year post-2021 will eventually deplete its reserves and cash balance. However, Stranmillis will remain vulnerable to any additional requirement for capital expenditure across the forecast period over and above its existing backlog maintenance requirements." — [Official Report, Vol 85, No 4, p3, col 1].

With that relative uncertainty in mind, I ask the Finance Minister to take the opportunity of the debate to commit himself to making a budget available to Stranmillis that will meet its needs for as long as necessary. He will agree with me that it is a first-class institution and deserves the Assembly's support.

Recently, the Open University's activities were transferred from England to Northern Ireland, making it our third devolved university. The Minister has received clarification that the funds transferred for the Open University will remain ring-fenced. However, from 2015-16, those funds will form part of the overall funds available for higher education in Northern Ireland, and he intends to fund the Open University's activities on the same basis as other universities in Northern Ireland. Considering the work that the Open University carries out in providing facilities to learn while you earn and enabling those in employment to increase their educational abilities, will the

Minister state that he can and intends to ring-fence the funding allocated to the Open University, even for a further number of years, to enable it to strengthen its position as the third university in Northern Ireland?

My last concern relates to the June monitoring round that has been presented to the Committee, in which there is a bid for £5 million for the Steps to Work programme. Should that bid be unsuccessful, is the implication that Steps to Work will be under pressure in the current year?

Mr Frew (The Chairperson of the Committee for Agriculture and Rural Development): I will focus on the budgetary and financial aspects of a few issues that are close to the Committee's heart. These topics have taken up substantial Committee time and are of considerable public interest.

I start with the recently published 'Going for Growth' report and its request for £400 million from central government. As all Members will be aware, agrifood and the development of a strategy for the agrifood industry is, for the first time, a key target in the Programme for Government. It is a target for which DARD and DETI share responsibility. I am Chair of the ARD Committee and sit on the ETI Committee, so this Programme for Government target is close to my heart.

The agrifood industry has great potential, but it also has great challenges. It currently employs 27,000 in food and drink processing and a further 47,000 in farming. The potential lies in its capacity for growth, and the 'Going for Growth' document indicates that there is a potential for another 15,000 jobs and a growth in sales of 60% to £7 billion. However, one of the main challenges is funding to kick-start this and the timescale for making that funding available. The Committee recently took evidence on 'Going for Growth' and was told:

"We are working on a timetable that suggests that those are 2020 targets, but, frankly, a lot of that can be front-ended and fast-tracked if we have the right approach and attitude to it. We are suggesting that that £400 million is a three-year commitment starting virtually immediately. We can do this over a longer period, but it would miss a lot of opportunities that are available to us today."

It is estimated that, were government to invest that £400 million, it could lever in investment of over £1.3 billion from industry.

In evidence to the ARD Committee, we heard further details of how the £400 million would be spent. We were told that £250 million would be specifically for farm business development. A single agrifood marketing organisation, consolidating all marketing and promotional activity and established by government, would cost around £15 million a year. Clearly, that kind of money and that level of commitment are central to the premise that we can use the agrifood industry to grow ourselves out of recession and provide good, solid, well-paid jobs for the people of Northern Ireland.

Mr McCarthy: I am grateful to the Member for giving way. Although he is right to talk about the agrifood industry and the farming community, does he agree that we must never forget or lose sight of the fishing industry, which is part of the ARD Committee's remit? It is practically on its knees and must also be catered for. I hope that the Finance Minister can help.

Mr Frew: I thank the Member for his contribution. He is absolutely right. I am aggrieved at the way that the ARD Minister has reacted to the pressures that the fishing industry is under at this time. I will touch on that later in my speech if I get time, Mr McCarthy.

Importantly, those agrifood jobs would be spread throughout Northern Ireland and would not necessarily be concentrated around Belfast or any other hub for that matter. Clearly, that is a decision for the Executive to take. On behalf of the ARD Committee, I would welcome any indication that the Minister can give us today on the Executive's response to the proposal for £400 million. What consideration is being given to the timescale for delivery of the funding, which is just as important? Will it be available over three years, 10 years or somewhere in between? Specifically, what indications do we have that the £250 million for farm business development will happen? That is vital.

Look at the farming industry at present and at all the pressures that it has been under. They cannot relate to 'Going for Growth'. They are so restricted, depressed and looking down at their feet, in most cases, that they cannot look for inspiration in this document, even though there is a lot in it. There has to be a bridge between the plans, timescales, innovation and aspirations in 'Going for Growth' and the farming industry, to give the industry some relief.

I turn now to the second financial topic that has been exercising the Committee and, indeed,

many individual MLAs, particularly those from the rural constituencies: the crisis that the farming industry has been hit with over the past nine to 12 months. There has been what some would call a perfect storm of rising input prices for things such as fertiliser, feed and energy. On top of that, we have the situation where the price paid to the farmer did not cover his or her costs, let alone allow for a profit. The weather then kicked in to horrible effect with the severity of the snowstorm in March and the impact of the poor weather last summer. That affected fodder supply, even in this late spring of 2013. Difficulties with credit facilities and the squeeze by the banks have clearly not helped the situation. The Committee has explored all those aspects in some depth. We have spoken extensively to the farming industry, taken written and oral evidence from the supermarkets, made informal contact with the processors and had a very informative oral evidence session with the grain and feed merchants. Indeed, we will be taking evidence from all four main Northern Ireland banks on 27 June.

The impact of these factors on the farming industry has been immense. The combination of factors has pushed and could push more of what would otherwise be profitable farm businesses under. This crisis has been slow in rising, and farm businesses have slowly used up all their reserves of capital, capacity, money and fodder. Of course, there has been the very welcome emergency funding from the Executive for the hardship payment, worth some £3 million to those affected by the snowstorm in March, not least in my constituency of North Antrim, and the fodder scheme, worth £1 million. Although I do not wish to diminish the hardship felt by other sectors in our society, such as the construction industry and retail, farming is different, because there is a social aspect to it. Europe recognises that through the single farm payment and the common agricultural policy. Farming affects everyone, every household and every family, because it is what they eat, what is on their kitchen table or dining table on their plates, and it nourishes their children and family members. There is a social side to farming that none of us can choose to ignore.

The final issue I will raise is one not so much of finance but of a lack of resource planning. The Committee has been examining the DARD and Forest Service response to tree disease in Northern Ireland, particularly ash dieback. We have found that, although the response is good, there appears to be somewhat haphazard planning — or lack of planning — for resources, including finance, people and management

systems. The initial and, indeed, essential response to the tree disease outbreak comes at the cost of other Forest Service activities. It cannot have any other reaction. However, the Committee cannot in all honesty say that additional resources are needed, because it has proven difficult to get definite resource information from the Department. What is clear is that some thought and effort needs to go into resource training. While all those resources are going into tackling that disease, it is taking people away from their daily and routine work. I believe that that will have an impact on the Department and the Forest Service in the coming months, maybe even years. I wish that DARD would concentrate on that. If it needs more resources, it should ask for them to get it through this.

2.15 pm

Another issue that I want to address, speaking in a DUP capacity, is the construction industry. People will know that I am steeped in that industry, having spent 20 years as an electrician and 10 years as a foreman electrician. I have seen the devastation in that industry. We need something to kick-start and help that industry. We need as much capital spend on buildings as possible to inject potential and growth in the construction industry.

The other thing that I will mention — Mr McCarthy, rightly, brought it up — is the fishing industry. It seems that the Agriculture Minister has turned her face away from the fisheries industry. That is agrifood. There is food, as well as processing and transport. It is a major industry in Northern Ireland, and we must be in a position where we can offer support similar to the hardship fund for farming, because fisheries have also been hit hard by the weather and other issues such as the selective fishing gears. All of that has led to pressure on the fishing industry that it cannot afford. I ask the Executive to put pressure on the Agriculture Minister so that something is done —

Mr Principal Deputy Speaker: Will the Member bring his remarks to a close?

Mr Frew: — to alleviate the pressures on that industry.

Mr Wells: I rise to raise a few issues as Deputy Chairperson of the Health Committee, and then I want to move on to the fishing industry in my capacity as MLA for South Down.

The budget for health under the CSR has been set at £4.65 billion, which equates to £2,583 for every man, woman and child in Northern Ireland, including just one extra, my grandson, who was born on Thursday and who will, hopefully, make very good use of his £2,583.

The Minister is to be congratulated because, when the CSR was being drawn up, he fought to ensure that there was a real terms growth of 1.9% in the health element of the DHSSPS budget. That was very welcome and showed a commitment by the Minister and the Executive to health, acknowledging just how important it is, not only in keeping us all fit, healthy and alive but also because there are 70,000 full-time equivalent jobs in the public element of the health service. There must be at least another 30,000 in the private sector in places like nursing homes and residential homes and among physiotherapists and opticians etc. When we see that, we realise that one in every 10 people in Northern Ireland who are employed work for the state in health, and another almost 50% of that number work in the private sector. It is a hugely important employer, and, as a result of the CSR agreement, much has been done to maintain that employment. Indeed, there have not been any compulsory redundancies at all in the health sector under the present dispensation. That is quite remarkable.

I well remember the former Minister of Health, Social Services and Public Safety, Mr McGimpsey, becoming the inevitable prophet of doom and predicting that there would be 4,000 redundancies in health as a result of the package that was agreed. That turned out to be absolute nonsense. I accept that there have been voluntary redundancies, early retirements and severance packages, but all of those have been entirely voluntary. No one has gone unless they wished to leave. Therefore, the health service — I accept that it is suffering huge stresses — is in a much better position than many predicted, given the economic downturn.

There are storm clouds on the horizon. No increase whatsoever was awarded in the social services element. We in Northern Ireland have an advantage in having a unified health, social services and public safety provision, but the one downside is that, in GB — England, Scotland and Wales — if there is a shortfall in social services provisions, that can be added to the rates that are charged by the relevant metropolitan county council or regional council. Therefore, when stresses show up, there is a way of raising extra money. Because social services in Northern Ireland are financed

entirely by the Budget allocated by the Minister of Finance we do not have that option. Therefore, there are considerable stresses in the social services element.

Whilst we accept that there has been a 1.9% real terms growth in provision for the health element of the DHSSPS budget, it has to be admitted that growth in demand is increasing at least three times faster than that. That is one of the reasons why some of the A&E statistics that we see in Northern Ireland at the moment cause so much concern. For various reasons, demand is rising rapidly. Some of it is to do with lifestyle choices such as drug addiction, alcohol, cigarettes or obesity, some of it is due to an ageing population, and some of it is due to an increase in population as a result, in particular, of net immigration. Therefore, there are considerable stresses. When we add to that the fact that medical inflation is running even faster at a higher rate, we realise that things can be very difficult.

Health is unique in that, every now and then, a very important new procedure or treatment comes along that, if we did not introduce it, would place our citizens at a disadvantage compared with the rest of the United Kingdom. That is an uncertain quantity that has arrived on the scene and has not been budgeted for. Tomorrow morning, I will present a petition to the Assembly that has been signed by 22,000 people who are asking the Minister of Health to introduce the new vaccine for meningitis B into Northern Ireland. As I have only three minutes to speak tomorrow morning, I will take a couple of minutes now to emphasise the importance of that issue.

Every elected Member in this Chamber has come across meningitis B. It is a dreadful condition that can take the life of young people, in particular, in a very short time. We had an awful tragedy in Rathfriland in my constituency 10 years ago, when a three-year-old boy died of meningitis B. As long as I am a public representative, I will never forget the faces of the parents of that young boy. They thought he had flu but then had the awful realisation that it could be meningitis.

There is a possibility that, on 12 June — Wednesday — when it meets in London, the Joint Committee on Vaccination and Immunisation (JCVI) could recommend that the meningitis B vaccine should be introduced in Northern Ireland. I am glad that Mrs Boyle is here today because, tomorrow morning, Sean Devine and his family will be in this Building with that petition in memory of their daughter Terri, who died of meningitis B. They will also

take the petition to 10 Downing Street to plead for the introduction of the men B vaccination. Of course, that has to be paid for, and the Department will have to find the resources quite quickly to introduce it. Do I believe that it is good value for money? Yes, I do. It would be wonderful, in five years' time, not to have to consider the potential of children dying of meningitis because we would have wiped the condition out. We could go a long way towards that on Wednesday, if we get the right decision, but still the money has to be found. That is the difficulty. I therefore plead with the Minister to continue to exercise generosity when it comes to the distribution of monitoring round money to the Health Department. That type of extra, unexpected cash can be very readily spent and can have a huge impact.

Up to now, the Department has kept within its budget. Indeed, I always use the analogy of Houdini in a glass tank with chains around his feet and hands, with three minutes to get out. Each year, that type of illustration applies to Health. It is possibly going to make it — is it going to make it? And then, on 31 March, we discover that, yet again, it has managed to get out of the tank, make all the budgets balance and come in on budget. That is getting more and more difficult every year, and I congratulate the staff who manage to achieve that in very difficult circumstances. They have done a fantastic job. We make it more and more difficult for them every year, and monitoring round money is a very effective way of releasing pressures that develop in the health service, perhaps more so than in any other Department. I urge the Minister to continue to exercise generosity in that particularly important aspect of funding.

As an obscure DUP Back-Bencher for South Down, I move on to the fishing industry. I agree entirely with Mr Frew. I have been approached by representatives of the fishing industry in recent months, and they do not resent the fact that the farming industry has had that much-needed £5 million of funding help because of bad weather. However, they make the point that, whilst the storms were raging on the land, they were also raging at sea. Their boats were tied up, and they were unable to go out and pursue their livelihood. The fishing industry has also had, to use Mr Frew's phrase, the "perfect storm" of very bad weather, incredibly high prices for fuel, increases in insurance and all the regulations that have to be adhered to. If they could achieve a small fraction of the subsidy that is, rightly, given to the farming community, that would go a long way to solving their difficulties. It is unfortunate that the Minister — she is not here today; I understand

that she is not well — seems besotted by one sector and shows very little interest in the fishing community.

Mr Frew: I thank the Member for giving way. Does he agree that the fishing industry has made a tremendous move in helping the Department with the selective fishing gear that it is trying to use? That has put pressure on the industry with regard to the fish it can catch and the income it can bring in.

Mr Wells: Absolutely. The industry would say that it has worked with two Agriculture Ministers from the same party and that it is finding life a bit more difficult under this Minister than the previous one. There seems to be no meeting the industry halfway to try to help it out in this very difficult time. It is an industry that has huge added benefits in processing, yet it seems that it is being ignored.

Mr Principal Deputy Speaker: As Members will be aware, Question Time begins at 2.30 pm, so I suggest that the House takes its ease until then. This debate will continue immediately after Question Time, when the next Member to speak will be Anna Lo.

The debate stood suspended.

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

2.30 pm

Oral Answers to Questions

Office of the First Minister and deputy First Minister

Economy: Fiscal Measures

1. **Mr Brady** asked the First Minister and deputy First Minister, in light of the ongoing discussions with the British Government on the devolution of corporation tax powers and other economic proposals, to outline the Executive's priorities on fiscal levers which would stimulate economic growth. (AQO 4230/11-15)

Mr P Robinson (The First Minister): Pressing the Government for the devolution of corporation tax powers remains our key priority. We are examining the actions that can be taken forward now so that a devolved rate could be implemented as soon as possible after a positive decision by the UK Government in autumn 2014. While we are obviously disappointed that the Prime Minister does not intend to make a decision on the devolution of corporation tax powers until autumn 2014, the Executive remain committed to securing these powers to rebalance our economy, create jobs and increase prosperity. The coalition Government included exploring that idea in their Programme for Government. Similarly, we made it a key element of our policy. We, like the many hundreds of people who responded positively to the public consultation on this issue, believe that this measure, above all others, has the ability to deliver a step change in the performance of our economy. Devolution of this power would allow us to meet our shared objective of rebalancing our economy more quickly than would be the case if we are reliant on those policy levers that are currently available to us. The proposals being developed as part of the economic pact will also stimulate economic growth. It is intended that these measures will be put in place pending the decision on corporation tax powers.

We hope that an announcement can be made about the economic pact later this week. However, it is important to state that the measures being discussed as part of the economic pact are not sought as a replacement for corporation tax powers. The Executive will, therefore, continue to push for corporation tax powers to help provide the necessary stimulus

to grow our economy going forward. We will consider the case for additional fiscal powers that may assist economic growth in Northern Ireland, though we are conscious of the implications for our block grant. The Finance Minister is pressing the Government to take action at a national level on issues such as fuel duty, short-haul air passenger duty and VAT for the hospitality and tourism sector and the construction sector.

Mr Brady: I thank the First Minister for his answer. It seems that the Tories have recognised the limitations of the system by which they finance devolved Administrations. How does the Minister propose we deal with local challenges under that system?

Mr P Robinson: The Executive, in their Programme for Government, highlighted that the central and key issue for them is the growth of our economy. There will always be limitations to what we can do, depending on the fiscal levers that are made available to us. We have recognised that if we share an island with a country that has a much lower level of corporation tax, that is an issue that has to be tackled. It disturbed me that some other parties in the House decided that we would not get corporation tax-setting powers and started an argument about the need for a plan B. The reality, of course, is that some of us stuck to our guns and kept our nerve on this issue. We continue to press the Prime Minister. The key element of this Friday, if that is the date that we can get the pact agreed with Her Majesty's Government, is not just the commitment that they will definitely take a decision in autumn 2014, but that, as important as that is to us, if it is a positive decision, it will be implemented during the term of this coalition Government.

Mr Nesbitt: In examining actions —
[*Interruption.*] Perhaps that is HM Treasury ringing to answer the question for me. In examining actions, at any time did Her Majesty's Government try to make any kind of linkage or use leverage regarding corporation tax by bringing in other policies such as a single education system?

Mr P Robinson: The Prime Minister and the present and past Secretaries of State have always indicated that they are supportive of the issue of rebalancing our economy. All of them have indicated that they recognise that tax-setting powers for corporation tax is the single issue that has been most clearly identified. There has been no attempt on their part to indicate that we have to do something else before they will resolve that issue. The

Government are as committed as the deputy First Minister and I are to pursuing a strategy on good relations, and they will encourage us to go down that line. They welcome what we have done and have been surprised, I think, that we have gone as far as we have as quickly as we have with the statement that we made and the strategy that we published. We get support from the Government on that, but they have never made it conditional to corporation tax powers.

Mr Girvan: What does the First Minister want to see in the economic pact? What hope does he have that the devolution of corporation tax will be achieved?

Mr P Robinson: There will, I hope, be a number of features to the pact that is being discussed with the Prime Minister and the Secretary of State. If our key focus has been on corporation tax, the big issue and the measure of success or failure will be whether there is a commitment to the implementation of the tax-setting powers during this term, if they are granted by the Government in the autumn of 2014. That was not the case when we last met the Prime Minister, and one reason for the suspension was to allow further consideration of that.

Mr D Bradley: Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Chéad-Aire as ucht a fhreagra, agus seo í mo cheist air. Has any progress been made on the allocation of enterprise zone status?

Mr P Robinson: I have some concerns about the issue of enterprise zone status. If the whole of Northern Ireland was being considered as an enterprise zone, I would be very much in favour of it. One difficulty that I have found with previous enterprise zone exercises is that they are often the cause of displacement. You are not really adding jobs to our economy. You can boost an individual area but very often at the expense of adjoining areas because companies move into the enterprise zone. We have considered the issue, and if, in the wider context, it was thought suitable for the whole of Northern Ireland, we would welcome that. However, I retain the concerns that we may not bring in new jobs but simply move the jobs from one area to another.

Mr Deputy Speaker: I remind Members that their electronic equipment should not be interfering with the Chamber. If someone has their phone on, please turn it off.

FM/DFM: Visit to China

2. **Mr Ross** asked the First Minister and deputy First Minister for an update on the outcomes of their recent visit to China. (AQO 4231/11-15)

Mr P Robinson: Our recent mission to China was to further strengthen Government-to-Government relationships through a number of high-level meetings with Ministers in Beijing. We met Madam Liu Yandong, who visited Northern Ireland last year and has since been promoted to the position of vice-premier. Madam Liu has overall responsibility for science and technology, education, sports and culture, and sustainable development. We discussed the potential of opening a bureau representing the Northern Ireland Executive in Beijing, and we will explore that with Executive colleagues in the near future.

Through Madam Liu's invitation to visit China, we also held meetings with the Minister of Commerce and the Minister of Education. Those meetings were extremely useful and enabled us to progress a number of issues that we hope will result in expanding trade opportunities for local firms and Chinese Government investment in university and school partnerships. Our engagement with the influential Chinese Ministry of Foreign Affairs was an important step in opening key channels to increase foreign trade, economic co-operation and university links. Agreeing to that meeting was a strong signal of how seriously the Chinese Government are taking any potential partnership arrangements. We also met Education Minister Yuan Guiren and discussed our commitment to developing Northern Ireland's international links in the higher education sector. China is rightly considered a priority target country for Queen's University and the University of Ulster. We welcomed the opportunity to discuss existing and potential links with Minister Guiren and how we can develop our greatest asset, which is our people. Throughout the visit, we were supported by the Chinese People's Association for Friendship with Foreign Countries, and we believe that this relationship will now lead to further visits by Executive Ministers and organisations to negotiate on a range of tangible issues that will benefit local communities and Northern Ireland businesses.

Mr Ross: It is clear that, with a population of over one billion people, China is a part of the world that we want to develop our links with. The First Minister said they are considering opening a Northern Ireland bureau in Beijing. What is the likelihood of that happening, and

what would the potential impact be on the Northern Ireland economy?

Mr P Robinson: We have a bureau in Washington and one in Brussels. Given the scale of the Chinese economy, there is trade potential for a small country such as Northern Ireland if it can get only a small part of the trillions that are spent by the Chinese people. That would have a massive impact. It is an important opportunity that should not be missed. We have an Invest Northern Ireland office in Shanghai, and we want to supplement the Northern Ireland presence in China. We believe, perhaps more than some other countries, that an awful lot of trade and business is dealt with directly through government sources, so it becomes more important to be in the governmental capital.

Mr Flanagan: Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Chéad-Aire as ucht a fhreagraí. What is the First Minister's assessment of the potential for local businesses through increased links with the Chinese market?

Mr P Robinson: As I said, the potential is massive, particularly in the agrifood sector. The deputy First Minister and I had discussions with Madam Liu in particular about the prospects, and she told us of the many million children who are born in China every year. There are advantages in powdered milk and milk products being exported to China, and the high standard of European food is recognised. Chinese people want quality food products, so there is great potential. No country in the world eats more pork than China, so there are great opportunities for Northern Ireland's agrifood industry.

Agri-food is not the only industry with potential. Wrightbus imports its buses to the Chinese market, and they can be seen on the streets of Hong Kong. Given that 1.3 billion people live in China, the transport industry also has potential.

Mr Swann: Given the positives from the visits to China, Brazil and India, has the First Minister any intention of amending the Programme for Government targets for export to emerging countries to ensure that they remain challenging and competitive?

Mr P Robinson: We are always happy to exceed our targets. When targets are met or look as though they are about to be met, we consider whether we should provide more challenging targets. If the target is on investment, we are always happy to see that

Invest Northern Ireland has been successful in exceeding targets. With every Programme for Government, we have put higher benchmarks in place, and we will continue to do so. If we get close to meeting those targets, we will, of course, revise them upwards.

North West 200

3. **Mr I McCrea** asked the First Minister and deputy First Minister for their assessment of the importance of the North West 200 and how it contributes to the economy. (AQO 4232/11-15)

Mr P Robinson: I do not believe that I am the best person to quantify the merits of the North West 200 objectively against the many other highlights that the Northern Ireland sporting calendar has to offer. However, having been to a number of races at the annual event in recent years as a guest of the Coleraine and District Motor Club and, before that, as an interested spectator, I assure the Member that the many thousands of road-racing enthusiasts who descend on the north coast each year consider the North West 200, along with the Isle of Man TT week of racing, to be the highlight of the sporting year. It is the largest annual sporting event on the island of Ireland and continues to attract competitors and spectators from around the world. The North West 200 clearly makes a significant contribution to business in the north coast area and that is why the Department of Enterprise, Trade and Investment, the Northern Ireland Tourist Board and the Department of Culture, Arts and Leisure have supported the event financially in recent years.

2.45 pm

Of course, for all its organising ability, and even with the support of government, the one thing that the Coleraine and District Motor Club is unable to manage is our weather. As Members know, two of the past three years of the North West 200 have been significantly impacted by adverse weather conditions. As I said publicly, it is important that the organisers are given as much flexibility as possible to enable them to react to changing weather patterns. To that end, the Regional Development Minister advised the Executive last week that he will look urgently at amending legislation to increase the flexibility and ability to close roads at events such as the North West 200. That is an important step, and a necessary one if we are to preserve the status of the race meeting, for road racing enthusiasts and for the benefit of the local economy.

Mr I McCrea: I thank the First Minister for his response. He referred to the North West 200 as one of the largest sporting events in Northern Ireland. Not only is it a sporting event; it is a tourist event as well. Will the First Minister assure the House that this issue will continue to be on the Executive's agenda to ensure that the North West 200, which is an international event, receives the support that it requires?

Mr P Robinson: It is on the Executive's agenda. We have discussed it at two or three of the Executive's meetings. We have discussed the two elements: first, whether we can be more flexible as to when roads can be closed — and we are not talking about additional road closures, but the ability to vary the road closures depending on the weather — and, secondly, the contribution that the Executive make towards the funding. We have asked the appropriate Ministers — the Ministers of Culture, Arts and Leisure; Enterprise, Trade and Investment; and Regional Development — to discuss those issues and bring a report to us.

Mr Ó hOisín: Go raibh maith agat, a LeasCheann Comhairle. Will the First Minister outline what exactly has been agreed at Executive level with respect to flexibilities in road closures for any future North West 200?

Mr P Robinson: That is probably more appropriately a matter for the Minister for Regional Development, but I can indicate that he has informed Executive colleagues that it is possible to have a measure brought before the Assembly that would allow more flexibility as to on what hours, and on what days, the roads could be closed. That meets, as best the Executive can, the weather issues; though, I have to say that, even with that flexibility, a very long period of wet weather could still end up requiring the meetings to be terminated. However, it gives greater opportunity to the race organisers, and the Minister responsible for the Department for Regional Development has already given instructions to prepare legislation to that effect.

Mr Dallat: The First Minister said that he was not the best person to comment on this. However, I would have thought that, as he once owned a Vespa, he was ideally suited to comment on the North West 200. Does he agree that probably the time has come now to invest in new infrastructure that will always benefit the North West 200 and give it sustainability beyond the time when it is, perhaps, acceptable to have it on the roads?

Mr P Robinson: I must tell the Member that the history of the Vespa ended in a crash that resulted in the vehicle being in two parts, so perhaps I am not the best person to comment on this. I spoke, rather, of the ability to put the North West 200 in context with other major sporting events in Northern Ireland. That is clearly something that requires more objective reasoning than someone who has a particular interest can give. It is a massive boost for the whole economy of the north-west, and particularly the north coast, including Coleraine. It is an event we want to continue to support. I am one of those who have lobbied the Minister to get more funding for the area. If you look at events that bring in similar crowds, they get a more attractive funding stream than the North West 200, so I think that there is a strong case. That is why, during the course of the Executive meeting, the Ministers have been asked to look at that issue and report back to us.

Sexual Abuse Victims

4. **Mr Copeland** asked the First Minister and deputy First Minister to outline their plans for providing support for the victims of sexual abuse who are not covered by the historical institutional abuse inquiry. (AQO 4233/11-15)

Mr P Robinson: With your permission, Mr Deputy Speaker, I will ask junior Minister Jonathan Bell to answer that question.

Mr Bell (Junior Minister, Office of the First Minister and deputy First Minister):

Regardless of whether an individual is covered by the historical institutional abuse inquiry, there is a Lifeline service available 24 hours a day. Details of that service can be found on the website. Anyone who has suffered from sexual abuse, historical or otherwise, should report that to the PSNI. There are support mechanisms in place for those who do. In addition, considerable work has been undertaken in the development of the Northern Ireland regional sexual assault referral centre, or SARC as it is known, called the Rowan, which is a high-level outcome of the tackling sexual violence and abuse strategy. It is a partnership initiative between the Department of Health, Social Services and Public Safety and the Police Service of Northern Ireland, and is hosted and managed by the Northern Health and Social Care Trust. The service went live on Tuesday 7 May 2013, commencing with Police Service referrals in the first instance to enable the new practices and protocols to be embedded. A full service, which will include self-referral and third-party referral, will be available from 2 September. A staged

implementation plan would be normal practice for other SARCs established across GB. The Rowan delivers a 24/7 service 365 days a year to victims of sexual crime. A victim who is referred to, or who attends, the Rowan is offered a range of comprehensive services tailored to meet their identified needs.

Mr Copeland: I thank the junior Minister for a very fulsome answer. Is he aware of, and has he given any consideration to, the two briefing papers that were prepared by Amnesty International? One referred to clerical child abuse and the other covered the abuse in the Magdalene laundry-type institutions in Northern Ireland.

Mr Bell: Yes, I am aware of both, and junior Minister McCann and I are to have a meeting with Amnesty International in relation to those papers. In relation to abuse that has been perpetrated by the clergy and members of religious orders outside an institutional setting, that clerical abuse is no less important and no less emotive than institutional abuse. We are mindful of the equally destructive impact that that abuse has on individuals. As I said in the House before, following the inquiry into historical institutional abuse, it will be for the Executive to consider how to deal with the abuse that does not fall within the inquiry's terms of reference.

I know that there is a question later on about the Magdalene laundry, so I will touch on it briefly here. Anyone who was resident here in the Magdalene laundries or similar institutions as a child between 1922 and 1995 can go forward to the inquiry into historical institutional abuse to relate their experience. They will be able to talk in private to members of the inquiry's acknowledgement forum about their experiences. The contact details are available on the website. As I said before in the House, we have appointed a senior civil servant to draw up a scoping report on the Magdalene laundry-type institutions to see what further action should be taken. Junior Minister McCann and I have agreed to meet Patrick Corrigan of Amnesty International, and former residents of the Magdalene laundry-type institutions, to discuss the situation regarding those institutions that were here.

Mr Campbell: The junior Minister referred to the Lifeline service. Given the publicity that has attached itself to the inquiry from it was announced, has any evidence emerged of other types of institutional abuse through the Lifeline service or any other service?

Mr Bell: I know that several hundred people have contacted the inquiry. We have been very clear that it is an independent inquiry. It is being led by a former High Court judge, and it is for the inquiry to independently report back to us. Services are available for everyone who was affected by historical institutional abuse. A range of services is in place for those victims and survivors. Since October 2012, we have funded the WAVE Trauma Centre to provide a drop-in facility for victims and survivors in Londonderry. It welcomes all victims and survivors of historical institutional abuse, and it is available from 10.00 am to 12 noon every Friday. A qualified trauma counsellor is in place to support and help victims and survivors, as required. A similar meeting place was provided in Belfast city centre. It had not been used and was discontinued as of January 2013.

I want to make it clear that support is available for anyone who has suffered abuse. If that abuse is within the terms of reference of the inquiry, they can come forward and the procedures are in place. If it is outside those terms of reference, the Police Service and social services need to know about it not only to deal with what has occurred, but to protect other children who may fall victim to those who have been guilty of perpetrating child sexual abuse. The Lifeline service is available for everyone, and the Department of Health, Social Services and Public Safety has a comprehensive range of support in place for any victim, whether or not they fall within the historical institutional abuse inquiry terms of reference.

Ms McGahan: I have been told by some people who have been to the acknowledgement forum that there is a great need for a follow-up service by the staff there. They made the point that it can take a few days before the full effect of having relived their trauma kicks in, and, as such, it would be appropriate if a mechanism were put in place to provide ongoing contact over several days to ensure that they are all right. Will the Minister speak with the acknowledgement forum staff to ensure that that happens?

Mr Bell: I can certainly speak with the staff of the inquiry about any matter that we have responsibility for. Our hearts and support are with those people. Remember, we chose the remit of institutional abuse because those children did not have a mother, father, stepmother, stepfather or any other caregiver to go to at probably the most vulnerable time of their lives. We will seek to do anything that we can to support and help victims and survivors.

I know professionally that, when you unpack some of the abuse that individuals have suffered, it can lead to a wide range of conflicting emotions, and incidents coming to the surface that may have lain dormant for some time. We can talk with the Wave Trauma Centre and those who have the professional expertise to help victims and survivors to make them aware, as I am sure they are already, that Members of this House have been approached and told that feelings, emotions, vulnerabilities, hurt and pain that has lain dormant has surfaced, is recurring and that they need a support service to deal with that pain.

I salute the bravery, courage and integrity of victims and survivors who have come forward in very difficult circumstances. That takes a huge amount of courage, and everyone in the House sends their best wishes to those who are engaged in the inquiry. We will do everything that we can to ensure that their experience, traumatic and difficult as it is, can be made as comfortable as possible.

3.00 pm

Finance and Personnel

Mr Deputy Speaker: Questions 5, 7, 10, 11 and 12 have been transferred.

Apartment Development Management Companies

1. **Mr McCarthy** asked the Minister of Finance and Personnel, following the publication of the Northern Ireland Law Commission report 'Apartments' — NILC 17(2013) — what plans he has to introduce legislation to regulate apartment development management companies. (AQO 4245/11-15)

Mr Wilson (The Minister of Finance and Personnel): First of all, I acknowledge the work that the Member has done on this issue and his patience in that he withdrew his private Member's Bill to allow for a more comprehensive survey of what may be done in relation to this issue. That has taken far longer than I or he expected, so I appreciate his patience on this matter.

We now have the report, which has been presented by the Department of Justice. It contains a wide range of recommendations, some of which will require administrative action and some will require legislative action. The commission has recommended the regulation of managing agents rather than management

companies and, in doing so, has favoured the Scottish model of regulation, which provides for complaints in respect of managing agents to be considered by a new body, the Homeowner Housing Panel. The Republic of Ireland has also established a new body — the Property Services Regulatory Authority — which oversees the licensing of a number of service providers, including managing agents, and promotes consumer awareness. The Republic has amended its law to provide for the establishment of owners' management companies, which are responsible for managing, maintaining and repairing the common areas in multi-unit developments.

We have to and will study the report to see which recommendations we want to go forward with, whether we want to amend some recommendations and, then, what legislation, if any, is required as a result of the decision we make on the recommendations.

Mr McCarthy: I thank the Minister for his response and his acknowledgement of the hard work that we did in 2010 for the private Member's Bill, only for the Law Commission to take over. Will the Minister acknowledge the concerns of apartment owners and dwellers that, until we have strong laws, unscrupulous people will or may continue to exploit the situation? Will he now give serious consideration to legislation to overcome those problems once and for all?

Mr Wilson: All of us who are constituency representatives will be well aware not of only the anxiety that this has caused many people but of the impact that it has had on their ability to sell properties that they have purchased in estates that were supposed to have common areas managed but that has not happened and there has not been proper management. In some cases, questions arise as to what happened to the funds that they put into the whole management arrangement.

I had hoped that we would have been in a position to make firmer proposals far sooner than this, but the Law Commission made a meal out of getting this report to us. We have it now, and we will look at the recommendations and seek a way forward as quickly as possible.

The one point that I would make to the Member — this has been difficult in the Republic and in Scotland — is the question of whether any law can deal retrospectively with problems that already exist or whether it is simply a law that will be devised to look at problems as they arise and maybe cover, through legislation, a problem related to that in the past.

Mr McKay: Does the Minister agree in principle that tenants and owners of apartments are entitled to equality of service with all other tenants and property owners? He has outlined that consideration will be given to the proposals. Can he give us an idea of the timescale for that?

Mr Wilson: I hope it will happen as quickly as possible. First of all, we have to look at the recommendations. We may have to query with the Law Commission why it made some of the recommendations and the thinking behind them and, after that, quickly start consultation on the steps forwards. I have no doubt that the Committee will have an important role to play, as will other interested Members.

Mr Craig: The Minister referred to Scotland. Will he outline what the Homeowner Housing Panel is and his view on whether something similar could be applied in Northern Ireland?

Mr Wilson: It is an independent decision-making body. It is separate from the Scottish Government and local authorities. It determines, first of all, applications from homeowners who consider that their property management agent has failed to carry out duties or to comply with the code of conduct. The panel will have independent members who are appointed by Scottish Ministers and specialise in housing and land management issues, as well as a legal representative and an industry representative. Administration for the panel is provided by Scottish Tribunals Service through support staff. The panel can deal with the issue of management companies and lays down the rules for such companies and makes sure that they are enforced.

DFP: Flags and Flagpoles

2. **Ms McCorley** asked the Minister of Finance and Personnel how much his Department has spent on flags and flagpoles in the last five years. (AQO 4246/11-15)

Mr Wilson: The Department has spent £7 on flags and flagpoles in the past five years, so you can see that we get good bargains on our flags in Northern Ireland.

Ms McCorley: Does the Minister recognise that erecting flagpoles in Belfast city centre has the potential to raise tensions unnecessarily? Further to that, was there consultation with the people who work in those buildings before the decision was taken? Go raibh maith agat.

Mr Wilson: The question amazes me. The people who have objected to the steps that I have taken are responsible for the powers that I exercised. I am exercising my powers under the Flags Regulations (Northern Ireland) 2000. What was the origin of the regulations? The origin was the Belfast Agreement. Who negotiated the Belfast Agreement? It was Sinn Féin and the SDLP, who have been some of the most vociferous critics of this and who endorsed the agreement and encouraged people to vote for it. I could almost say, "Thank you" to the Member's party for encouraging people to give me the ability to erect flags on government buildings in Belfast city centre. I did not need to consult because, as I am reminded time and time again, the agreement was endorsed by the majority of people in Northern Ireland and the Irish Republic.

Mr Campbell: Does the Finance Minister agree that it would sometimes be better for those who pose such questions and their parties to ask themselves what was the origin of the flag problem on 3 December 2012? Had they not taken that decision then, perhaps the Finance Minister would not have had to take his.

Mr Wilson: I am afraid that the Finance Minister would have taken his decision anyway. Perhaps it was only because the issue was raised that my attention was drawn to the law that enables me to fly the flag on public buildings. In my view, the best and most dignified way of expressing that Northern Ireland is part of the United Kingdom is not to have flags on every post along the road, sometimes left to lie in tatters; it is to fly them officially on government buildings. The decision to have the dignified flying of the flag on government buildings to indicate that they are part of the government of the United Kingdom and Northern Ireland was the right one. Regardless of whether the flag protests had ever happened or the issue had ever been raised, it was still the right decision, and I stand over it.

Mr Allister: I note the very modest expenditure involved. In light of that, can the Minister encourage his colleague the Culture Minister, who has had a budget of millions in respect of the UK city of what seems to be monoculture, to endorse the idea that it would be appropriate at some point during the UK City of Culture to allow the flying of the flag of the United Kingdom? She is on record, in an answer in the House, as saying that there will be no occasion when the UK flag will fly during the UK City of Culture. Likewise —

Mr Deputy Speaker: The Member has placed his question.

Mr Allister: Likewise, she seems to want to get to the same position with the World Police and Fire Games.

Mr Deputy Speaker: The Member has placed his question.

Mr Allister: Can the Minister encourage her, in all the squander that she undertakes, to spend some money in this direction?

Mr Wilson: I wish that it were in my power to direct her to do so. There is an anomaly: on one hand, the Minister and others wish to capitalise on the advantages that the UK City of Culture coming to Londonderry can have for the economy and profile of the city, while, at the same time, they do not wish to recognise the ultimate symbol of the UK, namely, the flag of the country.

Apartment Development Management Companies

3. **Mrs Cochrane** asked the Minister of Finance and Personnel for his assessment of the position of the Northern Ireland Law Commission on the regulation of apartment development management companies. (AQO 4247/11-15)

Mr Wilson: The commission mooted the possibility of a new, simpler form of company for management companies, and it appears that the option was very attractive to consultees. However, ultimately, the commission concluded that a new form of company might not be an effective solution in the shorter term. It went on to suggest that administrative requirements for the management companies could be modified and adapted. However, it is not entirely clear what the commission has in mind in that regard. That is one of the reasons why I said in an earlier answer that I would like to explore some of the thinking behind the recommendations that it made. Given the specific legislation that was required in the Irish Republic to regulate the operations of the owners' management companies, it might not be possible to achieve as big an impact by simply changing things at administrative level, and legislation may well be required.

Mrs Cochrane: I thank the Minister for his answer. Given that there is a bit of a grey area on this aspect and that some may say that part of it is consumer law, can the Minister confirm

that, if he feels that legislation should come forward, it should come forward through DFP?

Mr Wilson: There is a range of law involved here; there is company law, consumer law and property law. I do not mind which Department it comes through. I do not think that it is in the interests of those who are affected by this to have an interdepartmental squabble as to who should have ownership of the legislation. To me, a grave problem has been identified, and now we have to find the most effective and quickest way of dealing with that problem to make sure that management agents and/or companies are brought under some kind of control and that, where they feel aggrieved, people can use an appeal mechanism to have their grievance dealt with.

Mr Weir: What role does the national Property Services Regulatory Authority have to play in the issue?

Mr Wilson: The national Property Services Regulatory Authority has been set up in the Republic, and it does a number of things. This will be one of the things that we will want to look at. It provides for a comprehensive licensing system that covers all the property service providers. First, there will be a licence. Secondly, it will investigate and adjudicate on complaints that are made against those property service providers. It also has an audit and inspection function of the operation. It does not just sit back and wait for complaints; it will go in and investigate. There is a proactive element to it. It also sets down minimum qualification standards for anybody who wishes to set up such a company.

When Members raised this matter in the Assembly, I imagine that those are the kinds of issues that they wanted dealt with. The questions are these: can we deal with this in an administrative way, what legislation, if any, do we require and how quickly can we move towards that?

3.15 pm

Business: Non-domestic Rates

4. **Mr Easton** asked the Minister of Finance and Personnel to outline the response of the business community to the non-domestic rates evaluation. (AQO 4248/11-15)

Mr Wilson: I am glad that the Member has asked the question. It raises important points that I have been trying to get across to the

business community over the past number of weeks.

The Department is undertaking the exercise in response to calls from the business community for a rates revaluation, despite the fact that the Westminster, Scottish and Welsh Governments have all decided to postpone theirs until 2017. That said, it is a difficult time to do it, but I believe that it is the right thing to do. It is difficult because the property market is in some turmoil, and it is difficult to establish long-term rents. Rents have gone down since the boom days. My fear is that everybody thinks that they will be a winner and that, because rents have come down, rates will also go down. I emphasise that we want to get the same amount of money from rates. What may happen is that, in relative terms, some people's rents will have gone down more than others', so they will benefit. Some people's rents will have gone down less than others, so they will have to pay more.

The rental market is difficult to read during this prolonged recession, which is why I encourage people to make responses. Forty-five thousand businesses have been canvassed. To date, around 7,000 businesses have responded. The more information that we have about the market, the more accurately we can undertake the revaluation exercise. If we do not have the information, we will have to make a best guess.

Mr Easton: I thank the Minister for his answer. What will happen if the business community provides insufficient evidence for the evaluation?

Mr Wilson: I do not want to contemplate that happening because it is in businesses' interests to respond so that we have the best information possible to establish net annual values (NAVs) across the Province and, therefore, what should happen to people's rates. I encourage businesses to go online and fill in their response so that we have the best information. If that does not work, we will have to base assessments on the evidence that is available, which will probably result in many assessments not being right the first time. It will mean additional work as people make appeals and cases against assessments. I would rather that we got it right the first time rather than put people through the operation of having to appeal the initial assessments because our information was incomplete.

Mr D Bradley: Go raibh míle maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht an mhéid a dúirt sé.

As the Minister said, many businesses have expectations that revaluation will lead to a lowering of rates. That has been evident in many radio broadcasts. What action does the Minister intend to take to manage those expectations?

Mr Wilson: The first action is to get the message across. Many business organisations have now got the message that we will not be looking to take any more or any less money in rates from businesses after the revaluation is finished. We will be looking to get the same pot of money. Do not forget that the Executive are committed to a 0% real increase in the amount of money that we take from businesses. However, some businesses will pay more because economic conditions have moved in their favour. Maybe the market has pushed consumers towards certain types of business or certain areas. Some businesses will pay less because their areas or locations have had a fall in customer numbers, footfall or economic activity, which will be reflected in the relative rents that they pay. So the same amount of money will be gathered, but it will simply be gathered in a different way. As a result of revaluation, there will be winners and losers.

The second thing is that, where there are big changes in the amount of money that businesses pay, there will be — we did this last time, and there is no reason why the Executive will not make the decision this time as well — an interim arrangement whereby the increases are introduced gradually. So, nobody should be hit with a massive increase in their rates bill, but they will know that, within two years, it will build up to a certain level.

Mr Swann: Looking to SMEs, which are the other side of our businesses, what is the current uptake for the rate relief scheme for empty shops, following its recent introduction?

Mr Wilson: To date, there have been, I think, well over 120 — I do not have the exact figure, but it is well over 120 — across all council areas. That has resulted in new businesses starting up and hundreds of jobs being created. Obviously, I would like to see more of that happening. A 50% reduction in rates in the first year, which, of course, is the most difficult year for a new business, is an important concession. The pleasing thing is that that innovation in Northern Ireland has now been copied by other Administrations across the United Kingdom.

Mr Deputy Speaker: Question 5 has been withdrawn and transferred to OFMDFM.

Government: Revenue

6. **Mr McMullan** asked the Minister of Finance and Personnel to outline the relationship between locally generated revenue and the British Consolidated Fund. (AQO 4250/11-15)

Mr Wilson: Broadly speaking, all tax generated locally is due to the UK Consolidated Fund. Some other receipts, most notably rates, which we just talked about, are a devolved responsibility and are lodged with the Northern Ireland Consolidated Fund. Some other receipts, such as minor items of revenue from fines, levies and penalties, also go into the Northern Ireland Consolidated Fund. However, most taxes raised in Northern Ireland go into the UK Consolidated Fund.

Mr McMullan: Go raibh maith agat. I thank the Minister for his answer. Many people are not aware that the majority of revenue generated here enters the central pot in Britain. Can the Minister indicate the manner in which the current situation that he just described benefits our economy?

Mr Wilson: Most people should be aware that, although we put some in, we get twice as much out. It is actually of benefit that we do not have to rely solely on tax revenue generated here in Northern Ireland and that it is supplemented by the block grant and the addition to the block grant, which well exceeds the taxes raised in Northern Ireland. Our taxes are paid into the Consolidated Fund, and twice as much comes back out again. I think that that is a fairly good bargain. Of course, that is the bargain that we have because we are part of the United Kingdom. How much poorer would we be if the only money available to the Executive and the Assembly was that which was generated in Northern Ireland?

Mr Rogers: The contingency fund is part of the Consolidated Fund. What access do the Executive have to that fund?

Mr Wilson: The contingency fund is held centrally by government for exceptional circumstances. In some cases, it is anticipated that exceptional circumstances might occur around, for example, security etc, and we can draw down from the contingency fund for that. If a particular disaster or issue were to hit Northern Ireland or was UK-wide, an allocation would be made from the contingency fund. If the Government were to spend, say, £100 million, we would get our Barnett consequential from that. If the issue was particular to Northern Ireland, with exceptional

circumstances leading to exceptional expenditure, it would, of course, be up to me and the Executive to negotiate with Treasury for drawdown from the contingency fund.

Mr Deputy Speaker: Question 7 has been withdrawn and transferred to the Department of Enterprise, Trade and Investment.

Economy: Fiscal Measures

8. **Mr Flanagan** asked the Minister of Finance and Personnel to outline the priorities for the devolution of fiscal levers to stimulate economic growth. (AQO 4252/11-15)

Mr Wilson: Although we are very disappointed that the Prime Minister does not intend to make a decision on the devolution of corporation tax until after the Scottish independence referendum in autumn 2014, the Executive remain committed to securing those powers, and that remains our number one priority.

Officials are examining actions that could be taken forward now so that a devolved rate could be implemented as soon as possible after a positive decision by the Government. I would be reluctant to seek additional fiscal powers that require a block grant reduction while the possibility of securing corporation tax powers remains.

As I pointed out in an earlier answer to the Member's colleague, the more fiscal autonomy we have here in Northern Ireland, the greater the possibility that the Treasury may well say, with regard to the additional money that they put into the block grant, "If you wish to stand on your own two feet, we are happy for you to do that". We could finish up much poorer in Northern Ireland.

Mr Flanagan: Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his answers. It is good to see that he is using the conditional tense now. There is a question over the accuracy of the figures that he has quoted. Given that the Tory Government have stated clearly that there are limitations in how they finance the devolved Administrations, does the Minister agree that it is now time for a more strategic approach to fiscal powers here in the North?

Mr Wilson: Can I just nail this nonsense? The Member and his party have asked me I do not know how many questions about how much money is raised in Northern Ireland and how much money comes from the United Kingdom. One thing I will make clear to the Member is

that, no matter how much he and his party try to wriggle, we are billions — not millions — of pounds better off as part of the United Kingdom. That might stick in his throat, and he might like that not to be the case, but it is. To talk about the figures being inaccurate as though, somehow or other, the billions of pounds of additional money that we get as a result of our membership of the United Kingdom would somehow disappear is the kind of fairy tale economics that Sinn Féin is so good at and that leaves them looking stupid on many occasions when they take part in economic debates.

I have already stated that I do not believe that there is a case for obtaining or seeking widespread additional fiscal powers for Northern Ireland. Where there is a good case to be made and there is a good economic rationale behind it, I will throw all my weight behind it. Look at the efforts that Arlene Foster and I put into securing the abolition of air passenger duty for long-haul flights: that is an indication that I will not shy away from seeking additional fiscal powers when they are beneficial, but only when they are beneficial and not for the political reasons that Sinn Féin would seek them, even though it might leave the people of Northern Ireland impoverished.

Mrs Overend: Further to what the Minister has said about the strength of being part of the United Kingdom, will he inform the House what consideration he has given to the outworkings of the Silk commission in Wales and the Scotland Act 2012?

Mr Wilson: Scotland and Wales, especially Scotland, are following their own agendas. The Scottish National Party Government wish to have greater fiscal autonomy and are pursuing that. Whether that is a wise course of action is a matter entirely for them and the people of Scotland. As I have said, I am not convinced that there are sound grounds for seeking the widespread devolution of fiscal powers for Northern Ireland, although where there is a case made for individual taxes to be devolved, after consideration of the costs and the benefits, if the benefits outweigh the costs, of course serious consideration ought to be given to it.

Mr McGlone: Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire chomh maith. The Minister mentioned earlier that officials were currently looking at other options around corporation tax. Will he outline any further steps that the Executive are taking now that Prime Minister

Cameron has kicked it down the line until after the results of the Scottish devolution referendum?

3.30 pm

Mr Wilson: Just to correct the Member: I said that officials were examining the actions that need to be taken so that, once a decision was made about the devolution of corporation tax, we had the mechanisms and regime that we needed in place so that there was not a further period of delay after the decision had been made. However, he raises an important issue: we should not simply mark time while we wait for that. There are a number of proposals that we have been suggesting in the economic pact that the First Minister and deputy First Minister have been speaking to the Prime Minister about. We regard those very much as interim arrangements that would help to deal with some of the economic difficulties that we have over the next number of months and years while we wait for a decision to be finally made by the Government on corporation tax.

Executive Committee Business

Main Estimates 2013-14

Debate resumed on motion:

That this Assembly approves that a sum not exceeding £8,271,268,000 be granted out of the Consolidated Fund for or towards defraying the charges for Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 and that resources not exceeding £8,558,118,000 be authorised for use by Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 as summarised for each Department or other public body in columns 3(b) and 3(a) of table 1.3 in the volume of the Northern Ireland Estimates 2013-14 that was laid before the Assembly on 29 May 2013. — [Mr Wilson (The Minister of Finance and Personnel).]

Ms Lo (The Chairperson of the Committee for the Environment): I welcome the opportunity to outline the views of the Environment Committee on the Supply resolution for the Main Estimates for 2013-14.

In a recent briefing to the Committee, departmental officials highlighted the decrease in the Department's current expenditure budget by £3.2 million, which is a fall of 2.6% on its 2012-13 allocation and a fall of 6.9% on its baseline 2010-11 allocation. The Committee has also noted that, with no real resurgence in the construction industry, the Department's income from planning applications is unlikely to rise for the foreseeable Budget period. The Committee has previously welcomed the measures put in place to minimise the effect of that.

Revenue generated from the recent introduction of the carrier bags levy is also unlikely to compensate for the amount of £4 million

removed from the budget, so the Committee has expressed its support for the bid submitted under the June monitoring round to cover the net deficit arising from that. Obviously, the Committee has concerns as to how the overall reduction in funding is likely to impact on the service delivery of the Department. The Committee feels very strongly that progress in achieving targets on river basin management plans has been severely hampered by inadequate funding.

The overall status of water bodies in Northern Ireland has not changed significantly since 2009, with only 29% currently at "good" status. The status of our largest inland water, Lough Neagh, is in the lowest possible category. That is particularly concerning to the Committee as it is the source of 40% of our tap water. The importance of meeting the requirements of the water framework directive has not been recognised in the Estimates. Extra resources are required, not only to address the environmental considerations of providing clean water but to avoid the payment of heavy EU infraction fines.

The Committee has also expressed reservations on the funding of local government reform. A wide range of costs has been identified, from expenditure associated with the possible relocation of headquarters and ICT changes to severance payments for councillors. The Committee believes that it is imperative that the process is adequately funded to ensure the success of the transition to the new councils. For that reason, the Committee was content to support the Department's bid in its June monitoring round submission for an additional £5.05 million to fund local government reform. I understand that that funding has already been agreed by the Executive.

I will now make some comments as the Alliance spokesperson for the environment. I believe that, for a Department with such a vast range of responsibilities, the budget for the Department of the Environment is inadequate, and does not reflect the need to protect and enhance our built and natural environment. The comparatively small spending allocation does not provide a positive message to the public from the Assembly that we care greatly about our environment. It also does not suggest that we care greatly about climate change, renewable energy or road safety, which are just some of the many issues the Department deals with that impact profoundly on our lives now and in the future.

Already struggling from an ever-diminishing financial allocation, the Department's position was made worse when £4 million was taken away from its budget, as that was expected to be recouped from the carrier bag levy. With some shops noting a 98% drop in the use of carrier bags, it now seems unlikely that anywhere near that amount of money will be raised, and I am concerned that projects that were earmarked for funding through that will lose out on much-needed investment if the departmental bid is not successful this time around. I believe that the principle of taking that money from the Department's budget was wrong in the first place. If we look at other examples, such as Wales, any money that was collected from the levy was additional to the Department's budget, and it was given to the voluntary sector for innovative and extra work to enhance the environment. I believe that that should have been the case in Northern Ireland.

As I have said before in the House, we are blessed with a rich and diverse natural and built environment, with clean air and water; beautiful countryside; lovely beaches, with or without the sunshine; and abundant wildlife, some of which is unique to Northern Ireland. Surely, it is our duty to effectively conserve and enhance our heritage for this and future generations to enjoy. Doing that will require adequate resources and a place higher up the Executive's priorities. A healthy environment will produce healthier people and a healthier economy.

Mr McGlone (The Chairperson of the Committee for Enterprise, Trade and Investment): Go raibh maith agat, a LeasCheann Comhairle. I will speak initially as the Chair of the Committee for Enterprise, Trade and Investment.

As the economy is the Executive's number one priority, the Committee has always believed that it is important that Invest NI be resourced to meet current commitments and to deliver on future opportunities that present themselves. During last week's meeting on the June monitoring round — unfortunately we did not get the papers well in advance, but, nevertheless, we did what we could with them — the Committee for Enterprise, Trade and Investment considered bids from Invest NI for £5 million for the growth loan fund, £2.3 million for the Northern Ireland spin-out initiatives that support start-up and early-stage businesses and £1.7 million for the small business loan fund. The Department stated that it may be necessary to bid for a further £2 million to £4 million later in the year, depending on the performance of those funds. I have heard that those funds have been useful in stimulating

some growth in business and, in particular, job creation support schemes.

The Committee also noted that Invest NI activity has increased over the past 12 months, with work in progress increasing by 105%. This has led to a resource bid of £4.5 million to cover expected pressures from an increased number of Skills Funding Agency (SFA) and R&D projects. Although it is heartening to see this increased level of activity in Invest NI, it is regrettable that Invest NI has to bid for funds. Invest NI is expecting to see an increase in this sort of activity, so it is essential that funds are made available now and in the future to meet demand. As the Finance Minister will know, the Committee has always supported the view that Invest NI should be provided with greater budget flexibility. The Department has informed the Committee that the tentative signs of recovery are increasing budget pressures in Invest NI. Although the Minister has provided assurances, Invest NI should be in a position to plan and move forward confidently, without having to regularly refer to the Finance Minister to make sure that appropriate financial support will be provided to secure private sector business investment and desperately needed jobs in the community.

When the Committee for Finance and Personnel was briefed on the Main Estimates in May, members were told that DETI was being allocated £4 million for something called studio capacity. The Committee would welcome more information on what that is and how, in fact, the money may be spent.

I will speak now as an MLA and as Chair of the all-party Assembly working group on construction. Some reference has been made to projects, and my colleague Alban Maginness referred to the provision of the policing and emergency services college at Desertcreat, which brings us back to this concept of spade-ready projects that many, particularly in the construction industry, hear of. The point must be made, and it is one that I am sure the Minister will readily hear, that the construction industry is crying out for those spade-ready projects, whether in roads or otherwise. The diversion, for want of a better phrase, of funding as a consequence of A5 project gives rise to the potential of other roads projects, the likes of newbuild schools and health estate projects. I would appreciate the Minister putting on record when those deliberations around reductions and adjustments in finances could ultimately lead to something happening on the site at Desertcreat, where not only the construction industry but services and the local economy in the Cookstown, Dungannon and south Derry

areas are particularly looking ahead to that project. I attended a meeting with the Chamber of Commerce, and some members there are living in hope that the project will go ahead but others voiced some scepticism because they think that, in fact, it may not go ahead. I sought to reassure them as best I could, but, inevitably, the man with the money, Minister Wilson, is in a better position than I am to do that.

On the construction industry again, last time, unfortunately, £15 million was, for whatever reason, handed back from the social housing budget. Social housing is a great investment, not only in providing people with a roof over their head, although many coming through difficult circumstances as a result of the recession need such housing, but like the other spade-ready projects, it provides tangible employment in the community. Similarly, the retrofitting of homes in the public and private sectors — that green new deal package or, I emphasise, its best elements — leads to fuel savings and addresses issues of fuel poverty in people's homes. It also creates work and saves our environment.

A final thing on the green issue, and I know that the Department of Enterprise, Trade and Investment has taken an interest in this: will the Minister look at the potential that may arise from the new green investment bank for projects? With a bit of support and, in some cases, a little nudging from the respective Departments, we can see coming to the fore a variety of projects that could, as with the others that I mentioned, give a huge injection to the construction industry, help with employment and, through the green new deal and green investment bank, help our environment. If there are potentials, and if issues and opportunities arise around funding that may be available there, will the Minister shed some light on what his Department is doing to help realise those opportunities, particularly in the business sector?

That is my submission on behalf of the Committee and while wearing my other respective hats in and around the Assembly.

3.45 pm

Mr Nesbitt (The Chairperson of the Committee for the Office of the First Minister and deputy First Minister): I will speak as Committee Chair to begin with.

The Committee was briefed by officials on the 2013-14 opening budget and June monitoring round at its meeting on 29 May this year; a meeting that should, of course, have allowed

members time to consider the Department's position. Unfortunately, some papers were received just 30 minutes prior to the Committee's meeting. I note the criticism from the Chair of the Committee for Enterprise, Trade and Investment on a similar issue. Those 30 minutes left the Committee insufficient time to consider the proposals in any detail. As a one-off, perhaps that is something you could ignore, but it is a recurring theme, I believe, not just between the Department and the Committee for the Office of the First Minister and deputy First Minister but between all our Executive Departments, or indeed most of them, and their respective Committees. Let me repeat what I have said in Committee: we are there to scrutinise, and that is not to be conflated with criticise. When you scrutinise, you may then turn around and support and praise the Department for its work. So, I do not understand why it is that we are getting late papers, particularly with regard to core financial information.

At the meeting, the Department advised that its opening resource budget was £73.9 million, a reduction of around £6 million compared with last year's figures. The Department highlighted that it was a particularly challenging allocation for this year due to additional pressures on the Department. However, at the same 29 May meeting, I think that it is fair to say that not one member of the Committee could claim with any confidence to fully understand the financial info as presented. So, there are two issues for the Minister to address: one being timeliness, the other being clarity.

One of the additional pressures I have just mentioned is in relation to the inquiry into historical institutional abuse. The Committee was advised, during the Committee Stage of the Bill, that costs were estimated at between £15 million and £19 million over the lifetime of the inquiry and that the necessary funds would be made available despite there being no baseline in the budget. I believe that the June monitoring round will see a bid put forward by the Department of some £3.8 million.

There is an issue with regard to the regeneration of former military sites, particularly Shackleton barracks, where there is no baseline for ongoing security and maintenance costs, which are significant for such a large site. The Committee was advised that it costs around £500,000 to £600,000 per annum for security, maintenance and pumping, as the site is below the waterline. Again, there is a capital bid in the June monitoring round for £1.3 million to cover the costs of those sites gifted by the

Ministry of Defence in the Hillsborough agreement.

There will be significant expenditure in relation to the First Minister and deputy First Minister's recent statement on Together: Building a United Community. Junior Minister Bell mentioned on BBC television a figure of some £500 million over the next couple of years. Again, that is something that the Committee will take a view on in the coming months. The Committee will continue to monitor the various Executive funds, such as the social investment fund and childcare fund, to ensure that spending is targeted and outcome-based.

Mr Deputy Speaker, I will speak now as a Member of the House rather than as the Chair of the Committee. I mentioned the bid in the June monitoring round for the historical institutional abuse inquiry. It is crucial that the inquiry is appropriately funded. There are concerns about the current support. During Question Time, junior Minister Bell talked about the two hours' counselling provided by WAVE. The Committee has had approaches from those who have already engaged in the inquiry. With your permission, I will read into the record a couple of quotes. The first is from somebody on behalf of a female who attended the inquiry. The witness said:

"She has not been well lately because of there being no support services or counselling in place after she came from the inquiry, just like many others before and after her. We will be fighting for support services for more than the two hours offered on a Friday morning and to have a clinical psychologist, somebody who genuinely understands and can help victims come through their pain."

Another witness was a man who attended the historical institutional abuse inquiry and was then trying to seek appropriate counselling. He wrote:

"I didn't want to do Tuesdays and I asked for Thursdays, but she did not want to lose money not seeing me on Tuesday, so it seemed that her money was more important than I was. She had the gall to say, 'Come up to the Ormeau Road to talk on Thursday.' The cheek of it. That is where I suffered so badly with nuns. I was shocked and sickened and felt so alone. Help is what I need."

I hope that the Minister will take those testimonies on board as the June monitoring round and further costs come to his door for the

historical institutional abuse inquiry. As junior Minister Jonathan Bell said, people have suffered in non-institutional settings. I make the plea to the Minister to think of making funding available for a second process. Junior Minister Bell says that you can go to the PSNI or to social services, but why do we have an inquiry whereby, when you knock on the door and say that you were abused, the first thing that happens is that the person at the door shows you a list of venues and asks whether you were abused at one of those venues. If the answer is yes, they ask you to come in and say that they will help you, but if the answer is no because you were abused at a different venue, the door is metaphorically slammed in your face, and you are told to try the PSNI or social services. There is a basic inequality.

Will the Minister make clear at what point a military site such as Shackleton Barracks will cost us more to maintain than to sell? I understand that there was an attempt to value Shackleton Barracks, with a view to selling. Surely, at £500,000 to £600,000 a year, the time will come quite rapidly when it has cost the Executive more to hold on to the barracks, and it would have to say, "Thank you, but no thank you" to the MoD.

The social investment fund was originally £80 million over four years; it now appears to be £80 million over two years. I would welcome clarity from the Minister on the spending patterns. Will the full £80 million be spent within the time frame of the CSR, and will it be spent in an equitable manner? In lieu of the social investment fund last year, the six signature projects were announced. Will the Minister tell us how much has been spent and what the spending profile is for those over the next couple of years?

At least one Member mentioned the childcare strategy: £12 million effectively in the bank. Very little of that money has been spent, but up to 50% has been allocated before the production of a strategy. Of course, there is the big issue of what are the spending plans for Together: Building a United Community, and where will the money come from?

I have the OFMDFM resource budgets for CSR 10 by programme. This is something to read into the record. It was provided to the Committee by the departmental Assembly liaison officer, who said that it is the initial 2010 four-year budget and is attached at annex A. The Community Relations Council has a year-on-year budget of around £3.5 million. Will the Minister make clear the implications of that budget line with the introduction of the

proposed equality and good relations committee? Will the budget for that new body impact on the £3.5 million for the Community Relations Council? The Attorney General gets an uplift of £250,000. Is there any particular reason why Mr Larkin needs more money? We also have the peace-building and conflict resolution centre. At a briefing, we heard that it will cost £650,000 per annum by subvention. The deputy First Minister told the House that it could generate a profit of £1 million.

Finally, in annex A of the resource budgets for this year and next year, but not the previous two years of the CSR, there is a budget line for a public assemblies, parades and protests body. That phrase came out of the Hillsborough agreement when the DUP and Sinn Féin attempted to sort out parading and said to leave it up to them and that they would come up with a new way of doing things. They were proposing a public assemblies, parades and protests body, for which they have budgeted £2.2 million for this year and £2.390 million for next year, which amounts to £4.5 million for a body that does not exist. Perhaps the Minister will explain that in his closing comments.

Ms S Ramsey (The Chairperson of the Committee for Health, Social Services and Public Safety): Go raibh maith agat, a LeasCheann Comhairle. It is probably the only time in the history of the Assembly that the Minister has had everyone saying nice things about him, not attacking him, but putting him in a good mood. Maybe the bit of sun at the weekend was the best thing that could have happened for you, Minister?

Mr Wilson: It would take more than that to put me in a good mood.

Ms S Ramsey: Having listened to some contributors to the debate, there are questions that officials from all Departments need to answer to their respective Committees. They also need to present paperwork to Committees earlier so that we can carry out our role of scrutinising what Departments are doing. We are not there for the sake of constantly battling with departmental officials. I say to them all the time that I do not want to fight with them every week. I want them to give me the relevant information. It is about having a partnership approach to ensure that we get the best outcomes for the people we represent.

The Committee for Health, Social Services and Public Safety met departmental officials on 29 May to explore some of the challenges facing

the Department in its 2013-14 budget. The officials told the Committee that the Department is facing a funding shortfall this year and has, therefore, decided to submit significant bids in the June monitoring round. One of the main areas that needs extra funding is the transitional cost for implementing Transforming Your Care, or TYC as it is known. Some Members probably did not know what TYC was until a few weeks ago when we had the debacle around the residential care homes. There is a concern that this policy and vision is in place, whether or not it was voted on in this Assembly, and, every so often, the Department comes to us to say that it needs additional money to implement it.

Mr McCarthy: I thank the Member for giving way. Does she agree that it was rather disappointing that, when the officials came to the Committee a couple of weeks ago to talk about the June monitoring round, they were not in a position to tell us exactly what the funding was for domiciliary care, on which so much of Transforming Your Care depends?

Ms S Ramsey: I am going to cover that point near the end of my remarks on behalf of the Committee. The Member is right; domiciliary care is an important part of Transforming Your Care. When we talk about bringing more services out of the acute/hospital sector and into the primary care/community care sector, it is important to get that right, and domiciliary care is a key component of Transforming Your Care.

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

The Department told us that is estimated that £70 million is required to implement TYC between 2012 and 2015. Last year, the Department received £19 million through the invest-to-save scheme, and it is bidding for £28 million in June monitoring to cover the current financial year. As Chairperson of the Committee, I would be mad not to hope that the Department gets additional funding, and the Committee welcomes the bid for money to implement Transforming Your Care, but we were disappointed that officials could not provide us with the detail on what the money will be spent on. The Deputy Chairperson of the Committee covered that when he was talking about additional nursing staff.

We have been trying to probe further in order to find out whether that money will go towards creating new jobs so that Transforming Your Care is implemented. Will new jobs be created in health and social care? If so, in which

professions, and in which locations will they be based? What new posts are required to support integrated care partnerships, which are a key theme of Transforming Your Care? How much money is going into domiciliary care? That is the question that Kieran McCarthy asked. These are all important questions to which the Committee needs answers so that we can carry out our role.

The Committee was also concerned that a bid has gone in for external consultants — not medical consultants — to be part of the management process for implementing TYC. Members will recall that the same issue came up a number of months ago when money was given to external consultants to develop population plans. One of the key questions asked by our Committee was this: why are we paying good money to consultants to tell us our population plans when the Health and Social Care Board and the trusts should have that information? If they are delivering services to a population, it seems silly that they do not know the size or the needs of that population.

4.00 pm

The Department is very large and it employs some very clever people, some of whom have been there for a long time. The Department includes the board and the Business Services Organisation. Some of the people involved in those organisations are highly qualified and skilled. I do not understand why we need to pay good money for external consultants when we have that level of service and skills in the Department. The issue of where they link up depends on what the trusts and the board do on Transforming Your Care. The involvement of external consultants is a concern.

The Department is bidding for £26 million for elective care to bring down waiting times in a range of specialities, including orthopaedics, general surgery, gynaecology and cardiology. The Committee welcomes that. Every one of us in the Chamber will have dealt with constituents who have been told that they will have to wait months for a first appointment, a follow-up appointment or, indeed, surgery. Any strategy to tackle waiting times has to be welcomed. We want to see the Department getting a handle on this, but we have a genuine concern about using the private sector to tackle the backlog. It might tackle the backlog in the here and now, but will we be in the same position this time next year? Is using the private sector to tackle the backlog, especially in general surgery, orthopaedics, gynaecology and cardiology, a wise use of public money? The whole issue of waiting lists, and what can

be done to better manage them, is a piece of work the Committee has agreed to look at in more detail in the autumn.

The Department also told the Committee that it is bidding for £1.2 million for the costs that will be incurred by the Ambulance Service, the Fire and Rescue Service and some of the health and social care trusts due to the G8 summit. Other Members mentioned that issue earlier. We have queried why all the costs associated with the G8 are not being picked up by the Foreign and Commonwealth Office. As a Committee, we support wholeheartedly the Executive's approach to ensure that any costs incurred by our health and social care budget are paid back. The Health Department has been underfunded for many years, without having to cover the costs of a G8 summit. That is mad, so I support the Minister and his Executive colleagues in trying to get that money back. We are trying to get more detail about what the £1.2 million is for. I mean, £1.2 million for a four-, five- or six-day visit?. Flippantly, I asked the other day whether we are going to put up a field hospital in the fields of Fermanagh. That £1.2 million is a lot of money to come from one Department. I am sure that some of the services in the community and voluntary sector would love £1.2 million to deal with issues over a three- or five-year period, never mind £1.2 million for five or six days.

Members will recall the ongoing debate about PEDU when there was an Ulster Unionist Health Minister. The DUP supported PEDU's involvement. As the Minister knows, we have asked the Department for a copy of the 2011 PEDU report so that we can see what recommendations it made for possible savings and efficiencies. Officials have advised us that they require the permission of the First Minister and deputy First Minister to release the report to the Committee. The Committee has agreed to write directly to OFMDFM so that we can get sight of the PEDU report. We feel that access to that report is critical to our understanding of the Department's approach to managing its budget. I hope that the Committee will receive that soon, but I appeal to the Minister on that issue today. The DUP was all over PEDU when Michael McGimpsey was the Minister.

Mr Deputy Speaker: The Member's time is up.

Ms S Ramsey: Now that there is a DUP Minister, it does not seem that the officials are quite so willing to hand over PEDU reports. We wrote to OFMDFM about that, and I hope we get it soon.

Mr Kinahan (The Chairperson of the Audit Committee): This is what you have all been waiting for: a report from the Audit Committee.

On behalf of the Audit Committee, I wish to confirm that the provision for the Northern Ireland Audit Office in the Main Estimates corresponds with the amount agreed by the Audit Committee and laid before the Assembly earlier this year. The current financial climate remains challenging, as the reduction in money available for public expenditure in Northern Ireland continues. The Assembly wants the available public funds to be spent wisely. The Assembly must be able to hold to account the public bodies that have that task. The work of the Audit Office provides the Assembly with effective and truly independent audit assurance in relation to the use of public funds.

In December 2012, the Audit Committee approved the Audit Office's corporate plan for 2013-14 to 2015-16. The plan sets out how the Audit Office, as the Northern Ireland public sector auditor, will hold public bodies to account for the way they use public money. It shows how the Audit Office will undertake its core activities of financial and value-for-money audit. Each year, the Audit Office will conduct audits of over 200 public sector accounts. It will also undertake 11 value-for-money examinations annually. That work is of crucial importance to the Assembly and, in particular, to the Public Accounts Committee, which works closely with the Audit Office to determine whether public bodies have spent taxpayers' money economically, efficiently and effectively.

Of course, the Audit Office does not just have a role to play in ensuring that other public bodies use public funds appropriately. It has a duty to ensure that it, too, operates in accordance with best practice and provides the public with value for money. The Audit Committee, therefore, welcomes the acknowledgment in the plan that the Audit Office itself must maintain the highest standards of propriety and regularity and promote and secure value for money in its use of public funds, while producing quality, value-adding pieces of work.

The Audit Office has already secured significant efficiencies and cost reductions in recent years. It has done that without compromising either the quality or the scope of its work. Its plan anticipates a further decrease in cash terms in the net resource requirement during each of the first two years of the plan. That is followed by an increase in the third year of the plan. The Committee considered the proposed resource requirement in the draft plan and is satisfied that the reduced net resource requirement of

1% in 2013-14 and a further 0.9% in 2014-15, on top of the other efficiencies already made by the Audit Office since 2011-12, is consistent with the overall direction given by the previous Audit Committee in December 2010. That Committee agreed that it envisaged the Audit Office reducing its requirement by at least 10% in cash terms by 2014-15 from a 2010-11 baseline. In fact, the Audit Office's net resource requirement for 2013-14, as provided for in these Estimates, represents a cash terms reduction of 11.39% from the 2010-11 figure of £9.4 million.

The Committee sought assurance from the Comptroller and Auditor General that the proposed savings represented the maximum reduction that could be made by the Audit Office, while — and this is important — maintaining the quality and breadth of service to the Assembly. Having received that assurance, the Committee agreed the 2013-14 Estimate, which provides for a decrease in the net resource requirement of 1% in cash terms from the Estimate for 2012-13, meaning £8.327 million compared to £8.414 million.

The Audit Committee is committed to ensuring that the Audit Office has the resources necessary to ensure that the Assembly is provided with an effective and truly independent audit assurance in relation to public funds. However, it is also important that that should be done in as efficient a manner as possible. The Audit Committee will continue to consider the Audit Office's resource requirement annually. The Audit Committee endorses the provision in the Main Estimates for the Audit Office and looks forward to the continuing valuable support that the office provides to the Assembly.

I will now speak as a Member of the House, although my comments will relate very much to the audit role and will touch on efficiency savings. Many have discussed the failure to get clarity or timeliness in reports to various Committees, but I was shocked in the Education Committee when, in the presentation by the Northern Ireland Audit Office, the assistant auditor general said that all Departments do not really understand what efficiency savings are and how to achieve them. That is shocking. By efficiency savings, we mean managing how money is spent to save money and, most importantly, how it is effectively spent to create savings elsewhere.

As part of the Budget process, the Executive agreed that, from 2008 to 2011, Departments should work to deliver efficiency savings of 3% a year. What do we really mean by that? We mean savings that are not achieved by simply

cutting funding of priority front line services. We are told that, especially in education, efficiencies that were claimed to be efficiencies were in fact one-off savings and that they may well lead to increases in costs per unit per output. That is extremely worrying. The report states that the present departmental reporting lacks sufficient detail, is not informative and lacks clarity. The Northern Ireland Audit Office argues that efficiencies can only be genuinely claimed when there is no reduction in the volume or quality of service delivery. We were told that, often, no information was provided on volume of outputs or quality of services and, therefore, that no informed interpretation was possible. We are governing Northern Ireland with no proper transparency or understanding of how to do so efficiently. Minister, I hope that you will look at and review what is happening to ensure that all Departments fully understand what is meant by efficiency savings and how to carry them out.

The Northern Ireland Audit Office also observed that there was no centralised challenge function in the context of efficiency delivery plans and the validity of efficiencies. What do we mean by no challenge function? That is all of us on the Committees. Do we all know what we are doing on the Committees to challenge each Department and its spending? I acknowledge that we have the Public Accounts Committee and that a briefing is going on at present on how to question effectively. But is that enough? I ask again: what will the Minister put in place to make sure that all Committees become excellent challenge systems? It is incredibly important, and we should all take on board that we must learn how we all have a role in making this Building work efficiently.

Mr Allister: Traditionally, in worthwhile Parliaments and Assemblies, Supply day resolutions tend to be good opportunities for opposition parties to explore and interrogate issues. So, I thought that, with last week's announcement of a new, vibrant opposition party, NI21, there would be nothing for me to do today. To my dismay, I discover that we now have to add the acronym AWOL to NI21, because here is an opportunity to explore, interrogate, challenge, expose and oppose all the things in the Estimates, and suddenly there is a deadly silence from that quarter. It is most disappointing, Mr Deputy Speaker, considering that I thought that I was going to have things much easier in the Assembly now, but there you are.

4.15 pm

I will begin by questioning the veracity of this process. We all, very solemnly, come here and have trundled out to us in a resolution very daunting figures of eight and a quarter billion of cash or eight and a half billion of resources or whatever that will be supplied. It is all part of a very focused, orientated and worked-out budgetary process, and we are told that this is how we do it because we know what we are doing and how we are going to spend this money, what it is for, etc. We travel along with that ringing in our ears, and then something such as what happened a couple of weeks ago occurs. We have the First Minister and deputy First Minister — I welcome Mr McCrea to the debate. *[Laughter.]* He is a little underdressed today compared with his previous appearance. We have the First Minister and deputy First Minister suddenly announce all sorts of grandiose schemes that are not in any of these Estimates and are not in any budgetary document and which the House has never approved but which will come to fruition. No one is saying how they will be paid for. You have a bit of financial making on the hoof in a TV studio from a junior Minister who plucks out a figure of £500 million. However, at Question Time today, question 5 to the Department of Finance and Personnel was:

" to ask the Minister of Finance and Personnel to detail the financial implications of the Together: Building a United Community strategy".

What happened? You did not get an answer, because the question was transferred to OFMDFM. Here we are, debating with all seriousness — or we are expected to — all these issues about how we will find and spend the money, and when a question such as that is asked, it is not for the Minister to answer it but for OFMDFM to answer it. So, where is whatever the figure is coming from? Where is it in these Estimates?

Take DEL, the Department on whose scrutiny Committee I sit. The Minister for Employment and Learning was never consulted about the very significant NEETs dimension of Building Together or whatever the latest fad for calling the project is. It is the Together: Building a United Community strategy, and it is used to be known as shared future. If you want to dust something down and reinvent and re-present it, you always have to change the name, so we had to change the name from shared future to the Together: Building a United Community strategy. Helping the 10,000 young people who, unhappily, are neither in education nor employment is an important part of that strategy, and, yet, the Minister for Employment

and Learning, who is in charge of that, was never consulted. He came to the Committee and did not know how it will impact on his Department, because he already has a NEETs programme. He did not know how it will be tweaked or changed or whether it is additional or supplementary to his programme or whether it is part of it or is intended to replace the existing NEETs programme. There were no answers to any of that.

Mr D Bradley: So what?

Mr Allister: "So what?" Indeed. I suppose that that about sums it up. "So what?" One just might expect that the Minister for Employment and Learning would have been consulted and asked about these things, that his view would have been taken and that what was proposed would have been something that would dovetail with and fit into that which is already on the boards. But, no, that is too much to expect, it seems.

One could go on about other aspects of that programme. Where is all of that in this infrastructure of budgetary process that we go through, including Supply resolutions and in-year monitoring and all of that when, suddenly, things like that can be whipped out of a hat with no funding spelt out whatsoever?

Then, of course, we have in these Estimates figures for, say, Roads Service. The Department for Regional Development is to get so many hundreds of millions of pounds. Then, the A5 programme hits the — falls apart, let us say, and the money is not required. One might have thought that that would be an opportunity to advance roads projects that are needed in other areas, such as the A26, which is one of the most dangerous roads, as is proven, sadly, time and time again, year in and year out. One would have thought that that was a programme that could, therefore, be accelerated and improvements made. However, it may well turn out that all that money will be siphoned off, maybe to pay for Building a United Community. The very day on which the First Minister, belatedly, came to the House to talk about Building a United Community, he dropped a hint that he was looking avariciously at the A5 money. I want to say this: if the House was previously persuaded that that block of money was for roads projects, it should be for roads projects — roads projects that are much-needed, such as the A26. It would be shameful if that money were siphoned off elsewhere, and yet that may well happen. Perhaps the Finance Minister will assure us today that none of that will happen and that other roads projects that

are shovel-ready or can be made so will be the beneficiaries of that windfall of funding from the A5. One listens with interest to see if he can give us that assurance.

I will pick up on one or two other points. Huge amounts of money in these Estimates are allocated to the Maze project. Some £7.371 million is allocated to the Maze/Long Kesh Development Corporation, which will foist upon this community the Maze shrine. It is going to build the peace and reconciliation centre cheek by jowl with the hideous, ugly, toxic political building that is the hospital wing and all that goes with it. Not so long ago, when the proposition was that a stadium might be built there — that might seem, to some, a more innocuous proposition than a political peace centre — this Finance Minister, at that time in the House of Commons, had words of rebuke for it. It was, as he put it, the provision of a shrine to hunger strikers at the Maze. He sought assurance from Ministers at Westminster that direct rule decisions taken about that would now be capable of being reversed. Now, of course, what we find happening is that they are capable of reverse, but reversed with a project much less appealing than even a stadium, a peace and reconciliation centre that will be tainted by all of what the Minister previously talked about as existing at the Maze. If we need a peace and reconciliation centre, why put it on the single most toxic, divisive site you could find anywhere in Northern Ireland?

Mr Deputy Speaker: The Member will bring his remarks to a close, please.

Mr Allister: Why not give it a chance by putting it on a neutral site? Sadly, it is not going there; it is going to the Maze —

Mr Deputy Speaker: The Member's time is up.

Mr Allister: — because, in this House, what Sinn Féin wants, Sinn Féin gets.

Mr McNarry: The Minister will agree with the understatement that money is tight and value for money is the order of the day for all distributors and users of our public purse. I expect him to know, because, as the Finance Minister, he knows all about those matters. He will also know that the Department for Regional Development is giving the Northern Ireland Transport Holding Company a 10-year service agreement contract to provide transport in Northern Ireland. I am sure that he is concerned, as I am, that, despite knowing that, that Department's Minister is going forward

today with figures that may not be value for money with that contract and the nebulous situation in which Translink does not have a contract but still avails itself of millions of pounds of public money. Therefore, I am not comfortable with you, Minister continually asking the House, as you have been doing — it is your job, which I respect — for money for regional development to be used further to subsidise the Northern Ireland Transport Holding Company and its trading arm, Translink, particularly in view of the facts. Translink says that it has an £86 million pension scheme deficit liability; that it recently cleared a bank overdraft of £31 million; that it holds £10.5 million in cash and £13.5 million in short-term deposits; and that, on top of that, it has £50 million in other reserves, yet it will carry forward £38 million in trading losses. Minister, are you comfortable with that?

The Minister is the economist. I can read accounts and I can count, but blow me — it blows everybody with whom I sit on the Regional Development Committee — and blow us all if we can understand Translink's management and pursuit of public money when those facts are now in the public domain. I cannot understand how a company can have an overdraft of £31 million when it has £50 million in other reserves of which we know little and £10 million and £13 million in reserve. I ask the Minister whether it is in the public interest and whether he can assure the House that, as Finance Minister, he is content to submit to all requests from that company, as he knows it to be today, for significant and substantial finance, let alone the Assembly, whose duty it will be to decide whether there is a 10-year contract for that or any other company? I ask him on the basis that this is public money for our public service. With the facts that are to hand, I cannot as yet endorse that it is value for money. Can he stand in front of the House today and tell us that, in his opinion, this continuous drip of money for Translink, no matter what it is being used for, is value for money? Can we accept the facts and figures that his Department has obviously sifted through to bring forward any request that future money for Translink should be endorsed by the House?

Mr B McCrea: A number of Members have asked what the Estimates mean because they are not particularly transparent. In fact, Mr Allister was rather chiding of the remark about certain people not being here to participate in the debate. I regret that I have not matched the sartorial elegance that he was expecting on this occasion, though I note that he is looking rather dapper. I doubt that I will be able to match his

eloquence in putting these things forward, but I will make a number of germane points, because he answered his own question in coming forward on this issue.

This is not a transparent process. Mr Allister started his discussion about the Department for Employment and Learning. For a time, I had the privilege of chairing the Committee, and we went to extensive lengths to understand the budgetary process. Even with all that effort, it was particularly difficult to do so because one had to deal not only with the baseline figures but with the results of in-year monitoring reviews, funds coming from Europe and, occasionally, unhypothecated money coming from Westminster as a part of Westminster projects. Where that money goes to is something of a mystery. In particular, when we were looking to deal with the issue of youth unemployment — the figure is quite significant and, in my opinion, is increasing — we were told that we were spending more per capita on youth unemployment in this region than is spent anywhere else, yet still the figures increase. I am not sure whether the money is being spent wisely. Part of it comes down to it being an issue for the Government to decide, collectively, how they will spend the money, but, looking at the figures in that one particular area, I am at something of a loss to understand whether we are being effective.

4.30 pm

I will mention some other points. At this point, I will say that I do not profess to be an expert on the issue, but I hear anecdotal evidence that waiting lists in our hospitals, particularly in A&E, are growing very substantially. Apparently, demand for the services of our National Health Service is rising at a level of 6%, yet our resources are rising at only 1.5%. That is bound to lead to people being dissatisfied with a significant part of the service that we provide as a Government. So, I would be interested to hear whether the Minister thinks that this is a particularly serious issue. Has he been in negotiations with his colleagues about how they transfer funds from one end to another? What is our corporate plan for dealing with the matter?

I will move on to some other issues that are of particular concern to me. Again, the Minister may have more information on this. I realise that not all of this expenditure will be government expenditure, but the effect is serious and is of a strategic nature, and it is in respect of our energy policy. As I understand it, the issue is that by 2016 the energy supply that we will have will be very close to the maximum

requirement to keep the lights on in Northern Ireland. We have to make serious decisions about making expenditure, whether it is on the Moyle interconnector. A sum of £40 million, I believe, has to be spent. The interconnector is, I think, a mutualised business now and is properly the responsibility, I suppose, of the long-term bond holders. This question must be asked: given the seriousness about keeping the electricity flowing in Northern Ireland, will the Government look to put a different form of management into that company? Will there be some issue that we might give money to bring the interconnector on line, given the seriousness of the threat to supply? Will the Minister consider giving money towards Ballylumford? As Members know, as things stand at the moment, Ballylumford will close down because it cannot meet the emissions standards required by the EU. It would take £30 million to £40 million to make it acceptable. Perhaps in the interests of the strategic need for electricity in Northern Ireland, the Minister will consider whether we should give money in that direction.

The final point on the electricity side of things is that the Government here have a commitment to produce 40% of the electricity generated by 2020 —

Mr Hamilton: Two thousand and sixteen.

Mr B McCrea: Thank you very much. They have a commitment to supply 40% of it from renewable resources. That will require significant resources to be spent on infrastructure. The regulator estimates that to be some £900 million, which is very sizeable. That may come from the electricity user or government subvention if the Executive feel that that is appropriate. Either way, it is a really significant intervention. We still have no clarity about the interconnector from Cavan to Northern Ireland. We have to do something about that if we are serious about keeping the lights on for our industry and domestic users. Perhaps the Minister will address the question of whether government expenditure will be used to alleviate the problem.

My final point is on the provision of broadband to rural areas. As I understand it, a significant sum was set aside for that in line with the UK broadband initiative. Other areas of the United Kingdom have progressed beyond consultation, and their process has been approved. Scotland, certainly the Highlands, is in the procurement phase. That will see significant spending on rural broadband infrastructure. Yet, I understand that the Department of Enterprise, Trade and Investment is not able to

make progress because there was a flaw with its consultation process and it will have to be done again. Given that this issue is particularly important in many areas of Northern Ireland, what will the Minister do with the money that has not been spent to date, given that there is now a delay? Will that money be reallocated, or will we put in additional sums to make sure that we do not fall behind on a project that many in Northern Ireland are waiting for?

On the issue of how we go about our business — I have heard the Minister speak about this — if we are to have meaningful contributions and debate, we need to understand the figures. We need clarity in the information that is put forward. It takes significant resources to prepare those figures and make them available. It also takes significant work by Members to get to the bottom of the argument. It is incumbent on the Government to come forward collectively and say with one voice, "This is what we intend to do. This is where we will allocate the resources". On that basis, where there is clarity of vision on the way forward, we will provide the necessary oversight and clarity of interrogation. Until then, I can only wait to hear what the Minister has to say.

Mr Flanagan: Go raibh maith agat, a LeasCheann Comhairle. Mr McCrea never fails to astound me. As he rose to his feet, he was tweeting a picture of himself engaging with students at a school in Antrim. Fair play to him for that.

Mr Deputy Speaker: Order. We are debating the Budget.

Mr Flanagan: Somewhere in there, Mr Deputy Speaker, is a tenuous link to MLAs' expenses and mobile phones.

I thank the Minister for tabling the motion. The crux of it, for anybody who is interested in this process — that may be very few, even if you include MLAs — is that people will be asking what those of us elected to this place are doing to respond to the growing and continuing need. What are we doing to deal with the growing and continuing economic crisis here, and what are the responses to that crisis? It is useful at a time like this for Ministers to spell out clearly what has been done. However, it is also useful to listen to Back-Bench MLAs and to consider alternative ways to deal with problems in whatever Department Members wish to raise queries about.

It is also important for us to reflect that, two years into the mandate and this Programme for

Government, the number one priority of the Executive, which is rebalancing the economy, has yet to be achieved and is still a work in progress. It is still the number one priority for the Executive and MLAs, but it remains to be achieved. When you look at where we are now compared with two years ago, there has been considerable improvement, but, despite all the efforts made and good work done, the crisis continues. Many communities still face high levels of unemployment and emigration, particularly among young skilled people, which the Executive collectively and we as an Assembly need to continue to attempt to address.

It would be useful if the Minister could detail progress on tackling the number one priority of the mandate, which is growing the economy. We will hear talk about rebalancing the economy, and that will immediately turn to talk about devolving corporation tax powers, but so much more needs to be done to reduce overheads for businesses. I know that the Minister is doing a lot of good work there, particularly on rates, but one of the big costs for businesses, through energy, is actually taxation. That is not within his or the Enterprise Minister's control, but it needs to be addressed.

There is an awful lot of frustration about further threatened cuts to welfare, government expenditure and investment in infrastructure. The Executive need to outline clearly what they are doing to tackle those three issues. It is good to hear that the First Minister and deputy First Minister continue to put pressure on Downing Street on all those issues.

It would also be useful if the Minister could provide the House with an update on the work of the Budget review group, which was mandated to identify £1.6 billion of new revenue streams. Can he outline the progress that has been made on that to date?

Sinn Féin wants to see a progressive and effective response to this crisis. It has to be both progressive and effective. Once again, it needs to be stated that our number one priority is to grow and rebalance the economy, and there needs to be a specific emphasis on job creation in there. On the fiscal powers and levers that the Assembly has, the Minister is, as we all know because he has stated it on many occasions, reluctant to pursue further fiscal devolution. So he deserves credit, even with that sentiment clearly expressed by him that he has done it where it is the will of the Executive, and with considerable success. The Minister needs to move beyond his point of opposition as a unionist and do what is best for the

economy. Simply throwing out figures that this is how much this deficit is, without an actual figure, will not wash with people. He has a position of opposition just because he is a unionist Minister rather than wearing the other hat that he claims to wear as an economist. That hat seems to be set aside most of the time.

Our lack of fiscal powers here means that all we are talking about is moving money around at the discretion of the British Treasury and how much it, without any input from us, decides to give us. Primarily for that reason, many outside the House find the budgetary process very technical, very boring and very detached from their everyday life, whereas, if you look at Parliaments in other jurisdictions, you see that the process has a much bigger impact on citizens' daily lives, and they have a much bigger input into the way the Budget is carried out.

I look forward to the debate continuing tomorrow. I genuinely do not know what points Mr McCrea will have left to cover, but I am sure that he will get something in.

4.45 pm

Mr Wilson: I thank all the Members who attended and took part in the debate. Some obviously gave it their full attention, some gave it partial attention and some gave it no attention. Mr Flanagan seems to have spent some of his time listening to or looking at — whatever it is that you do — Mr McCrea's tweets on the Twitter machine. *[Laughter.]* It is nice to see that the new party for Northern Ireland is on a lead, and that at the end of that lead is Jim Allister, who upbraided him and, all of a sudden, Mr McCrea appears in the Chamber. I thought it was NI21 last Thursday, P45 on Monday, but it appears that he was dragged, screaming, into the Chamber anyway. I am not going to pay too much attention to what he said during his contribution, although I notice that, despite the fact that he was outside twitting, getting photographs taken and everything else, he was able to tell the Assembly what a number of Members had asked. I do not know how he finds that out or whether he has some kind of crystal ball, but he certainly did not find it sitting here doing his job as the opposition — the new, qualified opposition for Northern Ireland. Anyway, leave that aside —

Mr B McCrea: On a point of order, Mr Deputy Speaker.

Mr Wilson: I knew that would provoke him, Mr Deputy Speaker. *[Laughter.]*

Mr B McCrea: The Member must check, Mr Deputy Speaker, that the television system that goes through this Building, conveying all the debates, is still working, because Mr Wilson seems to be unaware of it.

Mr Deputy Speaker: I remind the leader of the new party that that is not a point of order. I also encourage the Minister to, perhaps, stick to the debate.

Mr Wilson: It is not much of a recommendation, mind you. He spends all day twitting and watching the TV. *[Laughter.]* I do not know, but it is not the image that I would like to have, anyway.

Let me turn to the points that various Members have made. First, I will turn to the Chairman of the Committee for Finance and Personnel. What he pointed out actually fits in with some of the other issues that Members have raised throughout the debate as to where the money is coming from for this or that issue, and, of course, the united community initiative that the First Minister and deputy First Minister announced was one of the main targets for that kind of question. At the start of the Budget process, over two years ago, I said that although we were establishing a four-year Budget, as circumstances changed, as additional resources became available, or if we found that certain things that we planned to do could not be done, the shape of the Budget would, of course, change. That is the correct approach to have, because, of course, new challenges will arise, and we have to find ways of resourcing those new challenges and, perhaps, providing for additional priorities. The Chairman of the Committee very helpfully pointed out that, as a result of some of the changes in the review of the allocations that were made and the fact that some Departments were continually making returns in the monitoring rounds, we changed some emphasis towards DEL to deal with youth unemployment and the challenges that were arising as a result of the recession. Additional money was also made available to the Department of Education. This year, £15 million will go directly to schools' budgets, because schools were finding themselves under pressure and looking at how they were going to provide for the services in the classroom, etc.

The Chairman of the Committee for Finance and Personnel also welcomed the memorandum of association on the Budget

process between the Assembly and the Executive. I agree that it is important to set out the respective roles and responsibilities of Departments and Committees. Indeed, a number of other Members raised that issue: how do we get better scrutiny? I think Mr Nesbitt raised the same issue, as did Mr Allister and a number of other Members. I have to say that I think legitimate complaints have been made. In the past, I have criticised Ministers and Departments for not doing this, but there are legitimate complaints. If we are to carry out our scrutiny role and Committees are to carry out their scrutiny role, information, of course, has to be made available to Committees to allow them to do that. As Sue Ramsey said, it does not always have to be seen as confrontational. It is not that you withhold information so that the Committee cannot have a row with you. Eventually, the information will be there, anyway. If it comes late, the Committee can always have another go at it at some other time, and sometimes it only causes aggravation. I have no difficulty with proper scrutiny of budgets. That is what my Department does. That is what Committees ought to be doing. In that way, how public money is being spent should be, and could be, properly scrutinised. It is an important role that we need to carry out and for which we need to facilitate Members.

Mr McKay also raised the review of financial processes, as did a number of other Members, including Paul Girvan and Mr Cree. I have made it clear that I have no difficulty with what the Committee asked for on that. In fact, it is my Department's view that we want to have a more transparent and streamlined means of presenting Budget statements and information to allow for greater scrutiny. I hope that the Chairman of the Committee will try to persuade his party colleague, with whom I have spent hours trying to sort that out. One problem is that we do not want to have so many budget lines, so you concede on that. Then, we do not want to have scrutiny of whether something is a reduced requirement. If a Department bids for money, and does not spend that money, which was voted to it, I would think that the whole Assembly would want to ensure that it was returned so that consideration could be given to how it should be spent. Otherwise, Ministers could get into the position where they simply put in bids for things that are dead popular and, afterwards, spend the money on things that are unpopular. That is no way to allocate budgets. That is the crunch point with the Minister of Education at present. I welcome any help that can be given in dealing with it.

Mr McCarthy: I am grateful to the Minister for giving way. He will be aware that, this afternoon, we had a statement from his colleague the Minister for Social Development. It contained the horrendous fact that £18 million had been wasted, squandered — call it what you will. He is talking about scrutiny. Where was the scrutiny when that £18 million of public money was blown? Can the Minister explain where he stands and how he sees that horrendous state of affairs?

Mr Wilson: We have got to ensure that that scrutiny also extends to arm's-length bodies such as the Northern Ireland Housing Executive. Sometimes, the worst practices occur in arm's-length bodies. Some of the worst scandals have, of course, arisen in such bodies. So, it is important that that scrutiny should extend to them. Of course, where there have been issues, they should be addressed quickly.

Mr Girvan raised the issue of corporation tax. As I have made clear time and time again, we are continuing to pursue that with the Government at Westminster. In the meantime, through the economic pact, we are looking at proposals that may help the economy in the interim until a final decision on that is made, but work is ongoing. He also raised the issue of savings delivery plans. Again, I agree with him and the Chairman of the Committee. I think that Mr Cree also raised the issue. Those savings delivery plans should be presented to Committees and be open to scrutiny.

Mr Bradley raised a number of issues. First was the A5. Indeed, Mr Allister raised the issue of the A5 money as well. That money was allocated by the Executive; it was a priority. Now, it cannot be spent as a result of insufficient information being supplied with the planning application and the judgement of the court that the whole project had to be stopped. When the Executive have looked at all the bids for that money, we will decide how it will be spent. Mr Allister put forward an attractive but, I must say, fairly superficial argument on that particular issue, and I remind Members that that £113 million has to be spent this year. We do not have the ability to carry it forward, and that does limit the number of projects that can qualify for that money. My understanding is that the A26 is not at the advanced stage where the money, or part of it, could be spent in this particular year. Then, of course, there is the money for next year as well. So, projects will be judged against the priorities and how quickly the money can be spent to avoid any underspend, which, of course, would be lost to the Northern Ireland economy.

Mr Bradley also raised, as he always does, this next issue. Despite the fact that I always give him a good answer, he never believes me; he really does doubt my responses. The position on capital receipts is good news for the Executive. In the Budget for 2011-12, we set out to raise £141.9 million, and we exceeded that target by £30 million. For 2012-13, we set a target of £127.3 million, and it looks like we will exceed that target by £40 million. When it comes to revenue raising, we anticipated that we would raise £372 million in additional revenue over the first two years of the Budget, and we have exceeded that target by £50 million. So, I hope that Mr Bradley is comforted by the fact that we have —

Mr D Bradley: Will the Minister give way?

Mr Wilson: I will. Again, I suspect that he will cast doubt on the figures that I have given, which, of course, are there for scrutiny.

Mr D Bradley: I thank the Minister for giving way. My mind goes back to the draft Budget announcement in, I think, December 2010. At that stage, a figure of £1.6 billion in revenue-raising measures was talked about. In fact, I am surprised that Mr Flanagan asked you a question about that, because Caitríona Ruane claimed that Sinn Féin had raised that £1.6 billion. Anyway, that was reduced to £826 million, so maybe the Minister can tell us what remains of the £826 million in revenue-raising measures still to be acquired.

Mr Wilson: I cannot answer for Caitríona Ruane. I can be trusted, and I will leave Members of the Assembly to draw their own conclusions about some of the promises made by other Members in the House. I have given the House the figures for what we intended to raise over the past two years and the figures for what we actually raised. I am happy that we exceeded the targets and that we will continue to do so.

Mr Bradley also raised the issue of the £18 million that DETI spent on the Titanic signature project. That project came in on time and on budget, and it has been a massive boost for the tourist industry in Northern Ireland, despite the predictions of the Audit Office — Mr Kinahan places a great deal of support in it and is very confident about its predictions — that we would not even meet the target of a quarter of a million visitors; there have been 890,000 visitors through the Titanic signature project. So, the building was good value for money, and the project was good value for the economy and the tourist industry in Northern Ireland. We

are still looking for projects that could absorb that £18 million so that we can switch our own capital spend to that part of the budget for DETI and use EU money for other projects. I hope that we will be able to report to the Assembly on that fairly soon.

Mr D Bradley: Will the Minister give way?

Mr Wilson: I want to try to get through a number of points; I have answered that question time and time again anyway.

A number of Members raised the issue of building a united community, the responsibility for which, of course, rests with OFMDFM. All that I will say is that the First Minister and deputy First Minister have made a high-level decision on that and have reported to the Executive. The detailed work has still to be done, and the exact figures for what can be spent this year and in subsequent years have not yet been provided.

That is not unusual with any policy. I continually hear it at Westminster. When a Minister announces a policy, the question is "How much will it cost?". The answer is always "We are working through the detail of the issue". I do not think that anybody can say anything about the objectives, which are to promote shared education and to deal with that hard core of youth unemployment. Even during the boom times, we were not able to get those people into employment, which contributed greatly to the high levels of economic inactivity in Northern Ireland.

5.00 pm

Mr Bradley referred to the regional soccer stadium. I cannot comment on the detail of that because I do not know how long the judicial review will take or what its outcome will be, but DCAL will robustly challenge the case that has been put forward by Crusaders and is working to ensure that the money is spent on time.

Mr Bradley also mentioned the social investment fund and asked why it was taking so long to spend the money. A number of Members raised that issue. When the fund was introduced, we were told that the money would be thrown out the door to paramilitaries. It has taken a long time to put in place the nine regional groups to decide on local projects, to have that returned and for the final sift to be done. I know that from my own area, where projects are dealing with people who have learning difficulties, tourist-type facilities, home insulation and fuel poverty. These are all good

projects, and it has been worth the wait to put in place proper scrutiny and proper sifting procedures so that the money is well spent and benefits communities. We should welcome the fact that we have gone through that process.

Mr Cree spoke about additional capital from Her Majesty's Treasury. I got the impression that he thought that I was hiding this money somewhere in my back pocket or in a hole in the ground and would produce it at a later stage. I have been quite clear and have given the figures to the Assembly on occasions on our additional capital for this year and our additional capital for next year. Some of it cannot be spent directly by Departments; it has to be given in the form of third-party loans. It is called "financial transactions money", and we have to work our way through that to find projects, one of which I will mention in a moment or two that, I think, will benefit the Northern Ireland economy.

Mr Givan referred to the voluntary retirement scheme for the Northern Ireland Prison Service. We have given additional resources to it in the February monitoring round, and, where a case can be made by the Justice Minister, we will look at it because it is an invest-to-save initiative. He also spoke about legal aid pressures. I could not agree more, although I noticed that the lawyers in the Chamber got rather uncomfortable when he raised the issue. Additional money had to be given in the February monitoring round — I think that it was £16 million — to help with the legal aid pressures that had been generated. We do not want that to continue.

There has been some slippage with the Desertcreat project. I had a meeting last week with Danny Alexander, the Chief Secretary to the Treasury, and I raised the issue with him, as I thought that it was best to do so at an early stage. I said that we might have some slippage with the Desertcreat project and sought early permission from the Treasury to carry money forward. The big danger with any slippage on the Desertcreat project is that, if we do not spend the money, we will lose it totally. Mr Maginness and Mr Givan raised that issue, and I trust that we will get a positive response from the Treasury. However, it looks as though we will not spend the money in the period that we had anticipated because of the delays in re-examining the budget for the college.

Mr McQuillan raised the issue of local government reform funding. In February, the Executive agreed a package of £47.8 million for local government reform. Of that, £13.8 million is for the transition elements such as the

shadow councils, capacity building and so on; £4 million is to help with the capital costs of the ICT that has to be purchased so that the new councils can work together; and £30 million is for the convergence costs where there are big differences in rates. A number of other Members raised that issue as well.

Mr McQuillan also raised the issue of the level of rates here in Northern Ireland. I am proud of the record that my party has on rates in Northern Ireland. In the first Assembly, when the SDLP was in charge of the portfolio that I hold, rates went up by 10% in one year. In the last year of direct rule, they went up by 18%. Under the DUP, which, of course, is the ratepayer's friend, they have gone up by 0% in real terms. As a result, people in Northern Ireland pay considerably less for their rates.

The average domestic rate in Northern Ireland is £816. The next closest to that is Scotland, with £985, followed by Wales, with £1,036, and England, with £1,201. Of course, on top of that, people in other parts of the United Kingdom face water charges, which people here do not have. Sometimes, I hear people complain and ask, "What do you lot up there do? Do you not realise the kind of pressures we are under in everyday life?". The Assembly and Executive have responded to the kinds of pressures that people face. That is even in times of economic stringency. Do not forget that, when the SDLP was in charge and put up rates by 10%, the Government in Westminster gave, on average, 6% to 8% additional money to Northern Ireland. We have done that against a background of a 6.8% real reduction in the Budget. We have to bear that in mind.

Mr Maginness raised a number of issues, one of which was welfare reform. He talked about a local imaginative settlement. I am not quite sure what he meant by that, and I do not know whether he was either, to be quite truthful. The truth of the matter is that I do not care how imaginative it is: there will still be a cost to the resource budget of the Executive. The kind of changes that Minister McCausland intends to make are well known in the Assembly. All of them will represent costs to the Executive. For example, for the next two years, we will continue the current level of rates support. That cost the Executive £13 million this year. Next year, I think — do not hold me to this — it goes up to nearly £30 million. One very sensible suggested change to the Welfare Reform Bill is the additional charge for people who underoccupy houses. That is a bad policy that is likely to cost the Executive money in capital build and cause a lot of disruption to people's lives. If we decide not to go down that route,

there will be quite a substantial cost to the Budget. There is no imaginative solution that magically reduces the impact of welfare reform without a cost to our Budget.

Mr Maginness also raised the PSNI equal pay issue. He seemed to indicate that it was a problem of resource. It was never a problem of resource. When we negotiated the settlement for the devolution of policing, there was a figure built into that for any equal pay claim that would have arisen as a result of the AAs and AOs who worked for the Police Service getting an equal pay settlement. It has become a question of whether there is a legal case for an equal pay settlement. When we negotiated the Civil Service agreement, the trade unions negotiated purely for members of the Northern Ireland Civil Service. Their tribunal case included only members of the Northern Ireland Civil Service; it did not include PSNI staff. The PSNI has not come up with a business case for an equal pay claim. Had it done that, the money was there in the Treasury for that payment. We now have a court ruling that there was no equal pay case that could be latched onto the Northern Ireland Civil Service case. Although the money is being held in reserve by Treasury, it is not going to pay out for a settlement that a court has ruled there is no case for, for staff that the trade unions did not take a tribunal case for and when the trade unions did not include those staff in their original settlement for the Northern Ireland Civil Service.

Mr A Maginness: Will the Minister give way?

Mr Wilson: I will give way, because I know that it is an important issue for many Members. The answer to the Member's question is that, until the police and the Department of Justice determine that there is an equal pay issue and present a business case, there can be no payment. I am sure that he appreciates that.

Mr A Maginness: I am grateful to the Minister for giving way. I do not think that the Minister was at the debate last week, but I am sure that he is aware of the issues that were raised. Is the Minister saying that the decision by Judge Babington is a bar to a settlement for those outstanding equal pay claims or that the failure on the part of the PSNI to put forward a business case is the real obstacle?

Mr Wilson: First, the legal decision was on whether the PSNI staff could latch onto the Northern Ireland Civil Service equal pay claim, and it is clear that the decision was "No, they could not". If a separate equal pay case is made by the PSNI or the Department of Justice,

there would be nothing to stop that. That is a perfectly legal claim, and, whether or not we have the resources for it, we would have to pay out. Do not forget that we did not have the resources for the Civil Service claim and had to dip into budgets for the £114 million or whatever it was that it cost us. If a legal case can be established, the earlier judgement does not rule out a separate case being made by the police. It does rule out attaching any equal pay claim to the Northern Ireland Civil Service claim. That is the issue.

Mr Maginness also asked me for some positive news about the economy. I am always happy to give positive news about the economy, and I always seek to be honest about it. Even some of the economists from the banks — I am not going to name them; we all know the merchants of gloom who regularly write in the columns of our newspapers — were on the front page of one of the papers today saying that they detect an upturn, the services sector has shown growth for the first time and the construction sector is showing greater stability and is not shedding labour for the first time.

Our own evaluation of the output of the economy, the Northern Ireland economic index — there should be a "c" in there somewhere, but I cannot remember what it is — has shown that we had 0.4% growth over the past year. That is not quite the same as GDP figures, but it is very close to it. We have also had the job announcements that Arlene Foster has made. Exports are up by 12%, and we are exporting to areas where there is growth: Brazil, India and places like that. There are signs of growth. However, let us be realistic about it: there are still big challenges for us. We plunged to the very depths of recession, and it will take a long time to recover. When it comes, growth will be slow. Even the UK economy is predicted to grow by only around 1% or 1.5%. Clawing back to the heights where we were before will take considerable time. Nevertheless, we see changes on the horizon.

5.15 pm

Mr Swann raised issues about the Open University for Northern Ireland and Stranmillis College that really have to be dealt with by the Employment and Learning Minister. I am sure that he will keep pressing the Minister on those issues.

Mr Frew raised the issue of hardship for farmers and the potential in the agrifood industry, and he is quite right. Along with the Enterprise, Trade and Investment Minister, I have had meetings with the agrifood industry.

There is huge potential for Northern Ireland because of the horse meat scare and the fact that many of the supermarkets are saying that they want to source their meat and poultry from within the United Kingdom. That probably gives our suppliers the opportunity to increase their sales quite dramatically. On the basis of figures that I have been given, investment has the potential — it really is a small window of opportunity, because, of course, once suppliers have been established the opportunity has gone — to create about 2,500 jobs over the next two years. Arlene Foster and I have met the agrifood industry. We have also had meetings with the banks about this specific issue, and I must say that the banks responded with what the Executive can do to take some of the risk out of the lending that banks make to farmers. I am hopeful that, within weeks, we will be able to put together a scheme using some of the financial transactions money that is available to the Executive and the agreements that the participating banks will come to ensure that capital is available to, for example, build chicken houses and pig houses, which are part of the essential supply chain for the agrifood firms that will then, hopefully, be able to take up opportunities with the big supermarkets. The one thing that they have said to me is "Look, this is a fantastic opportunity. For the first time, we can actually pick our customers, such is the demand. But we have got to capitalise on that". So, we will continue to deal with that.

Mr Frew also raised the issue of capital spend. As a result, first, of the additional money that we have raised — Mr Bradley referred to capital receipts — and the additional capital money from Westminster, our capital spend is up 27%. This is a significant figure: 55% of activity in the construction industry is now generated by funding made available by the Executive. The support being given to the construction industry is not always appreciated. I know that it is in very poor shape, but it would be in far worse shape had it not been for decisions made by the Assembly and the Executive.

Mr Wells raised the issue of health funding. Of course, the health budget was protected in the 2011 Budget, since when additional money has been made available in monitoring rounds. The health service must help itself by looking at ways in which it can deliver on savings, because there are different ways of doing things. I know that Members and, sometimes, the public will resist that kind of change, but, if we are to meet rising demand, we cannot keep on doing things as we have in the past.

Anna Lo raised the issue of the water framework directive. It is for the Environment Minister to decide what his Department's priorities will be. He is free to bid for additional money for the water framework directive through in-year monitoring, and the Executive will consider any of those bids. She also raised the issue of the carrier bag levy and the fact that some of the environmental projects that it was to have been spent on could not be carried out this year because it had not raised as much money as anticipated. Again, it is up to the Environment Minister to decide whether he wants to finance those projects. If he does, it will come from another budget; if not, he waits until the revenue comes through. The one good thing is that we have succeeded in ensuring that the money collected is returned to the Northern Ireland economy, for which I must again pay tribute to the Chief Secretary to the Treasury. So, although it goes to the UK Consolidated Fund, it comes back to us, which is important.

Mr McGlone raised the issues of DETI June monitoring bids and Invest NI EYF. I really cannot comment on June monitoring bids. There will be a statement to the House on June monitoring at the end of June. Bids are coming in at present, and we are sifting through them. We will make decisions about them, and they will be announced to the Assembly using the proper procedure. I do not think that Members would wish me to anticipate what decisions might be made or, indeed, how much money we are likely to have for that.

On the issue of end-year flexibility for Invest NI, most Members now know how end-year flexibility works. We cannot carry over money or say that individual sections of Departments can carry over money if they do not spend it. It is all added together. The Treasury allows us to carry some money over. We negotiated the Budget exchange mechanism with the Chief Secretary to the Treasury when there was no carry-over facility, but I have never known an occasion when Invest NI, when it urgently needed money for projects, has been refused. Indeed, I can think of one occasion when money was required for the now very successful carbon fibre technology at Bombardier. Departments were top-sliced to make sure that we could meet our commitment on that because the job potential was so great.

The Member also raised the issue of a green investment bank. We are working closely with SIB to bring forward proposals that will utilise some of the financial transactions capital funding for that. We will consider the business case for any issues that come forward.

Mr Nesbitt raised a number of OFMDFM issues. Really, as Chair of the Committee, he should raise those issues in detail with the First and deputy First Ministers.

Mr Nesbitt: Will the Minister give way?

Mr Wilson: I will give way. The one point I will agree with him on — he will not be surprised at this — is that the large increase in the budget for the Attorney General is a cause for concern. I hope that the Committee will encourage OFMDFM to look at that again.

Mr Nesbitt: I thank the Minister for giving way. My point is that I agree with him: they are issues for OFMDFM, but, when information is supplied to the Committee Clerk only 20 minutes before Committee, you cannot rigorously make those points.

Mr Wilson: I accept what the Member is saying. That has happened to me on a number of occasions as well. Supplying the information shortly before the Committee starts is a practice which, I am sure, most Ministers would not actively promote, but sometimes there are good reasons why information cannot be supplied in a timely way. Ideally, I suppose, members should have the papers days before the Committee meets, so that they can read the stuff and then ask intelligent questions. However, a Committee can easily get around that. If the information arrives late, members can simply wait until the next time the officials are before the Committee and ask the questions when they have had proper time to consider it. However, ideally it should be done up front.

Sue Ramsey raised the issue of the PEDU report. I did not quite understand the point she was making that somehow or other we are waiting for OFMDFM to release it. Although those reports are done by PEDU, which is part of my Department, PEDU has to be invited by the Minister to come into a Department. Once a report is made, it goes to the Minister, and the Minister then decides what he will do with the report, what recommendations he will accept or reject and who he or she shares it with. I understand that a number of the issues in the PEDU report actually informed the Transforming Your Care proposal.

Mr Kinahan raised the issue that I expected him to. He always raises it. He always invites me to bash the Audit Office. I think that he is some kind of masochist on this one. I will make the same point to him as I have made before. He

talks about the budget for the Audit Office, and of course the Audit Office carries out an important function.

No one is going to deny that, but, like any other part of the structure that uses public funds, it must use those funds effectively. The organisation failed to spend over 6% of its 2012-13 opening budget and, in the past five years, has failed to spend, on average, 10% of its budget. It is very hard to make a case to argue that a body is under-resourced or needs more resources when, on average, it spends less than it has as an opening budget. Therefore, I do not think that the work of the Audit Office has been impaired in any way.

Mr McNarry raised the issue of the 10-year contract for Translink. He is quite right: we should not enter into a 10-year contract with what is, in effect, a monopoly, without proper assurances. Before the 10-year contract is signed, comfort has to be given to PEDU that there are proper procedures in place so that there is validation of the financial practices and control within the organisation. That will provide the information for the validation of the licence, which is required by the EU anyway, to be carried out. So, before any final agreement is reached, that work has to be done.

I have dealt with some of the issues that Mr Allister raised. He also raised the issue of the Maze, and it has been a popular issue for him, but the emphasis on the peace and reconciliation centre, as if that was the only thing that was going to happen at the Maze, really does not do him credit. He is more knowledgeable about those issues than he chooses to reveal. He knows full well that the Maze site, which is one of the biggest development sites — bigger than the Titanic Quarter — is a massive opportunity for the Northern Ireland economy. Indeed, the tens of thousands of people who visited the Maze site for the agricultural show saw the vast potential that there is for that site when it is fully developed. There is a lot of emphasis on the agriculture industry, research, marketing and all the other proposals for the site, as well as the other manufacturing and development proposals. At the end of the day, there are nearly 2,000 jobs to be created on that site. That is what we ought to be emphasising. There is a structure in place.

Mr Allister raised the issue of my view of the site under direct rule, which I am quite happy to address. Given the record of Northern Ireland Office Ministers, I was concerned that they would cave in to the kind of demands that there were at that stage that could have made the

site into a shrine. We now have governmental arrangements in place that can ensure that that cannot happen.

Mr Allister: Will the Minister give way?

Mr Wilson: I will give way in a moment or two.

When we are looking at the Maze site and the vast potential in it, we should be seeking ways of ensuring that its potential is maximised. This is a good news story for Northern Ireland because of the potential that there is for creating jobs at that location. Although, unfortunately, it does not stop the kind of stories that we have at the moment, I know that, in 10 years' time, people are going to look back and ask what all the fuss was about. I can remember the same fuss about the devolution of policing and justice powers. That was going to be a disaster for policing. We were going to have terrorists in charge of policing. Looking back now, people ask what the fuss was about. We discuss policing in the Assembly, the structures around policing are still accountable and we do not have terrorists dictating what the police do. Operational independence is still there. I guarantee that, in the future, we will look back at this and see the exact same. I will give way.

5.30 pm

Mr Allister: The Minister will not find any comment by me that is critical of the overall development of the Maze. He will find comments criticising the tarnishing of the overall potential by insisting on putting on the site the one thing that will undermine the overall development, namely, the peace and reconciliation centre because of its affiliation with the hideous IRA citadel buildings, which are the H-blocks.

I ask the question again; why tarnish the site by putting the reconciliation centre on the most divisive site that there is in Northern Ireland? If we need it, why not put it on a neutral site and save the wider good aspects of the Maze project from being tarnished and undermined? Why is it not going on a neutral site if we need it?

If he read today's 'News Letter', he would know that it is not just me who has concerns. The RUC George Cross association and many others are concerned, like he once was and like his deputy leader once was when he said that no matter how you dress it up and spin it, it will be a shrine if you put it there.

Mr Wilson: I listened to the Member talking about whether the Maze is a neutral site. I went to the Balmoral show and met people from all arts and parts and of all religions and backgrounds. They recognised me and came up to me to talk about the site, and no one seemed to be in any way curtailed in attending the Balmoral show because they thought that the site was not neutral. In fact, they enjoyed the day there and felt that there was great benefit in it. Indeed, as we are talking about neutrality, I would remind the Member that there is an RAF and Second World War museum there, and those could be regarded as military issues. We have to get away from the kind of language that the Member is using.

I see that my time is up, Mr Deputy Speaker, and that you are going to ask me to draw my remarks to a close. I thank all the Members who participated in the debate —

Mr D Bradley: Will the Minister give way?

Mr Wilson: I will probably not get an intervention in. I thank all the Members who participated in the debate. I am sure that we will get a re-run tomorrow, so if there is anything that I have not covered, Members can raise those issues with me during the Budget debate.

Mr Deputy Speaker: Order. Before we proceed to the Question, I remind Members that the vote on this motion requires cross-community support.

Question put and agreed to.

Resolved (with cross-community support):

That this Assembly approves that a sum not exceeding £8,271,268,000 be granted out of the Consolidated Fund for or towards defraying the charges for Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 and that resources not exceeding £8,558,118,000 be authorised for use by Northern Ireland Departments, the Northern Ireland Assembly Commission, the Assembly Ombudsman for Northern Ireland and the Northern Ireland Commissioner for Complaints, the Food Standards Agency, the Northern Ireland Audit Office, the Northern Ireland Authority for Utility

Regulation and the Public Prosecution Service for Northern Ireland for the year ending 31 March 2014 as summarised for each Department or other public body in columns 3(b) and 3(a) of table 1.3 in the volume of the Northern Ireland Estimates 2013-14 that was laid before the Assembly on 29 May 2013.

Mr Deputy Speaker: As there are Ayes from all sides of the House, I am satisfied that cross-community support has been demonstrated.

Budget (No.2) Bill: First Stage

Mr Wilson (The Minister of Finance and Personnel): I beg to introduce the Budget (No. 2) Bill, which is a Bill to authorise the issue out of the Consolidated Fund of certain sums for the service of the year ending 31 March 2014; to appropriate those sums for specified purposes; to authorise the Department of Finance and Personnel to borrow on the credit of the appropriated sums; to authorise the use for the public service of certain resources, including accruing resources, for the year ending 31 March 2014; and to repeal certain spent provisions.

Bill passed First Stage and ordered to be printed.

Mr Deputy Speaker: I can inform Members that confirmation has been received from the Committee for Finance and Personnel, in accordance with Standing Order 42(2), that the Committee is satisfied that there has been appropriate consultation with it on the public expenditure proposals contained in the Bill, and that the Bill can therefore proceed under the accelerated passage procedure. The Second Stage of the Bill will be brought before the House tomorrow.

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

Private Members' Business

Single Farm Payments: Farm Inspections

Mr Deputy Speaker: The Business Committee has agreed to allow one hour and 30 minutes for the debate. The proposer of the motion will have 10 minutes in which to propose and 10 minutes to make a winding-up speech. One amendment has been selected and published on the Marshalled List. The proposer of the amendment will have 10 minutes in which to propose and five minutes to make a winding-up speech. All other Members who wish to speak will have five minutes. I remind Members that junior Minister McCann will respond to the motion on behalf of the Minister of Agriculture and Rural Development.

Mr Frew: I beg to move

That this Assembly recognises the concerns within the farming community regarding the issuing of inaccurate land parcel identification system maps; notes that many were still awaiting their altered maps days before the deadline of 15 May 2013 for their single farm payment application; understands the difficulties and pressures that this will cause to the applicants and calls on the Minister of Agriculture and Rural Development to outline how her Department will support farmers and speed up the overall farm inspection process in order that more applicants receive their 2013 single farm payment in good time.

The motion is of the utmost importance to the DUP and to the farming and agrifood industries in our Province. A few months ago, the Minister warned everyone that the onus was very much on farmers to check their maps and make sure that they were correct. She said:

"Accurate information is essential to speed up the payment process."

On 18 December 2012, the Minister also stated:

"We have been working very hard to update the maps on the basis of the latest available aerial photography, but only farmers themselves are fully up-to-date with the conditions on the ground. It is vital that you provide us with any corrections which may need to be made as this will help to prevent

delays with the processing of your 2013 Single Farm Payment applications."

It was remiss of me not to mention the fact that the Minister is not available today as she is unwell. I wish her a speedy recovery. It is regrettable that she cannot make the debate.

When the Committee for Agriculture and Rural Development discussed the issue on 14 January, we were concerned about the process that the Department of Agriculture and Rural Development (DARD) had put in place to satisfy the needs of Europe to get the money drawn down for the single farm payment (SAF). At that time, we did not want to fall back into the disastrous process and late payments of 2011-12, so it was important that we kept the pressure on to make sure that the Department did not fall into that ground again.

Here we have a system being implemented with land parcel identification system (LPIS) maps, whereby the onus has been put on farmers to check their maps. When they check their maps and find errors, which can happen because it is a complicated system, they seek help from DARD. Months ago, farmers were telling the DUP that they were finding it hard to get any answers from DARD to get the processes fixed and reach a speedy conclusion so that they could use their maps and this information to apply for their single farm payment. Our big worry is that this will delay the single farm payment yet again, and we will go back to the horrors of 2011. When you talk to members of the farming community, it is very clear that they are dismayed with the processes and attitude of the Department of Agriculture and Rural Development.

I will give the case study of a farmer, not from my constituency but from west of the Bann. Farmers were forced to join queues to sit with DARD officers to make all the necessary corrections to their farm maps. Sometimes corrections had been made even the year before, yet DARD reverted to old data. The farmer that I mentioned had a two-month wait before corrected maps were issued, and that seemed to happen only after a phone call to the local DARD Direct office. The farmer was both amazed and horrified to find that there was still a field missing from his map. After a succession of frantic phone calls to DARD, he was finally told that there had been a glitch that caused this problem with a number of maps. Can you imagine a farmer going to DARD and saying, "There has been a glitch with my information"? When he pressed the issue further, he was informed that the maps would not be corrected until the following week. The

DARD officials could not tell him when they envisaged posting out the new amended maps. Indeed, they went even further, suggesting that he was to blame for the missing field. When he pushed for more detail, they could not tell him what had happened for this fault to arise.

This farmer, and many like him, has described the process as shambolic. Many farmers have been forced to attempt to complete the forms with inaccurate and incomplete information. At the very least, they have had to leave it to the very last moment to fill in their forms. Some are still waiting 11 weeks after they sat in a DARD office to make the corrections in the first place. That is totally and utterly unacceptable. Some farmers have expressed to me their continued disgust at how the whole process has been mishandled. It has led to major concerns and a lack of confidence in this year's application process and the Department that is charged with implementing it. That is only one case study, but there are hundreds and hundreds of farmers in the same position.

You have to put into context the importance of the single farm payment not only to the agriculture or agrifood industry but to Northern Ireland's economy in general. Some 38,000 farm businesses in Northern Ireland receive a single farm payment. It is worth around £300 million to our local economy. Let me tell you that that money does not stay in a bank account. It goes into all sorts of avenues and businesses all over the country. It is the farming community that spreads and distributes that. It is very clear that DARD has once again failed the farming community. In the outworkings of the process, DARD will tell the farming community that the responsibility lies with them and that they will have to be inspected, which could lead to delays to their receipt of the single farm payment. It is vital that our farming industry receives the single farm payment as quickly as possible. We should be in a position to urge the Department to implement advance payments.

There has never been crisis upon crisis in the farming community to the extent that we have had this year. Look at the crises that we have had: feed and fuel costs have spiralled out of control, with the grain men basically bankrolling the industry; there have been unfair and low prices for produce, meaning that most of our farmers are producing at a loss; there have been the horse meat scandals; and there was the wet weather of last summer and the snow crisis this year. All that has led to farmers having little capacity or capital to get themselves out of the problem. Farmers are

also faced with bovine TB and all sorts of other diseases that penalise them.

We need a Department that will support, help and promote our industry, not hammer it at every opportunity. I know that there is a fear of European auditors. I know that, as a regulation body and payment agency, those auditors have to work within the rule of law. However, they are doing a shameful job of getting help and assistance to farmers at this time.

5.45 pm

It is a disappointment that the Minister is not here because she tells us on every occasion that she can that she looks towards Dublin and the Republic of Ireland. I wish that she would look down south and see how our competitors in our neighbouring state are wiping the floor with her Department. Everything that they do is in support of their farming industry and to increase exports. They do not hinder, hassle and harass the farming community in the way that we do. I wish that the Department and the Minister would look towards Dublin to see best practice and to do something to start helping our industry and to push it to make sure that we can compete with our neighbouring states and countries in the EU.

In the time that I have left, I will address the amendment. The DUP supports the amendment because it adds to the detail of our proposal and outlines some measures that the Minister could put in place, such as advance payments. However, I regret that the Department is nowhere near ready even to seek permission from Europe for advance payments because it is in such bad shape. That is regrettable.

Mr Deputy Speaker: Will the Member draw his remarks to a close, please?

Mr Frew: Thank you, Mr Deputy Speaker.

Mrs Dobson: I beg to move the following amendment:

Leave out all after first "applicants" and insert

"; further notes that Northern Ireland still remains exposed to disallowance if the rules of the scheme are broken; and calls on the Minister of Agriculture and Rural Development to tackle the problem of delayed payments by seeking permission from the European Commission to make advance payments, including proportionally smaller advance payments for farms selected for inspection."

I welcome the opportunity to move the Ulster Unionist amendment. At the outset, I declare an interest as my husband receives a single farm payment. It is abundantly clear to anyone linked to the farming industry that the Department has made a complete shambles of its mapping system. On 5 March, when I spoke in the House on the issue of mapping errors, the Minister described my line of questioning as scaremongering. It is not scaremongering to raise the legitimate concerns of constituents and farm businesses that are struggling because of the Department's incompetence. On that occasion and in a subsequent question for written answer, I asked whether any of her officials were ultimately going to be held accountable. The answer was a resounding no. There was no discipline whatsoever from a Department that so often takes a zero-tolerance approach to farmers when it comes to minor errors and discrepancies. We are told that a technical fault caused the errors in 3,560, or 9%, of all farm maps. Once printed, those maps went through a so-called manual quality-checking process. That process resolutely failed, and I am glad, as the Minister informed me recently, that additional steps have been added to it. It almost seems as if no checking took place at all, and that the final batch progressed straight from the printer to the post. Perhaps the Minister could clarify that.

Year on year, mapping failures have cost the Executive millions in what should be an embarrassing episode confined to the history books. That is all the more worrying when you consider the disallowance payments that the Assembly has been hit with in recent years. The issue began with the Minister's predecessor and has been carried forward, unresolved, into the current Minister's period of office. It is entirely unacceptable for the Minister to continue to preside over a system that remains in chaos and is leading to hardship for many farmers. Although it should be recognised that progress has been made, the Minister of Agriculture and Rural Development and her officials must accept that she has a very long road to travel before the system will operate as it should. It should operate in the best interests of farmers across Northern Ireland, not to the detriment and potential ruin of their businesses. It is, therefore, in the interests of doing what is right for Northern Ireland that the Ulster Unionist Party has tabled the amendment.

Advance payments would be of huge benefit to every farmer in Northern Ireland, especially those chosen for inspection.

The Minister of Agriculture and Rural Development is famously quoted as wanting to take a team Ireland approach. However, when it comes to an issue such as farm mapping, where advanced payments have been available to farmers in the Republic of Ireland since 2007, she is content to operate at a snail's pace. Rather than directing her officials to make real and beneficial modernising change, she is content with "The old ways are best", when they clearly cannot continue. It is totally unacceptable that cash flow is withheld from farmers for up to nine months over a query that could be over as little as £30 or £40.

The old ways leave our farmers at a competitive disadvantage when compared with their rivals in what are increasingly ruthless global markets. The Minister of Agriculture and Rural Development needs to explain why she does not believe that advance payments are good enough for Northern Ireland farmers, especially when we have both remote sensing and LPIS in place. Perhaps her reason for holding back is that she fears that the Republic will be faced with future disallowances. Her clarification on these points would greatly advance the issue.

Through my constituency office, I can give countless examples of farm businesses that are clinging on by their fingernails because their single farm payment has been withheld from them. This lack of information, uncertainty and stress caused by this restriction of cash flow cannot accurately be measured. As we know, cash flow is key to future business planning for all farmers. Without that lifeline, growth will simply not happen, and, whilst I acknowledge that it is only a problem for a minority of farmers, for that minority, it is a complete nightmare.

The real problem lies with the farmers selected for inspection. Some farmers have told me that they feel totally victimised by the Department when it comes to farm inspections. I know that farmers are selected at random and that some are targeted. I can understand why this is the case, but farmers would prefer more honesty from the Department. What exactly constitutes at-risk farms? In an area where there may have been an application with errors, minor though they may be, why should farmers in the whole area be forced to go through endless delays? The people who would really be helped by upfront payments will be those who are chosen for inspection. For them, the long silent period between being informed about an inspection, an inspection taking place and then the seemingly endless wait to receive payment can be an incredibly stressful period. Again I

ask, "How can any business be expected to operate under these circumstances?"

I fully appreciate that people may query why farmers should get any money before having an inspection, but there must be an element of trust involved, the trust that is afforded to the farmers who do not get inspected. I do not envisage that advance payments should be made at the same rate as for those not selected, but any payment would, nevertheless, be more desirable than the current situation. The Department holds data on all farm inspections that includes the numbers, the reasons why they are inspected, the findings and any subsequent penalty that was imposed. I am sure that, from this data, an appropriate upfront payment percentage could be established.

The Ulster Unionist Party is clear in our support for any necessary steps to benefit our local farming industry. It is all the more important that, when neighbouring countries are taking steps, those with whom the power lies in Northern Ireland are equally quick to move to support our farmers. For six years, advance payments have operated in the Republic of Ireland. In those same six years, farmers in Northern Ireland have continued to suffer at the hands of a system that presumes the guilt of our farmers and takes months to establish their innocence. This has to stop. If the Minister of Agriculture and Rural Development remains unwilling to introduce upfront payments, will she at least have the courtesy to put in place a deadline for the conclusion of the inspection process? Whilst farmers may grumble about being inspected, their biggest criticism is the time it takes for the process to conclude. I firmly believe that a clear target date needs to be set for the inspection process.

Again, I thank those who proposed the motion and commend the Ulster Unionist amendment.

Mr McMullan: Go raibh maith agat, a LeasCheann Comhairle. The single farm payment, paid to farmers each year, is vital to the existence of many of our farming businesses. Many farmers rely on the single farm payment being made as early as possible each year. At the end of May 2013, almost 98% of the 37,500 claims submitted to the 2012 single farm payment process were completed and 98.5% of the 2012 budget had been paid out.

Each year, approximately €300 million of single farm payment is paid out to 38,000 people, benefiting some 25,000 farms and involving some 750,000 fields. That payment can be

made in sterling or in euros. A decision has to be reached before 15 May, and the exchange rate is set on 1 October through the European Central Bank on that day. In the past, the EU Commission's auditors have expressed concerns regarding mapping, the consistency of inspections and the interpretation of rules. Therefore, the Department, farmers and the farming community, over this past few years, have been working together to address the EU's concerns. The outcome of all that work will be a greatly improved process. Once the process settles in, it will enable payments to be made more quickly. 2013 will be the first year in which the new mapping system will be used. The new maps will review all the fields to establish a maximum eligible area (MEA) for each field. That calculation is based on aerial photography, some of which was done a few years ago, and that is why farmers are asked to check their maps. Another feature of aerial photography is that it is not always able to clearly and correctly identify all the features in a field, such as heather, bog, lane ways and even scrub. All it takes is a phone call to the local DARD office to get that cleared up.

Mr Elliott: I thank the Member for giving way. One Fermanagh farmer told me that a piece of ground from Rathlin Island had been mapped onto his farm in Fermanagh. Even though he went back into the local Department of Agriculture office on three occasions to have it changed, it came back on each of those occasions with the same piece of land mapped in. Does the Member think that that is unusual?

Mr Deputy Speaker: The Member has an extra minute.

Mr McMullan: I thank the Member for his question. No. Mr Frew, on the Benches opposite, brought the same thing up. The problem here could be the local offices. I have been contacted about quite a few problems, and I am sure that other Members have found the same. I met the officials in those offices and was able to have my problems sorted out on that day. I do not say that there is no problem, but the problem may lie in the local offices in Fermanagh or Rathlin.

Mr Elliott: Will the Member give way?

Mr McMullan: I have already given way.

Another feature of aerial photography is that it is not always able to clearly and correctly identify all the features in a field. I have said that already. That why it is so important that farmers and the Department work closely

together and make sure that all the changes are recorded as soon as the maps arrive.

The new maps were first issued from December 2012, and, by mid-February, farmers had received their maps, prior to the 15 May deadline for the SFP applications. The maps were issued in three batches, but, unfortunately, in the third batch, posted out on 3 and 4 May, there was a technical fault, whereby fields were missing from the maps. It affected only 9% of maps. All the farmers affected were given an extra two weeks to update their maps. If necessary, it could be done at the local DARD office, and quite a lot of farmers did that.

Where a new map could not be produced in time — Members did not mention this — following a farmer having made a change, it is recorded in the system, and the farmer is given a form recording the field area change. That provides the farmer with the relevant details of the field or fields. That allows the farmer to manually add that information to his 2013 application form for single farm payment. The field will then be automatically pre-printed on the farmer's 2014 SAF form and on any future maps.

6.00 pm

About half of our inspections this year will probably be traditional field inspections. So, the use of control with remote sensing has the potential to improve inspection timescales. In 2013, the number of inspections increased from 248 to 1,000. That will take the pressure off field staff working on field checks.

The use of LPIS maps will have the potential to speed up the process because there will be less work associated with map checking and fewer map updates will be needed. All of that depends on the farmer taking the advice given. In other words, if changes are not reported, inspections will be delayed, and that means delays in payments. The system is huge. Not only do we have a new system, but the present system must be maintained, including the payment system, etc. We have to try to speed up the payments but, at the same time, ensure that all our control processes are strong enough to stand up to EU scrutiny. This is a new system, and we must give it time to bed in. If I remember correctly back to last year, people were complaining —

Mr Deputy Speaker: Will the Member draw his remarks to a close, please?

Mr McMullan: — that not enough was being done. We have done this, and we should give it time to bed in. In the next couple of years, we should have system that will speed up payments to all.

Mr Byrne: I welcome the opportunity to speak on the motion, and I thank the Members for bringing it to the Assembly. I also welcome the amendment. The SDLP will support the amended motion.

I welcome the opening statements made by Mr Frew and Mrs Dobson. I was worried that, for the past year, I was the only person who was becoming a bit of a Rottweiler with DARD. The reality is that DARD is not delivering in the interests of the farmers, and that has been the experience of many farmers. We are all beginning to hear it, and we are hearing it so often that we have to come back to this debate. As we all know, it has been difficult for the farming community over the past number of years with bad weather, increased costs in fuel and feedstuffs, low farm gate prices etc. Hopefully, some of that will be relieved as the result of the better weather that we have had over the past 10 days, and, hopefully, we will get more of that good weather in the coming months. It was a respite that all farmers were waiting and hoping for.

That does not compensate the farmer who is working hard and is still waiting for last year's single farm payment from DARD. If any Member here was waiting for over a year for the pay that they were entitled to, they would be very annoyed and frustrated at how they were being treated. Farmers are the same, and they need the money. It is not our money; it is money provided by Europe. Therefore, they are very frustrated to be told that, even though their inspection has been OK, there will be a delay of six months to a year before their payment is processed. When my office rings DARD on behalf of farmers, it is told that DARD is dealing with October's inspections now and that farm inspections that were due in November will not be looked at for another number of months. We have a situation where farmers have been inspected last October and have still not been paid. When we asked about the inspections that took place in November, we were told that they can be looked at only after October's inspection reports are finished. Even when everything has been finalised, it will take 10 to 15 working days for the payments to be processed. There is no interest due on the late payment for the smaller farmers, and they feel particularly aggrieved.

Many farms are inspected repeatedly every year, even though farms are supposed to be inspected at random. If farmers are applying for different schemes, that may result in multiple inspections in one year. The inspections are demanding and stressful and often happen without warning. Like any busy workplace, that puts the farmer under pressure. When any experienced DARD official inspects a farm, its compliance should be obvious and it should not come down to a box-ticking exercise only. No farmer should be subjected to repeat inspections unless serious questions have been asked about the standards on that farm. As much as any Member in the House, I want standards, but there must be some way to make staged payments to those farmers, rather than them having to wait for all their money to be agreed. I have, for a long time, asked DARD to make upfront advanced single farm payments of 80% after initial verification to help ease the cash flow problems that many of those farmers have experienced. Mrs Dobson and others mentioned the cash flow problems that many farmers are experiencing. If the Republic and other member states can do it, it begs this question: why can we not do it? Common sense must play some part in trying to have a sensible approach to the inspections.

Many farmers had reconciled their maps in 2010-12 after protracted discussions and visits to DARD offices, but the new LPIS maps will change that again. Unfortunately, more than 3,500 farmers have experienced errors in maps that were sent out to them when they were applying for their 2013 subsidy, in that many fields have been omitted. We have heard stories here today about that. This issue with mapping will cause even greater annoyance and frustration with farmers. The system has cost £23 million. Nobody has taken responsibility yet for what went wrong.

Mr Deputy Speaker: Will the Member draw his remarks to a close, please?

Mr Byrne: Suffice it to say that DARD and its culture of management are not meeting the needs of farmers. I would expect that the Minister and some senior people, including the permanent secretary, must start to address some of these problems.

Ms Lo: I support the motion on behalf of my Alliance colleague Kieran McCarthy, who has had to leave the Assembly on business.

I understand that the payment came into being on 1 January 2005, and it is the main subsidy scheme for farmers in the EU. As such,

Members will realise how important — indeed, it is vital — it is for the survival of the farmer and the landowner and how important it is for the applicant to receive the single farm payment at or on the expected date, which is usually around Christmas every year.

As has already been said, to qualify for the SFP, there is a range of criteria to be met, the main one being the exact hectareage to be presented on the appropriate DARD form. As we are all aware, some time ago, Brussels was not happy with the quality of forms being presented, thus the disallowance incurred by the Department. Further investigations revealed that applications were made and money was paid out on areas of land that did not qualify for payment. As a result of that, the Department undertook a complete examination of every field in Northern Ireland, and it is those maps that are now causing problems regarding accuracy.

This very serious problem has been raised at the Agriculture and Rural Development Committee regularly, and officials and the Minister are very well aware of it. In the pack from the Research and Information Service, which we are indebted to library staff for, you can see that many Members have also raised questions on the issue. As I understand it, the Department has spent quite a lot of money on the land parcel identification system. Now, it appears that many anomalies exist when using that system, and with those anomalies comes delay. It is imperative that we overcome those problems at the earliest opportunity.

In recent times, the Agriculture and Rural Development Committee has heard presentations from DARD officials and various farming interest groups, all spelling out the problems as they see it. I am sure that the Minister and her officials are aware of the problems and will take whatever action is necessary to see, once and for all, the smooth running and completion of this vital component of the farming industry. We support the motion and the amendment.

Mr Irwin: As in previous debates on agricultural issues, I declare an interest as a dairy farmer and someone who receives a single farm payment. As a farmer, I have an acute awareness of the issues facing our industry in current times, and it is from a position of awareness that I will make my comments.

Being a farmer and a member of the DARD Committee, I get calls from farmers across the Province. I value the views of those working at the very heart and first rung of the ladder of the

agrifood industry. Those views are important and should be listened to at the highest levels of the Assembly. Any action that can be taken by the Minister and her Department must be taken to lessen the burden on farmers.

For many farmers, the single farm payment has become a lifeline for the farm business and for the industry, especially over the past few years. That is because of the immense pressures that have been brought to bear on the industry by energy costs, the weather and the immeasurable difficulties presented to farmers over the past 12 months, including rocketing input costs such as feed and the inequity of the supply chain in fairly compensating farmers. All those issues combined have left farmers having to wait for a single farm payment for over six months — longer in many cases — leaving a farm business in a difficult position as the banks breathe down the necks of our farmers, waiting for the cash. I spoke to many farmers in that position, and the stress and strain for the farming family involved is huge.

The roll-out of the new LPIS maps has been far from straightforward. I have stated in the press and in the Chamber that farmers have borne the brunt of the Department's mishandling of the issue. I continue to hold the view that it is acutely unfair for farmers to be held responsible for the inaccuracy of the maps. The Department cannot use farmers as scapegoats when it is the Minister and her Department that have caused the confusion and concern for farmers in the first instance.

A farmer told me that a recent farm inspection by DARD officials threw up an error that resulted in a £7 deduction from his single farm payment. Even though the error was small, the inspection process and administering the corrections took an age to sort out. The obvious question is whether the chasing of that £7, compared with the thousands of pounds it cost in administrative fees, is worthwhile. The farmer in that instance rightly shook his head in bewilderment. Certainly there should be an investigation when there is an obvious error involving a significant portion of land, but we must ask whether such minor errors deserve such a costly response from the Department in time and money. I have spoken to those in the Department and farm fillers outside the Department who are fearful that, come December, there will be an avalanche of minor errors to investigate. We could, for instance, be talking errors of a few square metres, yet the time and money required to investigate those errors will cause significant hardship for farmers.

Many farmers I have spoken to went through their maps in fine detail, yet many had reservations about the process. Taking a swathe of opinion on board, it is fair to say that there are genuine fears that payments will be significantly delayed because of minor errors unless the Minister and her Department take a different approach to investigating errors. I understand that the EU demands rigorous auditing of the single farm payment. However, there must be an element of realism in the system.

On the back of the recent winter weather and the hardships that continue to hamper our industry, we need the next round of payments to be processed in double-quick time. The pressures that have been exerted on the industry in recent times mean that farmers are fully reliant on their payments to ease those pressures. Any delay will be extremely costly for the industry in the short and longer term. Many farmers are experiencing real financial trouble following such a wet and cold start to the year. Grass yields are proving to be light, which means that pressure could again mount next winter in feed supplies and additional costs. Farmers need to be assisted by the Minister and her Department, not hindered.

Mr Deputy Speaker: Will the Member bring his remarks to a close?

Mr Irwin: Advance payments certainly would help. When there are inspections and errors, advance payments would cut the long wait for many farmers. I plead with the Minister —

Mr Deputy Speaker: The Member's time is up.

Mr Irwin: — to find a resolution to that or, come December, there will be big issues for the industry.

Mr Deputy Speaker: The Member's time is up.

Mr Milne: Go raibh maith agat, a LeasCheann Comhairle. There can be no underestimating the importance of the single farm payment to our farming communities, particularly given the hardships experienced over the past 18 months. There was unforeseen weather, rising costs and falling prices, not to mention the additional costs incurred during the recent fodder shortage.

Many farmers rely on receiving their payment as early as possible to keep their farm sustainable, so I can appreciate the frustration and anxiety that any delay in the process can

cause. That point has been well made by Members today.

6.15 pm

The introduction of the new mapping system has been a massive and complicated piece of work, but as the single farm payment is worth almost €300 million a year to the rural economy, it is crucial that all necessary steps are taken to get it right in order to militate against disallowance fines being imposed by the European Commission. The maps had to be brought up to the required standard, which required DARD and farmers to work closely together to ensure that they were accurate, not just now but as part of an ongoing process when land usage and boundary changes occur.

When fully implemented, the new system will, hopefully, result in a simplified process and speedier payments, which is, ultimately, what everyone wants. Like many new systems, it has not been without problems, but we need to put the scale of the difficulties into context. We are talking about the remapping of 750,000 fields for about 38,000 farm businesses. Farmers began to receive new maps at the turn of the year, which allowed time for checks and any necessary changes to be made ahead of the single farm payment application deadline. It was unfortunate that the technical error that led to 9% of maps being issued with incorrect information happened during the final batch to be sent out and, therefore, closer to the deadline. I am pleased to note that the error was discovered quickly and that the Minister moved swiftly to minimise its impact on individual farmers by extending the opening hours of DARD Direct offices where necessary and delaying the single farm payment application packs of those affected for two weeks. I am aware that a small number of farmers have outstanding issues to be resolved. As I said earlier, I fully understand the difficulties that any potential delay in receiving the single farm payment can cause for farmers and their families, so I have no problem or difficulty supporting the motion.

Mr Rogers: I support the motion and the amendment. Farmers expect to receive their single farm payment in December, and this expectation is central to their financial planning. When a farm inspection is initiated, it can mean a delay of up to six months and severe financial consequences for the business. The delays cause problems servicing bank loans and making payments to feed, fertiliser and fuel companies. One farmer told me that his heart was in his mouth when he received notice of an

inspection, not so much because of the inspection but because of the subsequent delay in receiving his single farm payment.

Repeated random inspections add great pain to an already difficult situation. It appears that if you make a genuine mistake one year, you could be penalised for a number of years. I know farmers who have had random inspections in each of the past three years. I certainly believe that there is a need for an inspection process, but it needs to be used appropriately. DARD needs to start inspections earlier to utilise the longer days.

DARD continually plays down the problem of inaccurate maps. A Member opposite talked about a minor glitch that affected over 3,500 farm businesses — 3,500 is not a minor glitch. A computer acronym that comes to mind is GIGO — garbage in, garbage out — which simply means that a computer does not make a mistake; it requires human interference. In a recent question to the Minister, I asked how the mapping system accounted for hills and hollows in the terrain. The answer was that farmers need to check that for themselves. That failure in communication also means that farmers generally have to accept the maps that DARD produces as correct. However, if inspected, there may be differences between what a farmer and DARD consider to be eligible or ineligible land. That may lead to severe penalties that, in some cases, wipe out the single farm payment.

Although a pilot on remote sensing has been carried out, this method of inspection requires more serious consideration. Many EU member states use the technology as part of the inspection process, and there is anecdotal evidence to suggest that it is much cheaper. The cost associated with DARD officers travelling hundreds of miles, criss-crossing the North, is phenomenal and needs to be reviewed.

Other problems arise in the process after an inspection has been carried out if penalties are applied. The system for penalty calculations is very complicated and, in fact, cannot be followed by Northern Ireland Agricultural Consultants Association (NIACA) members. They find it very difficult to reconcile the inspector's report with the level of financial penalties imposed. DARD provides examples on how the calculation is prepared, but, according to NIACA, they were found to be incorrect.

Penalties can be retrospective, and I will mention one or two examples of cases. A

farmer was penalised because he sent his MC1a form along with his fallen animal, instead of sending it to his divisional veterinary office (DVO), as he had done in the past. He was told by the enforcement branch that he should have informed the DVO, but the farmer was unaware of that because, the previous time he had a fatality, he followed the same procedure. However, the rules had changed. He was told by enforcement that he should have known that the rules had changed. Another farmer was penalised because he had put down the wrong date of birth for five calves. He was told that if he reported to his local DVO, there would be no penalty. He did that, but DARD decided that he had committed a cross-compliance breach, because he had had a breach a couple of years previously. He was fined again.

I want to mention briefly the countryside management scheme. It is choked up with bureaucracy as well. A farmer was penalised because he built a double-skin stone ditch instead of a single-skin one. There needs to be a common sense approach to inspections and a greater tolerance of genuine mistakes. In my view, there is a need for a "yellow card" system — a warning that the farmer needs to get an issue sorted out within an agreed period.

Farmers are not criminals, but they are very angry about how they are being treated. As one farmer said to me, "If a farmer had been responsible for the horse meat scandal, he would be in jail."

There is no point in blaming Europe for the bureaucracy. Simon Coveney assures me that Europe sets the guidelines, but it is the Governments that interpret them. Minister, what discussions are taking place with DEFRA? What is the Department doing to tackle the slow tail of inspection payments and to shape the type of advice that farmers are given so that eligibility issues are dealt with more effectively?

It is very important that the single farm payment is drawn down as quickly and as efficiently as possible. The economic impact of delayed payment affects everyone, from farmer to housewife. A more efficient inspection process is central, but the bureaucratic wheels of DARD need to get in gear fast —

Mr Deputy Speaker: Would the Member draw his remarks to a close?

Mr Rogers: — if the potential of our agrifood industry is to be realised. Without farmers, there will be no agrifood industry.

Mr McAleer: Go raibh maith agat, a LeasCheann Comhairle. Although I appreciate the value and importance of the single farm payment for the rural economy, particularly in light of the atrocious weather that farmers recently experienced and the economic pressures that have come to bear on them, I think it is important to state that the mapping process was carried out on a huge scale, as has been well documented this evening. It was a huge operation, as has been said. It is a matter of regret that there was an issue with some of the maps. In fact, it went OK for 91% of applicants, but there was an issue with 9%, who, I believe, were in the final batch. It is only fair to point out that, when that was discovered, the Minister and the Department took action to address it. As was said earlier, that included longer opening of the DARD Direct offices and the redirecting of some staff to those offices to get the issue addressed. Furthermore, the SAF packs were issued two weeks later for those affected.

For what it is worth, our party supports the proposal for advance payments. That has been worked towards in the form of the new LPIS system and trying to get as many farmers as possible online. There has also been quite a bit of progress made in remote sensing.

The Minister acted in the face of some of these issues. The motion makes reference to support for farmers. It is important to say that the Minister and her Department have taken steps to support farmers. For example, during the year, she suspended modulation on the single farm payments. That will see an additional €20 million in the pockets of farmers this year. She also argued the case for the continuation of the single farm payment/less-favoured area compensatory allowance (LFACA) dual claims, in light of the conacre system that is prevalent in this part of the country.

Indeed, on the topic of LFACA, payments came out earlier this year and were worth in the region of £25 million. The Minister has asked her Department to look favourably at any applications for force majeure in respect of farmers who lost livestock in the recent snow, because that may have affected their density and, in turn, their LFACA payments. Of course, she introduced the hardship scheme and the fodder transport scheme for those who were worst affected.

In support for farmers, I know that people are entitled to be critical of the Minister and the Department, but it is important to counterbalance that. Some points were, quite rightly, raised today about the mapping system,

delayed payments, and one thing and another. However, there are some good points, which I have just referred to.

Mr Frew: I thank the Member for giving way. Yes, he is right to point out all those short-term support measures that the Minister has put in place over the past year. Of course, we are very grateful for that assistance and help. However, would it not be of better benefit and more assistance to the farming community if she were able to transform the Department, which is, at present, a plundering giant, into one that is much more agile and speedy in assisting and helping the industry when it hits crisis after crisis after crisis? Would the farming community not thank her more if she were able to do that?

Mr Deputy Speaker: The Member has an extra minute.

Mr McAleer: I thank the Member for his intervention. In fairness, there is recent evidence to suggest that the Minister and the Department can move quickly and decisively to address issues as they arise. We saw that during the recent snowfall in March, when the Minister went to the Executive and got the hardship package delivered. We have also seen it with regard to the fodder transport scheme. A lot of progress has been made to get LFACA payments out earlier this year. I believe that there are as many as 1,000 farms in the pilot scheme for remote sensing. Hopefully, that will speed up inspections and payments and open up the potential of advance payments in line with rest of the country, which people referred to earlier.

To get back to my point, I want to try to counterbalance things a wee bit. Yes, there are issues. However, we are moving in the right direction. I want to mention some points. For example, the recent injection of £5 million into rural broadband was very important for rural areas. There has been investment in the rural borewells scheme, and £13 million investment in rural childcare. Money has been invested in rural businesses, farm diversification and, indeed, rural community organisations. Of course, the Minister has been over there arguing the case for a package that is tailored for this region as part of the CAP reform negotiations.

In conclusion, therefore, I support the motion and thank the Members who brought it to the House. We support it. The mapping error certainly was an issue; it affected 9% of

applicants and it probably could not have come at a worse time.

Mr Deputy Speaker: Will the Member draw his remarks to a close.

Mr McAleer: Thankfully, we are moving in the right direction. We support the motion.

Mr Allister: Various words, such as "shambolic", "appalling", "pathetic", and many more besides, have been used to describe the situation that has resulted from the mapping crisis. In truth, few of them are adequate. This is a failure of a colossal nature. It is a failure by government. You would think, to listen to some people in this House, that we did not have a system of government in which there is supposed to be a Minister who takes responsibility. One would think that it was always enough to say, oh, technical difficulties, or someone else's fault. When do we ever, in this House, get to the point when a Minister will stand up and say, "My Department has failed, and failed lamentably: I take responsibility for it and will act accordingly."? It seems that we never get to that point in this House. I suspect that we will not get to it today as the person who is replying to the debate is a Member who knows nothing about farming and is someone who represents West Belfast. I suspect that the chances of this debate reaping anything of value are nil, but there are points that need to be made.

6.30 pm

The situation is aggravated when the Minister's apologists tell us, "Oh, all it takes is a phone call to get it sorted out", as Mr McMullan did, or, "Do not worry so much about it. Did we not put wonderful money into childcare?", as Mr McAleer did. Sorry; we are talking about issues that touch on the survival and, sometimes, the sanity of farmers, who are so pressurised and so at their wits' end that this is not to be trivialised and swept aside by saying, "Oh, it is terrible that it has happened, but it is only 9%". There is a responsibility on government that goes, or should go, something like this: if you implement a scheme and a system, you have a duty of care to those affected by it. Where is the duty of care demonstrated by the Department towards the farmers who have been detrimentally affected by this scheme and by the maps that are utterly useless and riven with errors?

We who are in touch with the farming community could regale the House with many episodes and incidents of farmers affected by

this matter. Let me deal with one: a farmer who farms marginal lands in the foothills. Some of the land is classified as low and raised bog, and it has been accepted into the countryside management scheme because it meets the fundamental criteria of that scheme for such land: it is available to provide forage, has access for grazing and has a history of grazing. All that is set out in, I think, OT3 of the guidance. It is accepted into the countryside management scheme, but then the maps come along, and the land is coloured purple, meaning that all of it is disallowed. An inspector photographs cattle grazing the land, but it is still disallowed. The restriction on grazing to three months of the year is because of the countryside management scheme obligations, and yet the Department seeks to maintain that that farmer is not entitled to include that land. When he complains, the answer is, "Oh, you can appeal it". Yes, he can appeal it, but when? By that stage, he is liable to be bankrupt. His single farm payments for 2012 and 2013 have been denied, but he is simply told, "Oh, you can appeal it". What use is that? Where is the sense —

Mr Deputy Speaker: Will the Member draw his remarks to a close?

Mr Allister: — of responsibility for a Minister who recognises that this is a shambles of her making? It is time that she faced up to that. It is clear that she is not bearing any pain —

Mr Deputy Speaker: The Member's time is up.

Mr Allister: — but there are many who are. It is pain that she should feel but sadly does not.

Ms J McCann (Junior Minister, Office of the First Minister and deputy First Minister): Go raibh maith agat, a LeasCheann Comhairle. The Minister of Agriculture and Rural Development welcomes this debate on the single farm payment and the implications of the new land parcel identification system maps for the 2013 single farm payment process.

As Minister O'Neill has previously advised the Assembly, the single farm payment is vital to farmers. At about €275 million, it is practically equivalent to the profits made in the sector and represents cash income on which farmers depend. It is claimed annually by over 38,000 farmers, on the basis of the 750,000 fields that they farm. Each field must have its boundaries correctly stated, and the eligible area in the field must be correctly calculated. Only one farmer can claim single farm payment for each field.

DARD and the farming community continue to work hard to achieve the highest standards of administration of single farm payments. Over the past five years, they have worked together to address European Commission concerns about the interpretation of rules; consistency and rigor of inspections; and, most significantly, land parcel identification system maps. Once it beds in, the outcome of this work will be a vastly improved administrative process, and we believe our controls should meet European standards and enable more accurate payments to be made in a more timely way. However, 2013 is the year when the new mapping control is being used for the first time, and it will be 2014 and 2015 before the full benefits are realised.

This year, the Department had three objectives for improvements to farm maps. First, to review all fields to establish a maximum eligible area for each one. Secondly, to issue new maps to farmers, and, thirdly, to get farmers to fine-tune the information on the maps to state the eligible area on which they would base their claim. These three objectives have been achieved. The Department has calculated the maximum eligible area for each field, a new map has been issued to each farmer, and the Department is very pleased with the response that it has had from farmers to fine-tune the information.

The calculation of maximum eligible area was based on aerial photography. Some of the photography dated from a few years ago, so a significant proportion of the updates that farmers and agents made related to things that had changed on the ground in the meantime. It is simply not true to suggest that all the changes were necessary because of departmental error. Of course, it is not always possible to correctly identify all the features in a field from an aerial photograph; for example, overhanging trees can obscure detail on the ground. In regard to some vegetation, such as heather or bracken, it is difficult always to determine whether it is eligible from a photograph. That is why it is important that staff work closely with farmers to keep the mapping information accurate and that farmers tell the Department about the changes needed.

The maps were issued to all farmers between December and February so that changes could be made, where necessary, ahead of the single farm payment application forms being issued and the application deadline. Although the overall objectives have been achieved, there have been some process issues. Members will understand that this has been a complex task, and not everything has run as smoothly as the Minister hoped. The remapping of all the fields

has had to take place alongside the continued running of a live system to accept applications, accept farmer changes and inspection findings, and make payments. The Department had to make sure that existing controls, systems and, ultimately, payments were not jeopardised.

There were two significant problems. First, it is regrettable that, for about 9% of maps, a technical problem occurred that meant that these maps were produced and issued with a significant number of fields missing. This should not have happened, but it was quickly fixed. Although these fields did not appear on the affected maps, they remained at all times in the Department's database, and farmers could update them, if necessary, in DARD Direct offices. The maps were reproduced in just over two weeks and affected farmers were given an additional two weeks to examine and update their map if an update was required. In the circumstances, I believe that this was a strong and appropriate response on DARD's part. Secondly, it was difficult to get all the information provided by farmers and their agents on to revised maps and send revised maps to farmers in every case. Until the middle of April, farmers who had told us about changes were given a replacement map, and the last of those arrived with farmers by 5 May. Maps were also available online and through DARD Direct offices. However, those farmers who raised changes later were provided, if they visited DARD offices from the middle of April onwards, with the information they needed to complete their application in a format other than a revised map.

Where does this leave us now? Today, 10 June, is the final day for receiving 2013 single farm payment applications. Up to and including 6 June, 37,706 applications had been received. It is good to see that this number is only slightly down when compared to the figure of 37,890 application forms that were received in 2012, particularly against the backdrop of numbers falling year on year for many years.

Twenty per cent of applications were received online. The Minister would like to see that number increasing. Applications online are subject to built-in rules and prompts that will help to avoid many obvious errors, making it easier for the farmer to comply. Also, paper applications have to be scanned onto the system and checked, which is inefficient and expensive and delays the start of the inspection process. More online claims mean faster payments in the long run.

What happens next? There are two further processes: verification and inspection. Over

the coming months, we will be verifying the information declared by farmers on their claim forms to confirm eligibility. Significant resources are required each year to investigate and reconcile incorrect claims and to resolve queries on claims. That slows down the validation process and delays payments. Although we hope that most claims will be accurate and can be paid quickly, we are obliged to assess eligibility in accordance with EU rules and can only make payments when eligibility has been fully established. If farmers have not followed the advice and have ended up claiming more than the maximum eligible area we told them about for any of their fields, that will have to be investigated.

Farmers still have time to correct their applications if they need to. I encourage them to do so. If farmers find that they have mistakenly claimed a field for the single farm payment or LFACA because someone else is claiming that field for the same scheme or if they think that they have unintentionally claimed more than the maximum eligible area, they still have time to tell us about that and remove it from their claim. They need to do that now, before the administrative and on-the-spot checks start. That will avoid delays later trying to sort out it out and could avoid penalties being applied. Also, if the Department contacts farmers with a query on their claim, they need to respond quickly so that they can sort it out and finalise their claim as early as possible.

The Minister recognises that some particular difficulties were experienced this year by some farmers because of mapping information. Assuming that the farmer has abided by the scheme's rules, the Department will consider a number of situations in which overdeclaration penalties would not be appropriate in individual cases where the farmer has claimed more than the maximum eligible area on their map.

As far as on-the-spot checks are concerned, DARD is required to check at least 5% of SFP cases to confirm the eligibility of the fields claimed. There was very significant progress in 2012 to update our systems and processes associated with the EU requirement to carry out the checks. One important outcome of the improvements was that DARD was able to start paying the 2012 inspection cases earlier. By the end of the year, it had paid five times more inspection cases compared with 2011. By the end of May 2013, during a period of significant difficulty for the industry, almost all the inspected farm businesses had received their 2012 single farm payments. Through all those enhancements, it was necessary to ensure that the quality and accuracy of inspections was

maintained. That commitment to quality has been confirmed through recent independent audit checking of the inspections, which has shown that the quality of inspection controls was high.

One of the new and unquantified challenges this year will be the impact of the new LPIS maps being used during inspections. Once again, the Minister commends farmers for their commitment to updating the maps that were issued earlier this year. Where a farmer has updated their map and claimed carefully, making any further deductions from their maximum eligible area, that will speed up the completion of their farm inspection. It follows that, where changes have not been reported, it is likely to delay the inspection process. About half our inspections this year will be carried out using traditional field inspections. The Minister has decided to significantly increase inspections using satellite imagery this year to approximately 1,000, which will help to relieve the pressure on field staff to maintain the timely completion of field checks.

The Minister is satisfied that the Department's inspection controls are fit for purpose. She hopes to consolidate the progress that has been made in speeding up inspections and the processing of results. She will keep these processes under review to ensure that that remains the case.

6.45 pm

Looking towards the end of the year, it is too early yet to be definitive about targets for 2013 single farm payments. As in previous years, the Department will work to complete as many 2013 single farm payments as possible at the earliest practical date.

I now want to cover some of the concerns that were raised by Members. A number of Members raised the issue of advance payments. While DARD will not be in a position to make early payments this year, the Minister of Agriculture and Rural Development is committed to seeing this facility introduced as early as possible and improvements made to the maps. The bedding in of control with remote sensory techniques should allow us to complete our processes earlier and put us in a much better position as far as early payments are concerned.

Issues were also raised about the mapping problems and who would be held to account for those. I think that it was Mrs Dobson and Mr Byrne who raised those issues. The work that has been done to date has been complex and

challenging. It is accepted that not everything has gone as well as had been hoped, but it is clear that any issues that have arisen have been dealt with as quickly as possible.

I now turn to Mr Rogers's point about what DARD is doing to interact with DEFRA and Europe to improve arrangements for farmers. DARD is actively involved in seeking to improve the arrangements for delivering single farm payments, not just in the context of the CAP reform negotiations but through its involvement in paying agency conferences and learning networks, which explore ways to make the delivery of those schemes simpler and faster.

I will now make some concluding remarks. I want to take the opportunity to thank the industry again for the positive way in which most farmers have responded to the challenges we face this year. Getting this right is vital as part of the effort to tackle the concerns raised in the past by the European Commission, but it also gives us a more stable platform for the future as we move towards CAP reform, with all its uncertainties. While we have clearly taken a big step in strengthening our controls through the LPIS mapping project, it is important to recognise that we constantly have to balance the impact of improvements against the need to make as many payments as early as possible. We also have to ensure that all our control processes are robust enough to stand up to audit scrutiny.

The Minister is committed to providing a compliant, accurate and timely delivery of payments, as required by the EU. The Department has made progress during previous years in working through the challenges presented by the audit criticism and the need to embrace new technology. We continue to face those challenges in 2013, and I know that the Minister is encouraged by the progress and commitment shown by our mapping, inspectorate and payment teams in meeting the challenges of 2012 and enabling the delivery of much quicker payments. Through the increased use of new technology and the continuing improvement in the accuracy of LPIS maps and farmers' claims, I am confident that we can maintain this position and lay a solid foundation for timely payments in the future. I support the motion.

Mr Swann: I thank the Minister for her response. Earlier, Jim Allister summoned Basil McCrea by saying that he was not here, but I noticed that Jim criticised the Minister for not knowing what she was going to talk about and then left before she had the chance to say it. I

think that he will maybe be watching the debate on TV or will get a chance to read it.

One of the things that I would point out is that our amendment, which I take it has been accepted by all parties in the House, further notes:

"Northern Ireland still remains exposed to disallowance if the rules of the scheme are broken".

We have to remember how much money has been lost to the Northern Ireland economy through the disallowances that have been applied. Those disallowances have mostly been due to mapping errors and inaccuracies. The issue has been raised many times in the House since I came into it, and we have always been led to believe that the Department is almost blameless in any of these errors; that it is always the farmer who is to blame when we get bills from Europe for £72 million, £84 million or whatever it is. I heard the Minister's response about satellites, drones and how remote imaging is going to satisfy all those concerns, but I am concerned that, if we do not get it right, we are going to be liable to far more errors. So we have to be sure that the steps that we take will be for the benefit of farmers and the industry in general in Northern Ireland. Aerial photography is mentioned continually, and a number of the Minister's party colleagues raised the prospect of it. The problem is that aerial photography does not take into consideration the gradient of a steep sloping hill in providing the overall area of the maps, which I know that the Minister has said that the Department has sorted out. It has not. People have been and are coming into my office to point out that the areas of their fields are still not correct because of the sloping nature of those fields.

Mr Clarke: Will the Member give way?

Mr Swann: I have limited time. You have 10 minutes at the end, Trevor; work away.

I am glad that the Ulster Unionist amendment has been accepted. The main motion refers to speeding up the overall inspection process. We tabled the amendment because we are concerned that a speeding up of the inspection process would not help farmers' cash flow. We have heard evidence here of case studies. I think that Mr Rogers said that people who submitted forms in October are still waiting. Speeding up solely the inspection process would not have quickened up the paperwork or the final payment to farmers. I know that

Members here talk about 9% and 5%, but those are mostly small farmers who are under critical pressure at this time, particularly with cash flow. Cash flow in agriculture and in farming has dropped. In 2007, it was £237.3 million. It dropped last year to £158.6 million, a fall of 25% over that period. In 2012, bank borrowing on agricultural loans was £821 million, which is five times more than cash flow. That does not take into consideration the money that is left for feed, fertiliser or fuel distributors. Speeding up the inspection process was not going to solve that at all.

Mr Rogers also mentioned the Northern Ireland Agricultural Consultants Association. We had correspondence from it stating:

"During previous years, farmers have filled in many correction forms, spent time in DARD offices, had inspections carried out by DARD inspectors, all making alterations to comply with the ever-changing rules. All this has been ignored. All and any previous alterations have been trashed as a result of these changes being ignored once again by DARD. DARD are blaming the customers — to use their term for farmers. There seems to be a serious communication issue between LPIS and DARD. They sent out maps, which were wrong. Land was even missing from businesses, and DARD walk away and then try to blame the farmer."

Mrs Overend: Will the Member give way?

Mr Swann: Go ahead.

Mrs Overend: On that remark about correspondence being inaccurate, I wrote to the Minister regarding this issue on behalf of my constituents. I received a response only last Friday, telling me to urge my constituents to get their papers in for 31 May. How ridiculous was it to urge me to do that when the deadline was past?

Mr Deputy Speaker: The Member has an extra minute.

Mr Swann: Thank you.

Had the Minister the chance to come back, she would probably describe that as a glitch. It seems common parlance for the Department to describe anything technical or computer-driven as a glitch or to say that somebody else, somewhere, is to blame.

We tabled our amendment specifically because of the nature of the pressure that we are putting

on our farmers. We want to bring forward even part payment to try to get cash flowing and money back into farmers' pockets. I think that it was in the Ulster Unionist-led debate that we talked about the 52% drop in farming profitability in the past year, and we asked the Minister to commit to the £400 million that has been promised to the Agri-Food Strategy Board. I have a question for the junior Minister in her own role rather than that of responding for the Department of Agriculture. I will even give way for her to answer. Is there a willingness in the Executive to find that £400 million to support our agri-industry as widely as possible? Does the Minister want to respond? That is fine. I will ask in other ways. I have submitted questions for written answer on this, and I look forward to receiving a commitment —

Mr Deputy Speaker: Will the Member bring his remarks to a close?

Mr Swann: — from the Executive.

In conclusion, Mr Byrne and Mr Rogers used the phrase that the Department needs a "common-sense" approach. From what we have seen, the thing that is lacking most in the Department at the minute —

Mr Deputy Speaker: The Member's time is up.

Mr Swann: — is common sense.

Mr Clarke: Like my colleagues, I am pleased to accept the amendment proposed in the name of the Ulster Unionist Party. Although it is calling for advance payments, I suggest that the Minister should expect that we will be looking for possibly between 70% and 80% of an advanced payment, if we want to be more specific in relation to that.

It is disappointing that we are having a debate on the most major industry that we have left in Northern Ireland and that the Minister is not here. I appreciate that she is unwell today, but I suspect that it would perhaps have been better to put the debate back in order to have a relevant discussion and debate with the Minister, as opposed to a pre-written statement from her or her officials — much like the contribution from her colleagues in Sinn Féin, who were basically only paying lip service here today. I emphasise that it was not until the third Member from Sinn Féin spoke that they even suggested that they would support the motion or the motion as amended. The tone was disappointing. Indeed, the first Member from Sinn Féin to speak spent the full five minutes speaking about how wonderful agriculture was,

and did not actually emphasise the difficulties and problems faced by the farming community. The very purpose of the debate was to talk about the problems with the single farm payment, and, particularly, the mapping.

I found it interesting listening to Mr Byrne describing himself as a Rottweiler. I would never say that about Mr Byrne, but there is someone who came much later than that who one perhaps could describe as a Rottweiler, but he has now left the Chamber. His contribution was worthwhile. He spoke about the Minister and her Department not delivering for farmers. I think that that has come out in the tone of the whole debate from all sections of the House, except, obviously, the Members from the Minister's party, who were here to put her on a pedestal today.

My colleague talked about the lack of confidence, and I think that has been the tone of the debate. Indeed, the proposer of the amendment spoke about confidence as well and the problems that the farming community faces on a regular basis. I do not think there is one of our offices that is not contacted annually about payments and problems relating to them.

It is interesting, when you look at the whole debate, to consider how much money has been paid for this mapping system. This is not new; it is actually the second time we have had a go at it. Then we tell farmers that it is their responsibility to check their maps and, if there is something wrong with the maps, to fix them and inform us. We have had this problem in the past, and all of the errors associated. We have a new system. Before the system was up and running we had inherited problems with that, and we are still saying to the farmers, "Here is your map, but go and check it. This is the best we can do, but, if there are any problems, it is your fault". Where else would accept that? I suggest that the Department would be much better taking the money it has spent on the system, give it to the farmers and tell them to employ professionals to carry out their own mapping exercise. First, the Department probably would have saved money, and, secondly, it would have felt reasonable to blame the farmer, or the agent acting on the farmer's behalf, for making mistakes in relation to the mapping.

Mr Byrne: I thank Mr Clarke for giving way. I think it is well-recognised that Ordnance Survey of Northern Ireland is the expert on mapping. I fail to understand why DARD did not employ it, rather than that private company with an electronic system that has plainly failed.

Mr Clarke: You could say that. We could say how good a job Ordnance Survey does in relation to all of the mapping that it does for Northern Ireland. You could also criticise the Department for previously taking the maps to India and getting the Indian people to do our mapping in the past. Look at the problems we had there. That is why I am making the point that I think it would be much better if the money spent in relation to that was actually given to farmers themselves to employ individuals to do the map, if the Department is expecting farmers to be responsible for what they are submitting.

We also heard today about issues raised with the maps and the contact that was made with the Department. The one that strikes me most was the example that Tom Elliott gave today — we have heard a few different examples — of someone who got a map, identified a mistake, took it to the local office and it came back wrong again. They went back to the local office again, and it was wrong again. That happened three times. What does that say about how the Department is treating the individuals in terms of the process and the concerns that they have? What if that farmer, or any other farmer in the same circumstances, had taken the map and assumed that the Department was doing the job correctly, had corrected the error, and continued on? Fortunately, in that case, it was obvious that the farmer whom Tom Elliott mentioned had the good sense to check his map the second and third time, rather than putting it in and being penalised at a later date.

7.00 pm

Surely there is something fundamentally wrong with our system when we are told that the Minister is giving farmers two weeks to check their maps but, when they do that, they find that the Department is still getting it wrong. The Minister needs to do more in the way that she goes about her business to hold people to account, rather than penalising farmers continually.

There are three arabesques in the ceiling of the Senate chamber that represent shipbuilding, farming and the linen industry. Two of those industries are gone, and the only one that we have left is farming — and look at the shambles that the Department is making of it. Look at the shambles that we have seen, year after year. Jim Allister gave us a few words from the dictionary that you could use for the situation, but it is a shambles, and the sooner the Minister and her Department face up to their responsibility, the better.

The other interesting thing that came up — Members have had differing views on it — was the idea of zero tolerance, which Jo-Anne Dobson mentioned. She is right; there is zero tolerance from the Department. We have heard mention many times of gold-plating. Sinn Féin likes to idolise its all-island strategy, but our nearest neighbours are the ones who continue to talk about advance payments. Sinn Féin will not follow their example. Why is that?

Mr McMullan: Will the Member give way for clarity?

Mr Clarke: No. I will not give way to you; you would not give way to me earlier.

The Minister harps on about an all-island policy, but our nearest neighbour is doing something to support the farming community. Why is the Minister not doing that?

Mr McMullan: If you would let me tell you —

Mr Clarke: The Member continually wants to intervene but he had five minutes and all that he did was praise the Minister, read out a résumé of how wonderful she is and tell us what a wonderful job she is doing. If you go out and speak to most of the community today about how she is performing for the rural community, I would say that the answer is definitely not wonderful.

Perhaps, when she comes back to the House, the Minister will tell us what she is going to do to right the wrongs that have been happening in the mapping process. We have been told today that she is considering it and that she is going to do something about it, but just not now. The industry cannot wait; it is crying out for advance payments now.

We have heard about all the measures that the Minister has taken to deal with the crisis that we have faced over the past number of months. The Minister should be congratulated for those actions, but the farming community has been facing a crisis that began late last year and will continue into the early part of next year, given the most recent fodder prices. There will be a shortage of fodder, and the worst problem for the farming community later this year and early next year will be that they will not receive the money that they need to continue what they have been doing for so many years. They have faced severe pressures in the early part of this year.

Members who are involved in the farming community know that the current crop has been

delayed for four weeks and that there is not going to be enough grass for next year. The farmers need to be in a financial position to continue their businesses into the future. One of the ways in which that can happen, given the problems and errors that have occurred in the past, is to make 70% to 80% of the advance payments to the farmers now, with no more excuses from the Minister. I support the motion and the amendment.

Question, That the amendment be made, put and agreed to.

Main Question, as amended, put and agreed to.

Resolved:

That this Assembly recognises the concerns within the farming community regarding the issuing of inaccurate land parcel identification system maps; notes that many were still awaiting their altered maps days before the deadline of 15 May 2013 for their single farm payment application; understands the difficulties and pressures that this will cause to the applicants; further notes that Northern Ireland still remains exposed to disallowance if the rules of the scheme are broken; and calls on the Minister of Agriculture and Rural Development to tackle the problem of delayed payments by seeking permission from the European Commission to make advance payments, including proportionally smaller advance payments for farms selected for inspection.

Adjourned at 7.04 pm.



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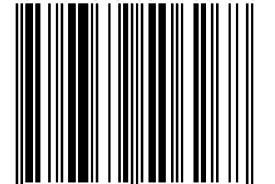
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