

# Official Report (Hansard)

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# Northern Ireland Assembly

Monday 30 June 2014

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

*Members observed two minutes' silence.*

## Assembly Business

### Public Petition: ME: Full Adoption of the Canadian Consensus Criteria

**Mr Speaker:** Mr Bradley has sought leave to present a public petition in accordance with Standing Order 22. The Member will have up to three minutes to speak on the subject.

**Mr D Bradley:** Go raibh míle maith agat, a Cheann Comhairle. Caithfidh mé a rá go bhfuil mé thar a bheith buíoch díot as an deis seo a fháil chun an achainí seo a chur faoi do bhráid agus faoi bhráid an Tionóil. Thank you very much, Mr Speaker, for the opportunity to present this petition on behalf of Newry and Mourne ME/Fibromyalgia Support Group to you and the Assembly. As you know, both of those conditions are extremely serious. They leave the sufferers in great pain and devoid of energy.

For many years, the Newry and Mourne ME group has been working hard to inform people about the illnesses and to provide advice and support to them. For the most part, the work is carried out by volunteers, who, largely, are patients who suffer from ME and fibromyalgia. I have great admiration for people who use their own time and resources to help others who suffer from the same illness. Today's petition asks the Minister of Health to adopt the Canadian consensus criteria on ME and fibromyalgia.

The criteria have been agreed by a plethora of experts in Canada and other countries throughout the world. The Newry and Mourne support group and many others believe that they offer the best option for sufferers to find relief from the illness and, ultimately, to be cured of it.

As I said, Mr Speaker, I am honoured to present the petition to you on behalf of the group. It has been signed by hundreds of people. The group has done amazing work in promoting it. I am sure that our Health Minister

will read the petition and the documentation contained in the file very carefully. I hope that his response will be a positive one. On that note, Mr Speaker, it only remains for me to thank you very much.

*Mr D Bradley moved forward and laid the petition on the Table.*

**Mr Speaker:** I will forward a copy of the petition to the Minister of Health, Social Services and Public Safety and to the Chair of the Health Committee, Maeve McLaughlin.

## **Public Petition: Detoxification Provisions: Foyle**

**Mr Speaker:** Mr Ramsey has sought leave to present a public petition. The Member will have up to three minutes to speak on the subject matter.

**Mr P Ramsey:** I thank you, Mr Speaker, and the Business Office for facilitating this petition. I present the petition to the House on behalf of many people in my constituency who feel aggrieved at the recent decision not to have a detoxification centre in the constituency.

Mr Speaker, you will be surprised and shocked to learn that, today, there are 48,000 signature and 12,000 names online as part of a Facebook campaign. In all my years in the Assembly, I have never seen a petition of such magnitude. That is evidence of the concerns of so many. There is a realisation that there is an unmet need in our city. None of us in the House or in our constituencies can look at our families, our neighbours and members of our community and not see those faced with addiction problems, whether that be alcohol misuse or abuse or, in many cases, alcohol or substance abuse.

There is a human cry from my constituency. Andrew Quigley lost his life several months back. That was a triggering mechanism for many people. I commend the small action group in the city, which very patiently and methodically gathered the names over a number of months, highlighting the issue of a young man whose mother, Colette, said publicly that her son could not get access to addiction services. Had he had access to detoxification, his life may have been saved. I say very honourably in the House that, if there were a detoxification centre in Derry, my heart and soul tells me that lives would be saved.

I ask the Health Minister and the healthcare trust commissioning body to look again at the decision. Derry is not just another town or city; it is the second city of Northern Ireland. It is the capital of the north-west. As such, there are people who believe that the House, the Assembly and the Executive have failed them. I will meet the Health Minister soon after this debate. I appeal to him directly to look at the evidence because, for a number of years, there has been a detoxification centre in Omagh. There was never any evidence that families, and young people in particular, had access to that treatment centre in Omagh.

Mr Speaker, I know that you share some of my concerns. I am glad that you share those

concerns and support the campaign wholeheartedly. It is for the House and all political parties in it to support the campaign. We have here the names of almost 60,000 people from the city of Derry, which has a population of 110,000, who are saying that we need a detoxification centre.

*Mr P Ramsey moved forward and laid the petition on the Table.*

**Mr Speaker:** I will forward the petition to the Health Minister and send a copy to the Chair of the Health Committee, Maeve McLaughlin.

## Executive Committee Business

### Budget (No. 2) Bill 2014: Final Stage

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

*That the Budget (No. 2) Bill [NIA 36/11-15] do now pass.*

The passing of the Final Stage of the Budget (No. 2) Bill by the House will provide legislative cover for the currently agreed Budget and enable Departments to continue to use resources and spend cash on public services for the remainder of this financial year. Of course, as I said on many occasions, the Budget position is continually moving and in-year changes will amend the opening position reflected in the Bill. That will be of particular importance this year as most departmental budgets will have to be reduced if we do not progress welfare reform. As is customary, I will bring updated legislation to the House in February 2015 to authorise the final position for this financial year.

The public expenditure issues and many other issues around this Bill have been debated fully over the past two weeks, and I do not propose to repeat them today in my opening remarks. However, I want to reinforce the issue of welfare reform, which dominated the Budget Bill debates a few weeks ago. We in the Executive and in this Assembly are faced with a stark choice. Delivery of welfare reform will see the welfare budget rise more slowly but it will see that budget being funded by Her Majesty's Treasury. Should we not implement welfare reform, Her Majesty's Treasury will expect to see the savings being taken from our budgets and the Executive must then take action to address this issue. That will undoubtedly require tough decisions. Those decisions must be made early in the financial year to allow Departments to plan accordingly.

We must either implement welfare reform or plan early to address the budgetary reductions. Inertia on this position would simply have the effect of paralysing our public services as funding would be held back in anticipation of a reduction further down the line. I am sure that some Members will again raise the issue of welfare reform and may even challenge my assessment during this debate, so I may well return to it in my concluding remarks.

It is important to state that the provision in the Bill represents the final year of the Budget 2011-15 as agreed by the previous Assembly in March 2011. Members will be aware that there have been a number of changes to the position since then, and these have been agreed by the Executive and brought before the Finance and Personnel Committee for scrutiny in advance of this debate. The Committee agreed accelerated passage, and I am grateful for that. The Committee's work in examining the changes to budgets that have led to the Bill before us today is often unheralded but it is a crucial aspect of devolved government. I will ensure that my officials continue to provide financial information in a timely manner to allow the Committee to continue exercising its important role.

Transparency in public finances and the financial process that underpins those finances is to be welcomed. However, as we heard in the Chamber over the course of debating this legislation, transparency is not uniform across all Assembly Committees. I encourage all Departments to provide transparent and timely information to Committees to allow them to exercise a proper scrutiny role over departmental Estimates information.

In terms of that transparency, the Finance and Personnel Committee and, indeed, a number of Members expressed frustration about its technical nature and the lack of read-across to the Budget position. My officials have provided summary tables that I understand are helpful to the Committees in reconciling the Estimates and Budget figures, but I agree that the process remains somewhat opaque. I believe that there is an opportunity for the Assembly to transform this process, and I hope that we can progress that in the near future.

This year, we as an Assembly find ourselves facing substantial pressures on the Budget. Most, if not all, Departments face additional pressures in some form and, unfortunately, I do not have an infinite supply of funding. We are able to supplement our block grant with additional receipts, regional rates and reinvestment and reform initiative (RRI) borrowing, but even that is not sufficient. Going forward, we must find better ways of doing what we do. We must look to reforming our public services so that we can deliver more for less.

#### 12.15 pm

I firmly believe that reform is the only way that we will be able to provide world-class public services within the future budgetary constraints that we face. We must ensure that every

penny spent on the provision of public services is spent wisely and spent on high-priority services, but we must also ensure that we live within the constraints placed upon us by Her Majesty's Treasury, including reductions in relation to welfare reform. They cannot be ignored and we must plan accordingly.

With that appeal, I bring my remarks to a close and ask Members to support the Bill.

**Mr McKay (The Chairperson of the Committee for Finance and Personnel):** Go raibh maith agat, a Cheann Comhairle. As I said during the previous debate, the Committee has agreed, under Standing Order 42(2), to grant accelerated passage to the Budget Bill on the basis of having been consulted appropriately on its expenditure provisions. It is imperative that the Department meet its requirement for appropriate consultation on each occasion, given the importance of such Bills progressing through the Assembly before the summer recess.

As for the remainder of this financial year, I reiterate my previous point on the contribution of Assembly Committees to the Budget and financial processes, and the importance of regular, timely and effective scrutiny of the financial forecasting and performance of Departments. That will enable Committees to identify issues in real time and obtain assurances that the necessary corrective or preventative action will be taken. It will help to ensure that no moneys are returned to the Treasury as a result of underspends beyond the thresholds agreed in the Budget exchange scheme and that retrospective action is not needed to regularise any excess spend.

I also explained during previous budgetary debates that the Committee is taking forward work, in collaboration with the Department, to develop a memorandum of understanding (MOU) on the Budget process. That should, in conjunction with other measures, help to improve the Budget and financial processes and related parliamentary scrutiny and accountability.

The proposal for the MOU arises from the previous Committee's inquiry into the Assembly's scrutiny and advisory role in relation to the Executive's Budget and expenditure. It was also a key recommendation from the Executive's review of the financial process. It will facilitate the constructive and meaningful input and scrutiny by Members and Committees, which will assist in overseeing the effective and efficient delivery of the Executive's strategic priorities. It will support the Executive

in their role of managing public expenditure and further promote good working relationships between Departments and their Committee, as well as Departments and individual Members.

The Committee recently wrote to the Minister to ask for an update on his consideration of the draft memorandum of understanding, which was developed jointly by Committee staff and DFP officials. Perhaps the Minister will provide some positive indications in his winding-up speech today.

In anticipation of exercising its coordination function in the Assembly scrutiny of the draft Budget 2015-16, the Committee has been undertaking preliminary research and investigation into strategic finance issues, most recently financial transactions capital, efficiency savings, performance against savings delivery plans and borrowing from the European Investment Bank. Further such cross-departmental work will be undertaken on preventative spending and on the year-end surge of spending by Departments.

I will move on to speak from a party political point of view. The Minister referred to welfare reform, as it is called, which not only exercises many politicians here but, quite clearly, many across the water. I was reading 'The Economist' last week, and it was interesting that even it now states that universal credit is one of the great Whitehall disasters of recent times. We also see that the Westminster Public Accounts Committee has deemed the personal independence payments situation a "fiasco" and described the incompetence of DFP as "shocking". So a number of things happening with welfare reform in Britain clearly indicate that the entire process is on the rocks. That being the case, we have to ask ourselves whether it is wise to tie our load to what is, effectively, the sinking ship of welfare reform and the agenda of the present Tory/Lib Dem coalition in London.

Whilst Labour is taking a contrary position and following some of the welfare reform agenda, it is quite clear that the strategy and the agenda that has been pursued by Iain Duncan Smith is not working and will not work. Given that the Government are breaching their own welfare caps and cannot even put their own IT system in place, I do not see the need for us to follow them down that road, when it is quite clear that it is not going to work.

I want to refer back to the Westminster Public Accounts Committee report on welfare reform in Britain. According to the report, the implementation of welfare reform has been so



poor that terminally ill people have been waiting months for their entitlements. That is a commonplace problem across the water, and we have to ask ourselves how we, as human beings, can oversee, or consider overseeing, a welfare agenda that leads to a situation in which terminally ill people lose their entitlements, sometimes weeks before they lose their life.

We will continue to oppose the welfare agenda of the British Government at Westminster, and it is absolute lunacy to tie ourselves to what is now a sinking ship. Understandably, the DUP wants to get into bed with the Tories next year, and perhaps a lot of this is more to do with that than welfare reform itself.

We need to look at other costs as well. We are obviously facing into another summer, and, unfortunately, there is the potential for conflict on parades. We need to deal with that. Some of the greatest risks to our peace process are parades and conflict on our streets —

**Mr Speaker:** Order. I am very conscious that the Member is moving slightly away from the subject matter. I am trying to be helpful, so I ask him, as far as possible, to keep to the debate before the House.

**Mr McKay:** Go raibh maith agat, a Cheann Comhairle. Those represent a big threat to costs and the policing budget, and we need to cognisant of that. They are also a tourism and investment deterrent and undermine stability. Anyone who listened to the radio this morning will have heard representatives from the business community say that they want politicians and political parties to sort out the remaining issues over the summer. All political parties need to get to grips with that. They affect not only communities in parts of Belfast and elsewhere but our economy, community relations and all our futures. We need to start to get to grips with the issues.

The Minister has made much of public sector reform, and the Committee is certainly interested in pursuing that further. He has put some changes in place, but we really need to see some delivery. The Committee will soon conclude its inquiry into flexible working. All of that is important in freeing up resources for future budgets. Once the Committee concludes its inquiry, we will want to hear more positive soundings from senior officials in the Department about introducing flexible working and freeing up resources and space in public sector buildings. We have heard from a number of organisations, particularly those in the private sector, that do not understand why

the public sector cannot catch up or try to introduce a degree of risk-taking into the process to ensure that the agenda is successfully pursued.

We have also heard from a number of organisations and businesses based here that are taking technology to public sector organisations in lots of other countries but feel that they are up against the wall with the public sector here. We really need to get technological improvements in place, and with the Department of Health in particular, because the inefficiencies there are absolutely enormous. The Minister of Health has not got to grips with that. Sometimes it seems that he is the Oliver Twist of the Executive: every time that there is a monitoring round, Mr Poots says, "Please, Mr Finance Minister, give me some more". The Health Minister has to look in the other direction and deal with the inefficiencies in his Department.

To conclude, I support the Budget Bill, and my party supports the Budget Bill as it is presented. However, there are a number of challenges with the economy and with dealing with some of the wastage that is still taking place in the public sector. That involves dealing not only with public sector reform but with the big issues around parades and the issues that are affecting civil society and which the business community is alarmed about at the moment. That is something that the Executive as a whole need to get to grips with over this summer.

**Mr Girvan:** I, too, stand to speak in favour of the Final Stage of the Budget (No. 2) Bill. In doing so, I appreciate that a number of the discussions have already taken place and that, within the Committee, there has been quite an extensive look across what is happening from Department to Department. However, I appreciate that there is a review of the process and that clarity is required within that. The budgets as they are presented are extremely difficult to interpret from one Department to another, so there is a certain amount of crossover that needs to be linked into to ensure that we are looking at everything in the whole.

The Bill, primarily, is to allow the Departments to go ahead and make the spend to the end of this financial year. I appreciate that there have been difficulties in trying to manage the Budget right through the whole term of this Assembly in that we set the Budget in March 2011, as has been mentioned. That is the Budget that we are working on currently. That Budget indicated a £4 billion reduction from what we receive as a subvention from Westminster over that whole period. I appreciate that you cannot really cut

£4 billion without having some pain. It has not necessarily been a painless process, but we have risen to the occasion. We have dealt with what we have in what I believe to be a reasonable and mature approach towards that. In having agreed that, I think that, from that point of view, it needs to be looked at positively.

Additional pressures have been brought upon the Budget. Irrespective of what the Chair of the Committee has said, failing to deal with the welfare reform issue will have and is having an input to our Budget as it is this year. If Westminster were to decide to do something different along the line, we would take the benefits of that, but we are currently receiving penalties. As that stands, we can ill afford to stand the reduction, which will hit not only DFP but every Department. That is something, because it is a block grant that we receive, and that block grant will, therefore, have to be cut accordingly to manage that. I appreciate that it has been said that we are watching what is happening in Westminster, but I think that there is more to be gleaned from what is happening within the process in this House as to what is going on in the Republic of Ireland. There are those who are playing politics, with Northern Ireland as the small pawn in their bigger pitch.

**Mr Weir:** Will the Member give way on that point?

**Mr Girvan:** Yes.

**Mr Weir:** Some dire warnings have been made about the financial impacts for future budgets. On the radio this morning, it was mentioned that the Minister of Justice may well be writing to the Policing Board to say that, because of the cuts, he will be looking for £10 million to come off the police budget. Will the Member agree that it is a mythological hope that, from across the water, Labour will in some way come riding to the rescue and abandon this and put us in a much better financial position? Last week on the radio, even Eamonn McCann, somebody who is not of the same way of thinking of many of the people on these Benches, indicated that, if people were expecting the Labour Party to come riding like the cavalry to the rescue on this issue and then to pump a lot more money into the Budget, they were living in a fool's paradise. With the exception of the bedroom tax, which has already been dealt with by imaginative means by the Executive, as has been indicated, this has focused not on Northern Ireland but on the opportunity for appearance of opposition to austerity in Dublin. The problem is that, one way or the other, Sinn Féin, North and South, whichever way round

you see it, is like being shackled to a corpse on its part.

**12.30 pm**

**Mr Girvan:** I like the analogy and think that it is very apt. I agree with the Member's comments.

Many comments have been made on how our public sector can work more effectively and efficiently, and that area needs some imaginative thinking. Unfortunately, once you start to mention anything to do with public sector reform, there is always a fear that job losses will be incurred. As a consequence, there will be those who will be opposed to any change. I am not necessarily saying that we look at job losses but that we look at economies. We must ensure that we invest to save, and some people maybe misinterpreted what the invest-to-save scheme is. It needs to be made clear to all Departments that they should look at the initiative holistically and on the same basis. On occasions, people have classed the invest-to-save scheme as not that at all.

The Committee carried out a flexible working inquiry. Flexible working is alive and well in the Civil Service, including hot-desking and other aspects, and it could maybe be rationalised on the estate. We should consider that.

We are working under the constraints of HM Treasury's five-year budget that was set in 2011. We have to be positive about other areas. We have come through what is probably the worst recession that the world, not just our economy, has encountered over the last 100 years. Some people have said that there has never been anything like the cuts and the depth of recession that we have come through since the 1930s. We hear announcements about jobs being created by the positive intervention of the Assembly and the Executive. Some say that that is happening not because of the Assembly but in spite of it, which is not necessarily the case. There are areas where we need to be positive to ensure that we not only grow our private sector economy but retain and support our public sector.

Nigel Smyth was on the radio this morning talking about the business sector and what needs to be dealt with to encourage inward investment into Northern Ireland. Parties in the Chamber have a role to play to ensure that things go smoothly over the marching season, which could ultimately have an impact. There are those who are stirring it up behind the scenes, and they are doing it quite effectively. Those from the Benches opposite have decided

to threaten to bring us back to where we were with certain parades, and that has a negative impact on our economy.

I support the Final Stage of the Budget (No. 2) Bill and hope and pray that everyone else will do the same so that we can allow the Bill to progress to its next stage.

**Mr D Bradley:** Go raibh míle maith agat, a Cheann Comhairle, as an deis cainte a thabhairt domh sa díospóireacht seo ar an Bhille Buiséid uimhir a dó. Thank you very much, Mr Speaker, for the opportunity to contribute to the debate on the Budget (No. 2) Bill.

As you know, Mr Speaker, the SDLP has consistently outlined its opposition to the current Budget. We did not vote for it at the beginning and we have, on a number of occasions, outlined a significant number of concerns relating to its shortcomings, chiefly in relation to the health service, job creation and housing, all of which are areas that have come under great pressure in the years since the Budget was passed.

However, having made our concerns known, we have also contributed in a positive and constructive way to all the debates around the budgetary issues. We put forward proposals as to how we could manage Northern Ireland's finances differently, most notably by the introduction of an annual Budget process and the establishment of a Scottish-style commission to assess the opportunity for greater devolution of fiscal powers to Northern Ireland. We also highlighted numerous areas from which more money could be raised, and we emphasised projects on which extra money could be spent for the benefit of people here. Our mantra has consistently been that the whole purpose of devolution is so that Northern Ireland's leaders can do things differently in order to improve the lives of our people. For those reasons, we will again not support the Budget Bill today.

The second element that I want to focus on is the need for a new Budget next year to take us through until the Assembly election. The SDLP hopes that this new, one-year Budget will better provide for the people of Northern Ireland and we will fight to ensure that it does. We have criticised the Executive in the past for developing a Budget without a Programme for Government. Yes, the existing Programme for Government is at least a broad framework upon which the Executive can base their final budgetary year before the election; however, it is flawed and somewhat outdated three years

on. You could say that it is an old Ordnance Survey map when a satnav with real time updates is required.

So, I look forward, in hope, to the 2016 Programme for Government and Budget. The SDLP believes that any future Northern Ireland Executive should publish a Programme for Government as their first act following the 2016 election. Agreement on a Programme for Government would demonstrate unity of purpose and commitment to delivery by the parties involved, alongside the provision of measurable budgetary targets that are available for scrutiny by the Assembly and through public consultation. Such action would follow examples of best practice set by coalition Governments in the Republic of Ireland and in the UK.

Finally and most importantly, as we look towards the 2015 Budget and the 2016 Budget and Programme for Government, the SDLP will continue to highlight how those documents must reflect the needs of people here. The North's consumers have had to deal with a jump of over 20% in the price of goods since the start of the global economic crisis. At the start of the year, the Ulster Bank highlighted the key economic issue for 2014 as being the cost of living crisis, stating:

*"Normally in economic downturns financial hardship is confined to those people out of work. However, in recent years, a growing number of households in work are finding it increasingly difficult to make ends meet."*

This is because wages have not kept pace with inflation, climbing only 10% in the six years since the peak of the housing market bubble in August 2007, compared to an 18.8% rise in the UK consumer price index. In fact, that means that most people took a pay cut of 8-8% between 2007 and 2013. To tackle this, a new Budget must begin to create a living wage society. A number of elements are required to do that, and the first, of course, is job creation.

The SDLP has consistently highlighted the need for job creation outside Belfast and capital investment in infrastructure, to underpin economic growth in the long term, and investment in shovel-ready capital programmes, which boost employment in the construction industry, to stimulate the economy in the short to medium term. Even the coalition Government in London have realised that and proposed an Infrastructure Bill for England. Sadly, however, the Budget failed to adequately prioritise such development.

The second element necessary to creating a living-wage society is protecting the interests of low-paid workers and ensuring that their conditions and wage levels increase. Sadly, the SDLP was the only Assembly party to vote against the increase in pension age for public servants and the reduction in redundancy payments for civil servants. In doing so, the SDLP demonstrated its commitment to protecting the interests of hard-pressed households and trade union members. It would have been welcome if the rest of the Assembly had also done so.

It is also imperative that we tackle the scourge of zero-hour contracts, the use of which can mask whether an employee is truly receiving a living wage. In recent times, we have seen an increase in zero-hour contracts, and the volatile job market has meant that many low-paid workers and those on short-term contracts are finding it harder than ever before to pay their family bills.

It is clear that the Northern Ireland Executive must take action on those issues to develop the North as a living-wage economy. Food and energy prices continue to rise, and the governor of the Bank of England is telling us to expect an interest rate rise this very year. If the Executive and the Assembly fail to take action in budgetary planning, our hard-working households will continue to suffer.

I thank you for the opportunity to contribute to today's debate, and I will leave it at that for the moment.

**Mr Cree:** At the Second Stage of this Bill, I referred to several resource bids that were anticipated to be made in the June monitoring round. These were classified as "inescapable" or "high priority". I asked why they were being treated by way of in-year monitoring instead of being included in the core Budget. The question remains unanswered, and now that we appear to have major problems with agreeing June monitoring, the fate of those bids, and the important work that they are expected to finance, becomes a crucial issue. Perhaps the Minister will advise us on that matter and on whether any steps are necessary to alter the Budget figures that are before us.

I gave him two examples: £160 million to health and some £2 million to the Victims and Survivors Service. Again, I would appreciate it if the Minister could advise on that. There was also a planned capital surrender of £5.5 million. Is that also likely to be available from OFMDFM in the June monitoring round?

Another concern that I and the Ulster Unionist Party have is the carrying forward of year-end underspends from 2013-14 through the Budget exchange scheme. No provision was made in the Estimates for that, as it is usually allocated in the June monitoring. It may be contained in the spring Supplementary Estimates, but that is a long way off, and we really need to know what we are talking about now.

The major issue with our Budget is that we do not know how welfare reform will affect it. No decision has been made, and penalties are being applied to the block grant. Again, an update from the Minister on that would be appreciated.

When we last debated the Budget, I was interested in knowing the detail of the £800 million that was being held in the centre. What is the situation in the centre?

Someone once said that all politics is local, and, just to prove that is so, I would be grateful if the Minister would confirm that the £9 million remains included in the DEL figures for the performing arts, technology and innovation centre at the South Eastern Regional College in Bangor. That work has been eagerly awaited for many years.

#### 12.45 pm

My colleague Robin Swann, as a member of the Committee for Agriculture and Rural Development, raised an important issue earlier this month. At its meeting on 3 June, the Committee discussed a wind farm development and anticipated that it would generate savings of £1 million in 2014-15. Major development and planning issues remain to be resolved, so it appears highly unlikely that those savings can be achieved in the current year. So why are they included in the Budget? That is totally unrealistic.

As a contingent action — its words, not mine — the Department has stated that Forest Service intends to use additional income from the sale of timber to mitigate that risk. I wonder whether the Minister agrees that the Department's strategy in this instance is open to major criticism and, indeed, is significantly flawed. Its budget is based on environmental and green issues to generate savings, but those cannot realistically be achieved in the time frame. The reality is that Forest Service will be forced to embark upon a very anti-environmental deforestation programme, which will have been authorised by the Department to meet the financial deficit that it has created. Surely that

is misleading, to say the least, in any budget plan.

My colleagues in the Ulster Unionist Party will raise other points and contribute to today's debate in due course. Before I finish, I would like to raise a point that has been a concern for me for several years. I last raised it during the Second Stage debate, and the Minister will not be surprised that I raise it now. We need to have a financial process that is clear, accountable and fit for purpose. We do not have that at present, virtually everyone has agreed. Perhaps the Minister could again detail any progress since our last discussion on this by way of introducing the new process, which will greatly improve the situation.

**Mr Dickson:** I rise on behalf of the Alliance Party to speak in support of the Bill, despite those areas where we have serious concerns. Nevertheless, the progress of the Assembly and Executive requires that we support a finance Bill.

When we debated the Supply resolution for the Main Estimates in early June, I noted the looming crisis faced by public services due to the failure of the implementation of welfare reform. Therefore, it should come as no surprise that I return to that subject. We are nearly a month further down the line, and it would appear there has been little progress, given that last week the Social Development Minister told me in the House that the matter is sitting at the Executive table and that is as far as it goes in his contribution.

I ask the Finance Minister directly: can he tell the Assembly what he is doing to meaningfully engage with those who are blocking welfare reform? It is all very well to lay the blame squarely at the door of those who are blocking the legislation. However, does the Minister feel that the dire financial consequences could be communicated more effectively? Sinn Féin and the SDLP are either unmoved by the figures we are talking about coming out of Health, Education and other Departments or they are not convinced that the situation is as bad as the Minister has portrayed it.

I say again to them that they are playing a very dangerous game. As well as the penalties imposed, Northern Ireland, like the rest of the United Kingdom, is facing further substantial cuts in the coming years, which will also have to be addressed. Perhaps the Minister would like to outline what he considers the extent of that to be. Therefore, it is unlikely to change even if there is a change of Government following next year's Westminster election.

We share many of the concerns about the changes to welfare that are being implemented by the United Kingdom Government. We opposed those changes at every stage of the Bill's passage at Westminster. However, the concern of Members across the House does not negate the fact that the UK Government have made it perfectly clear that they are not prepared to give us further concessions.

Members need to be prepared to take difficult decisions or we will face a financial disaster. I was expecting to see some of the results of that demonstrated in the June monitoring round, but that has not yet appeared. Can the Finance Minister tell the House where it is, given that today is the last day of June? He previously told us that we should expect a 1.5% cut across the board in June, which will have a profound effect on the delivery of services. We need to know what the cuts will be and how the services will be affected.

Until welfare reform is resolved, we will continue to face major uncertainties. We can debate Budget allocations, but, until the Assembly faces up to its responsibilities, we do not know what further sanctions could and will arise and what the implications will be for all Departments. The only way the matter can be resolved is through the working group that has been set up, and I encourage the working group to redouble its efforts. We need agreement between the DUP and Sinn Féin. We are under no illusion that that requires the First Minister and deputy First Minister to reach consensus on the matter. Today is time for leadership, not procrastination, when it comes to our Budget. It is time for responsibility to be taken and for the public to be told the reality about public finances. We support the Bill.

**Mr McKinney:** I welcome the opportunity to contribute to the Budget Bill Final Stage today. I am speaking as the SDLP spokesperson on health.

The health portfolio takes up a large proportion of the Budget, with a net cash requirement approaching £4.5 billion. In that context, every pound is significant, and it is for that reason that the SDLP has sought out evidence of measurement around how the money apportioned to health is being used. It is a prudent and reasonable approach, and so prudent and reasonable is it that the House has, on several occasions, backed motions brought by the SDLP to make that very point. Is health funding being used prudently? Is there wastage? Are we measuring across that spectrum? Those are logical questions that must be answered.

Where is the money going? In the Main Estimates, some of the areas marked for funding are as follows: £209 million for health, community and social care services; £102 million for dental services; £487 million for pharmaceutical services; the trusts are taking a sizeable amount of £3.6 billion; and the Business Services Organisation (BSO) weighs in with some £36 million. In pharmacy, the Minister is proposing prescription charges, but has there been an interrogation of how we are spending that nearly £500 million, particularly around the use of branded drugs and general drug use and wastage?

Alongside all that and more, we have a change agenda, Transforming Your Care (TYC), to fund. That is currently underfunded. Bids have been made and not matched. A sum of £28 million was requested last year; £9 million was received. That puts a question mark over the whole Transforming Your Care process. It is a significant underspend and may get worse. For example, community health and social care services receive over £200 million in total. The Health Committee, through its engagement with community care stakeholders, has constantly heard of the same problem: they are not being funded. Imaginative community initiatives that have proven their success, such as the one operating in the Western Trust to prevent long-term heart problems, could not sustain themselves as the investment simply was not made. How is that transforming your care? They cited a convoluted commissioning process and overall weak community health infrastructure as the problem. Let us remember that the objective of TYC was to utilise that sector more. We were supposed to fund the community side, and that was supposed to take the heat off the very expensive A&E and hospital side. It has not happened.

So, where do we draw our conclusions? We can see the £209 million in the Estimates but we cannot see where it will be put in practice. Another example is the BSO, to which the Estimate is £36 million, but we know that there has been a catalogue of errors with the new pay system that the BSO manages. How much has that cost over what was initially anticipated? Has that been accounted for or is that merely chalked up as wastage? Transforming Your Care was agreed upon by most when it was first presented. The overall aims, as I said, were laudable. However, the SDLP has serious concerns about how it is being measured.

In the last debate on this Budget, I read out the contributions from unions on TYC. Some think that it is about privatisation, and others simply

think that it is a cost-cutting mechanism. The Royal College of Nursing really does not know what it is. It is saying that today in real time. That is not a historic comment. I remind the Minister that the respected community and voluntary associations said last year that their concern was that the opportunity will be taken to save money by stealth, that not all the savings will be recycled back into the system and that more resources may be required than are currently allocated during the transitional period. I suspect that they are getting close to the nub. Those opinions are testament to the very point I am making: Transforming Your Care implementation is not being measured sufficiently. There are not clear points of progress that the SDLP can see.

In response to our questions, the Minister gave an update on the 99 targets initially present in Transforming Your Care. Very few of those have been fully implemented and, at worst, they are haphazard. They are stop, they are start and they are certainly not measured. The limited successes that the Minister was able to outline pale in comparison to the number of targets that were stagnant. For example, one of the claims was that an information infrastructure had been established for information on mental health. The reality is that that is a website, and it is a year late and still has not started.

There can be no doubt that the party opposite brings welfare reform into this debate, as it already has done. However, I have to ask this: if welfare reform is coming and cuts to budgets along with it, is it not now more imperative that we measure our current system to make sure that it is as efficient as it can be, given the significance of the spend that there is in the Health Department? Should we not now analyse in detail the millions of pounds of transitional TYC money? That includes the £3.6 billion that has been given to the trusts, the operational costs of the Health and Social Care Board and the huge monetary resource given to administration, which, in the Estimates, takes up a column of its own: admin costs for community care, £26 million; admin costs for ophthalmic care, £96 million.

It is worth noting that this House, as I said on a number of occasions, has backed the SDLP in motions calling for measurement. Instead of acting on that call for measurement and the reasonable request from the House, the response from the Health Minister and the Finance Minister has been to scaremonger. During the last debate, the Finance Minister stressed the point that simultaneous press releases had not gone out from him and his

party colleague, the Health Minister, in relation to funding. I remind him that, when Minister Poots was warning of the dangers of a Health deficit, Minister Hamilton was echoing his words at exactly the same time. Both stories went up on the BBC on the same day, 15 minutes apart from each other. So, instead of having a Finance Minister who is measuring and scrutinising the Health spend, we see party counterparts cheerleading each other. That is not accountability, and it is in stark contrast to how the former Finance Minister treated the situation when Mr McGimpsey was in charge.

In relation to cancer drugs, Minister Poots told the public that, in order to get the funding for increased drugs spending, we need to impose prescription charges. He did not tell us that he was already receiving money through the pharmaceutical price regulation scheme (PPRS), which may be used for this very purpose. In fact, his Department could not say where the £9 million given to the North in the last three years through PPRS had gone. I ask again today: where has that money gone, how much are we getting now and what are we spending it on? Given the nature of the PPRS deal — that money should be spent on innovative drugs — where is the new money going to be spent? Just this morning, we saw a press release from the Association of the British Pharmaceutical Industry (ABPI) in relation to the new deal. In this quarter alone, the Department of Health, nationally, will get back £74 million. It is projected that our share of that will be 9.92%. We can all do the maths. That is in the first quarter, and it is going to be replicated over the next three quarters. At a rough estimate, just shy of £30 million may come back. It should be spent on innovative drugs and is a comprehensive and solid answer to the Minister's claims that only prescription charges and welfare reform will answer this issue. The money has been there, the money is there and the money will be there for cancer drugs and the development and encouragement of innovative drugs.

Incidentally, it does not end there. If we incorporate this, there is the potential for us to develop our biomedical research and biotech industry around this. There can be jobs, taxes and further encouragement to our overall economy as a result of taking a holistic approach to this. The Minister, I suggest, should jump off the prescription charges and welfare reform arguments and use the money that is there. It will benefit patients on cancer drugs and this society as a whole.

The point is clear: health is a huge budget, and every pound spent should be measured in

terms of its outcome. The SDLP does not see evidence that the Department, the board or the Minister is undertaking the measurement that is required.

**1.00 pm**

**Mr Eastwood:** I did not expect to be called so quickly, Mr Speaker, but thank you for that.

The Members from my party who have spoken, Mr Bradley and Mr McKinney, who has just sat down, talked very eloquently about some of the issues that face us. Mr McKinney laid out clearly the issues with the health service, and Mr Bradley spoke more generally. I will take up some of the issues and then, as I usually do, revert to talking about Derry, as you might have imagined that I would. I will probably try to weave Derry into all the other issues as well — I am a bit like Mr McElduff in that respect.

One important issue that Mr Bradley touched on was the idea of a Calman-style commission to look at the opportunities for the North around fiscal powers. There has been much debate about corporation tax. I do not believe that it is a silver bullet, but I do believe that it is a very important issue. Anybody who has been to the States and spoken to anybody there about trying to attract investment to this part of the world will know that we are up against it, because our direct competitor — I argue that it should not be our direct competitor but our partner — is the Republic of Ireland, just across the border, which is able to offer a much more attractive package.

**Mr A Maginness:** Will the Member give way?

**Mr Eastwood:** Yes.

**Mr A Maginness:** The Member raises very interesting points, not just on corporation tax but on the general range of fiscal powers, the Calman commission and so forth. Given the current situation in Scotland, with the referendum on independence, and the fact that all the major parties have conceded that Scotland deserves to receive and will receive greater fiscal powers in relation to its self-governance, is there not an even stronger argument that we in Northern Ireland should also seek stronger powers in fiscal matters?

**Mr Eastwood:** I thank the Member for his intervention. His point is very well made. I have a view on what might happen in Scotland in the next few months, and I hope that a certain side of the campaign is very successful. I think that it will have an impact here that might

be immeasurable, and I am not sure that everyone has quite grasped how important it is for us. The Member is right: Scotland will not be governed in the same way after the referendum, no matter what happens. If they get independence, they will obviously have much greater fiscal powers; if they do not, "devo max" is, I think, very much on the cards, and we need to start looking at what impact that could have on us.

We also need to think a bit more creatively. I keep telling people that we have a 12.5% rate of corporation tax in our city — in Muff, Bridgend or Killea. There are opportunities for us to work on a cross-border basis with the Irish Government and the organisations in the South that are trying to attract investment to the Republic. We can do that by asking them to look at a cross-border enterprise zone for the north-west. I know that there was a recent announcement for Coleraine — good luck to Coleraine — but we have been asking for one for quite a bit longer. We think that the cross-border element provides a tremendous opportunity, and we have everything in place. The area around Bridgend in Donegal has that very attractive tax system. Look at one company that has relocated from Derry to Burnfoot, just down the road: E&I Engineering employs hundreds of people, and I think that about 80% of them are from Derry. They spend money in Derry and buy houses in Derry. The company may pay tax in the South, but both sides of the border benefit. We need to start looking at ideas like that to reinforce the fact that we should not be in competition with the South but in partnership. It is not about us on this side of the House waving a tricolour in anybody's face; it is about common sense. We had a document called 'North South Makes Sense', because it just does. Nobody's allegiance to any nationality or nation is threatened by that. There are massive opportunities in the way in which we do things, particularly in the economy, that should run across every Department. I know that in our city and in other places the border becomes less and less relevant in people's everyday lives, but it should be less relevant in government policies, particularly those for the economy.

Mr Bradley also spoke of the need for Budgets and Programmes for Government to be done in unison. The idea that we all turn up after an election and we are all in government and then we have a row about what the Budget and the Programme for Government should be does not make any real sense. I would far rather see parties go into a negotiation around a Programme for Government and a Budget that

has a connection to it at the beginning of the term. We have an opportunity in the final year of the mandate to begin that process, and, hopefully, at least after 2016's elections, we can start to do things a little differently.

That brings me to the important point. One of the major issues in our city is that we have had countless plans. We have loads of plans. We know exactly what needs to be done on the economy for Derry, and it is important that that be done, not just for Derry but for Northern Ireland. We do not want to see queues of people leaving our city or any other place in the North for Australia or England and never coming back, nor do we want to see people continuously claiming benefits when they could contribute to the economy in a very positive way. We had the answer, and it was called the "One Plan". I know that the Executive seemed very committed to it, because, when I was mayor, I stood beside the First Minister and the deputy First Minister when they came to the Waterside in Derry to launch it. That was after 18 months of people in the community and business sectors and all the local statutory agencies and political parties getting together. It was a difficult process and maybe not one that anyone would want to repeat. We came up with 11 catalytic projects that would make a huge impact, in our view, on the city's economy and social deprivation indices.

We all signed up to the plan, which was pretty much unheard of. It was a great process, in that political parties from in here were able to work together out there, somewhere else, like we do in a lot of areas in the city, and come up with a plan that we thought the Government should adopt. As I said, the First Minister and the deputy First Minister came down, launched it and praised us for doing all the hard work, and then, when we saw the first draft of the Programme for Government, it was not even mentioned. We kicked up a fuss, and the strategy board in Derry wrote a strongly worded letter, and then it was mentioned. It said that the Executive were committed to developing the One Plan, with particular reference to the sites at Ebrington and Fort George. We had already developed the plan: the problem was that we needed it implemented. Unfortunately, if it was not going to be in the Programme for Government, it was not going to be in any of the ministerial commitments after that. For me, that was a major mistake, and we have ended up seeing the outworkings of that.

We had a fantastic week in Derry, with probably hundreds of thousands of people walking along the quay. It was like walking through Cannes or somewhere like that. They were looking at



yachts and spending money, enjoying the weather and one another's company. There were people from every background getting together. Derry can do things like that very well, but, unless we get the economic drivers and the infrastructural fundamentals correct, those things will come and go.

**Mr Dallat:** Will the Member give way?

**Mr Eastwood:** I will, yes.

**Mr Dallat:** I detect a certain smugness from my colleague from Foyle, and I can understand it perfectly. I accept that Derry is the envy of the rest of Northern Ireland in how unionists and nationalists can get together and carry out the kind of fete that happened last week or, indeed, last year. However, does the Member agree that there is one thing missing: transport infrastructure? Derry is, I think, the only city in Europe that is not connected by a motorway, and it still struggles with a railway that is hugely successful. I was on the train on Saturday, and it was packed, but it irritates me when somebody on a bicycle can complete the journey to Belfast more quickly. Yes, you got the boats, but only for a week. They are away now. We also need that ferry between Magilligan and Greencastle. I know that our colleagues in Belfast in particular must feel envious of the maiden city's success, but surely it is time to put the capital investment into our second city and make it the showpiece that unionists and nationalists up there have worked hard for. They have won the arguments. What is needed now is the money.

**Mr Eastwood:** I thank the Member for his eloquent intervention. The House will probably thank him for shortening my speech because he said most of what I wanted to say. He is right. The point that I was making is that we can do fantastic things when people in Derry get together and decide to work together to get these things done. We can attract world-class events. It is a pity that Radio Ulster seemed a wee bit more interested in Glastonbury than in the Clipper festival this morning, but that is another issue.

The Member is right: unless we get the infrastructural development correct, we cannot reach our full potential. We are not asking for anything special; we are asking for the opportunities and tools to do these things for ourselves. There needs to be a proper road network that does not just end in one part of Northern Ireland and does not go to another part where a huge number of people live. A couple of weeks ago, a man cycled to Belfast

more quickly than he could go by train. He beat the train. What does that tell us about where we are and where we need to be? I could probably do it. You could even do it, Mr Weir. *[Laughter.]* Mr McKay could definitely do it. Another point is that, when you try to get a train from Derry to Dublin, you find that the Dublin train leaves Belfast five minutes before the Derry one arrives. You would nearly think that it was deliberate. *[Laughter.]* There is another issue. I will not focus my anger about it on Mr Farry because I think that he gets all the focus on it when it is a bigger issue. It goes back to the point that it was not put into the Programme for Government. It is the issue of the development of Magee. It is nothing to do with welfare reform, as Mr Farry told me last week: it is a 50-year-old debate. We were even debating it back when John Hume and the unionist mayor came to this place with a lot of other people to demand a proper university for our city. The One Plan commitment is for 9,400 places by 2020. The way things are going at the minute, we will not make that. Again, it is not just about us asking for more places for the university so that people do not have to go to Liverpool; it is about underpinning the city's economy. It is not just about the number of students but about the type of courses and being able to create jobs and attract jobs to the city. It just needs to be done. We send 15,000 students from the North somewhere else every year. That is a university a year that leaves here. We spend all the money to educate them in our schools, then we send them somewhere else. Eighty per cent of them do not come home and do not contribute to our economy.

I know that it is kind of broken-record stuff from us. We are often called whingers. It is not about whingeing; it is about asking for what is fair and right. Derry has proven that, given the opportunities and tools, we can deliver something very good and exciting for the people of the city and the North of Ireland.

**Mr Hamilton:** I genuinely want to thank Members for their wide-ranging contributions today. It is important that the impacts of the Bill on local people are debated fully in the context of a local Budget. I welcome the contributions today. I will do my best to respond to the issues raised as comprehensively as possible during the rest of the debate. At the outset of my remarks, I thank again the Chairman and the Committee for Finance and Personnel for their assistance in the accelerated passage of the Bill. The support of the Committee enables the Bill to receive Royal Assent by 31 July, ensuring that the flow of funding to public services will continue uninterrupted throughout the remainder of the year.

## 1.15 pm

I will address some, if not all, of the comments made by Members this afternoon, and I turn first to those of the Chairman, Mr McKay. In his capacity as Chair, he mentioned the development of a memorandum of understanding between my Department and the Committee on the Budget process. I am content to support that in principle and will respond in more detail to the Committee in due course. I will say one thing, though, which is important. Given the opportunity that a one-year 2015-16 Budget presents to develop and test a draft memorandum of understanding against the one-year process, I am content to do that. However, to pick up on a point that Mr Cree regularly makes in the Chamber when I am here, that is not a substitute in any way for a fundamental review and reform of our financial process, which has been long outstanding and is very much needed.

We have gone through the process again, and the criticisms about this Budget process were the same as were made about the previous process and the one before that and so on and so on. That shows the need for that reform not just because of the openness and transparency that it will bring to an important process — the Budget — but because it will hopefully lead to a better use of resources. If Members and those who use money to provide services can see better where it is spent, you would hope that it would lead to a better use of resources. I throw it back to the Committee Chairman, given the party that he is a member of, and urge him to bring whatever influence he can to bear on his party colleagues who are not as enthusiastic about the review of the financial process. He urged me to be reforming — I thank him for that — but I also encourage him to be an advocate for reform when it comes to the review of the financial process.

If Mr McKay reflects on his remarks, he will see that he said that the Public Accounts Committee (PAC) report talked about the incompetence of DFP being shocking. To be fair, there may be occasions on which he may have the right to say that, but I think that, in this instance, he was referring to the Department for Work and Pensions's (DWP) incompetence as being shocking.

It is fortuitous that the Minister for Social Development has arrived not just so that he can hear what I have to say but so that he can help me if I get flummoxed and get the information wrong.

As for criticisms of the roll-out of welfare reform or, indeed, some of the elements of welfare reform that have been legislated for across the water, who would not criticise many aspects of the Welfare Reform Act, as it is now, across the water? I can stand proudly and say that members of my party were in the House of Commons to vote against many elements of the Bill when it was going through the House of Commons. As a party, we have been consistent in referencing those parts of the Bill, even the Bill that was initially before this House, and in saying which bits we did not like. We are content with some bits. Everybody in the House should endorse the principles of trying to make work pay and trying to simplify the benefits process. Nonetheless, there are bits of the welfare reform agenda that are not what we would propose if we had a blank sheet of paper. That is why, within a week of taking up office, Minister McCausland dispatched himself to London to negotiate with DWP to ensure that the exemptions and flexibilities that could be negotiated were negotiated, and he has been exceptionally successful in doing that.

We have a package of measures that, while not ameliorating all of the worst of welfare reform, certainly goes some way to doing that and reaching that objective, to the extent that the bedroom tax will not affect people in Northern Ireland in the way that it affects people in Great Britain. We also got various payment flexibilities, which were demanded not just by Members of the House but by people outside it in the community and those dealing with vulnerable people. As I have said in the House before, this package of measures is the envy not just of English MPs but of my governmental counterparts in Scotland and Wales. We should be very pleased with what the Minister for Social Development has been able to achieve.

Mr McKay ran through a series of reports — I am glad to hear that he also reads 'The Economist' — about IT delays and issues with implementation. Whilst I am sympathetic to the points that he raises and, no doubt, my ministerial colleague is also sympathetic, they are, in many respects, immaterial to the debate that we are having in Northern Ireland. We are faced with a Government in London who remain ideologically committed to doing this, even though they face escalating costs and delays in the implementation of ICT systems and the negative implications of those things for the implementation of the new benefits and the changes to existing benefits. They are determined that their vision of welfare reform will be implemented. As Members in the House know, without me having to rehearse it all

again, we are bound by the 1998 Act to follow parity and ensure that the system of benefits that will apply in London, Newcastle, Manchester or Liverpool is applicable here in Northern Ireland. Despite the delays and rising costs of implementation, it is very clear that the Government in London are proceeding.

The cost for us of not proceeding, as I have said in the House many times during the Budget process, is that we have already lost £13 million. That is £13 million worth of services that could be delivered and are not being delivered. I remind Members, particularly those opposite who come with a list of very meritorious projects that they would like to see developed in their constituency or for the benefit of people across Northern Ireland, that losing £13 million from our Budget does not help the Assembly or the Executive in funding those projects, never mind dealing with existing pressures. What we will lose will rise to an additional £87 million this year, and so it goes on. It will be over £100 million next year and more and more as the years go on. This is not something that will impact on services in the future; it is starting to impact on services now.

As for my party cosying up to the Tory party, I note that the party opposite has been seeking meetings with the Prime Minister on a one-to-one basis since he came into office in 2010. I understand that he has finally acceded to their request and is meeting them this week. I do not know what is on the menu, I do not know what they will be entertained with and I am not even sure what they will discuss, but it is rich for the party opposite to lecture my party about our relationship with any party in Westminster when they are running around trying to pal up to the Tory party as well for whatever reason.

I will jump ahead a little and refer to Stewart Dickson's comments about whether the parties that oppose movement on welfare reform are unmoved by the figures or believe that they are not as bad. I think that it is a bit of both. I think that they are unmoved by the figures. I will play devil's advocate, which is difficult for me to do, but £13 million being lost probably does not sound like a lot of money in the grand scheme of the Budget. However, when you increase that to £87 million, it will be a grand total of £100 million, and then you will have £100 million next year and then more than that. Then it will start to bite, and they will realise that it is as bad as we have been saying. It would be bad enough if we were just losing £100 million out of our Budget this year, unfathomable as that is, but, when you have the pressure from Ministers such as the Health Minister, the Justice Minister, the Education Minister or other

Ministers coming into the Chamber and saying, "I am already under pressure to the tune of x hundreds of millions of pounds, and you are taking money off my budget to pay for these penalties" —

**Mr G Robinson:** Will the Minister give way?

**Mr Hamilton:** Yes, I will.

**Mr G Robinson:** Which Departments does the Minister think could lose out on that £13 million?

**Mr Hamilton:** To address Mr Robinson's point, ultimately, it is a matter for the Executive to agree on how best they think those pressures of the £13 million, the £87 million to come and the future pressures that will affect next year's Budget are to be dealt with. It is hard to escape the conclusion that, given the quantity of reductions and pressures involved, no one should be immune. That is not a position that I relish, and the Minister for Social Development will shift uneasily in his seat at hearing that news, as it will put pressure on his budget as well. Unfortunately, it is the reality of the situation that we face. If we face that degree of reduction, I do not think that any Minister in the Executive can or will be immune from that degree of reduction, critical as all the services that they provide are.

It is something that is being discussed, and, while I cannot get into the granular detail of the June monitoring round, to finish Mr Dickson's points, we are discussing a June monitoring round. It is the most challenging monitoring round that the Assembly has faced since it came back in 2007, because of the pressures that we are under. The Member said that we needed to know what cuts there would be. That is precisely the point. The Social Development Minister will agree that I have been laying out in fairly stark terms to colleagues the degree of reduction required to deal with the existing welfare penalties and those that are yet to come in this year, as well as addressing pressures that have built up at the centre anyway. I have been putting in fairly stark terms the difficult choices and tough decisions that I think Executive colleagues have to make now so that Departments have the certainty that they need to plan for the remainder of the financial year. That is creating a stumbling block. I suppose that we would expect that, given the degree of cuts and reductions that there are.

I go back to the original point: when Members opposite and the Ministers from those parties

see in bald terms what those figures are and what it means for their Department and then take it back to their Department and calculate what it means in service reduction, they will, I hope, start to understand. Unfortunately, however, many still seem to be unmoved by the degree of reduction required to deal with the penalties that we face.

I will go back to some comments that Mr McKay made on reform and the use of technology. I will highlight some of the achievements that we have made, and I am grateful to him for highlighting the fact that some things have been achieved, not just the use of technology, which I will come to in a second, but in property management. Since 2009, the property division in my Department has saved over £15 million in rent, rates and service charges by providing much more modern, higher-density, open plan office space. IT Assist, one of the shared services for which Enterprise Shared Services in my Department is responsible, has reduced the cost per user for computers and telecommunications equipment by over 30%. It is not just about reduction; it is about service improvement. Our own PAC described our prompt payment work in Account NI, where over 90% of invoices are paid to suppliers within 10 days, as world-class.

I agree with the Member that the better use of technology is a key driver and a major part of my reform agenda. This year alone, we have seen the launch of initiatives like Spatial NI, through which all of our mapping and geographical information has been put online and made accessible to the public. All of our genealogical information has also been put online through the General Register Office. Those are two small examples of where it can happen. The next phase, which will be led by the digital transformation service, which, again, is within DFP, will be to take many more of those services and put them online where people want to use them and where, of course, it saves us a considerable amount of money. As I am sure the Member and the House will appreciate, making such a degree of change and reform is not always simple and straightforward. It takes some time to roll it out.

Mr McKay also talked about companies coming to Departments selling technology. We have got to be careful, in the first instance, particularly around procurement law, that somebody does not just walk into the Department headquarters and say, "I've got something that will revolutionise how you work". They may well have something that will revolutionise how we work, but we cannot simply have Departments buying from the first

person who comes into their offices. It is important that Departments identify need first and then go out to purchase the appropriate technology, which will save money but also improve the customer experience.

Dominic Bradley who, up until now, has been a loyal and faithful servant at Budget times — he is missing now — rehearsed pretty much every point that he made about the Budget. He talked about the 2015-16 Budget and the need to better provide for the people of Northern Ireland. I agree. As a principle, better providing for the people of Northern Ireland is, surely, why we are all here. In response to Mr Bradley I say that, in a situation where we already have less money coming from Treasury — there are about 1.5% to 2% reductions to our 2015-16 Budget, compared with 2014-15 — and we have all the welfare penalties that we talked about, it is hard to see how those aspirations can be met. It is bad enough that we have that 1.5% to 2% reduction, but to have all of those additional penalties slapped on top of us makes providing better for the people of Northern Ireland that bit more difficult than it already is.

Mr Bradley also said that the economy needed to do better and, as he did at Second Stage, proceeded into a bit of a moan about job creation. He bemoaned the Executive's record on job creation, the fact that they did not spread that out beyond Belfast and the thinking that there was some sort of ring around Belfast beyond which job creation did not extend. I thought that that was incredibly ironic, because, as we stand here today, 484 new jobs are being announced by First Derivatives in Newry, which, I think, is in the constituency that Mr Bradley represents.

I think that, on reflection, he will welcome the record of the Executive in creating jobs not just in Belfast; we are supporting the creation of high-quality jobs in places like Newry as well.

### 1.30 pm

He talked about the Programme for Government. There is an ongoing review of the Programme for Government that will look at the extension of existing targets for a year and the creation of new targets. He said that we should consider using something other than an old Ordnance Survey map. As the Minister responsible for Ordnance Survey, I am very proud of our mapping; it is one of the very good services that we provide in Land and Property Services (LPS). He encouraged me to use a satnav more. As somebody who has just

advocated technology in response to Mr McKay's comments, I caution about the use of satnav because, in my constituency, poor people have articulated lorries being sent up their street even though it is a cul-de-sac. That is a bit like Mr Bradley's satnav; he wants to spend lots of money, but he does not offer me any ways in which I can raise that money. That sounds a bit like a road to nowhere.

Mr Cree raised a number of very detailed points, which, if need be, I will try to respond to in writing. He talked about pressures — I think that I referred to them in response to Mr Dickson — developing in year, such as £160 million in Health and some in the Victims and Survivors Service. He asked whether budgetary adjustment was required for those. It will be required only if decisions are taken in this monitoring round or future ones to fund those pressures in some way. The adjustment would then happen in the Budget Bill early next year. It was very narrow of him to talk about the North Down constituency, South Eastern Regional College (SERC) and DEL's work at Bangor with the performing arts. Again, I can come back to him, but there is nothing I am aware of to suggest that that money is not there. However, that is primarily a matter for the Minister for Employment and Learning.

I welcome Fearghal McKinney's backhanded admission that he was wrong in terms of the release of two statements by the Health — he is shaking his head; he is not saying that he was wrong. The record shows that there was not a simultaneous release of statements by my Department and the Health Department in mid-May, as the Member suggested at Second Stage. I corrected him at Second Stage. I thought that he was being humble, and I would have taken it in that regard had he backed away from his previous statement. The former UTV man was perhaps blaming the BBC for putting them on its website at the same time. I am happy —

**Mr McKinney:** Will the Minister give way?

**Mr Hamilton:** Oh, you want to get into this one. OK.

**Mr McKinney:** I thank the Minister for giving way. The point is that the Health Minister made a point about prescription charges and welfare reform, saying that there was no option other than the alternatives. The Finance Minister made the same point at the same time on a programme on the BBC. Both of them went up on the BBC within 15 minutes of each other. The Health Minister and the Finance Minister

were singing off the same hymn sheet at the same time, saying the same things. Where is the scrutiny in that? Where is the scrutiny that was demonstrated by Mr Wilson, the former Finance Minister, when he was interrogating the Health Minister Mr McGimpsey and suggesting ways for him to save money? The Finance Minister was backing the Health Minister, and the Health Minister was backing the Finance Minister.

**Mr Hamilton:** The point is not what the Member has said; the point is that, at Second Stage, Mr McKinney questioned whether I had released both statements, whether the Health Minister had released both statements, or whether the DUP press office had released both statements. He talked about two statements being released when, in fact, no statement was released by me or the Health Minister. It was inaccurate of the Member to come to the House —

**Mr McKinney:** Will the Minister give way?

**Mr Hamilton:** No. I have heard enough.

It was inaccurate of the Member to come to the House at Second Stage and say that, on a date in May, the Health Minister and I colluded in some way and released simultaneous press statements. No press statements were issued on that day by me or the Health Minister.

I shudder to think that the Health Minister and I might have some sort of symmetry and be working together and trying to do things to provide services better for the people of Northern Ireland, as Mr Bradley wanted me to do. I shudder to think that I would have a working relationship with Mr McCausland. Maybe I should do business by being at loggerheads with party colleagues. Mr Ford is in the House; he and I have a very good working relationship even though we are not members of the same party. The colour is draining from his face as I say that I have a good working relationship with him. He is looking for more money. Maybe he does not think that it is a good working relationship, but I like to pride myself on having a good working relationship with the Minister of Justice, as indeed I do with other Ministers. That is what I should be doing. I should be working with and listening to them. I cannot address all the concerns that they have; I do not have the money to do that. However, I try to work with Mr Ford and Mr McCausland, and I certainly try to work constructively with Mr Poots, when he is responsible for spending 45% of the Budget in Northern Ireland. That should be welcomed by the party opposite.

**Mr Weir:** I thank the Minister for giving way. He may be being a little bit harsh on Mr McKinney. Surely the Minister is only emulating the good working relationship that exists between the leader of the SDLP and the deputy leader?

**Mr Hamilton:** I suppose that, if that is all that you have to go on, that is maybe what you would expect. Mr McKinney said at the start of his comments that he was speaking as health spokesman, but he then went on to give a speech that was by and large about operational matters that are better dealt with by the Health Minister. This is the last year of the 2011-15 Budget, and spending on health has increased from £4.3 billion in 2010-11 to £4.65 billion in 2014-15, which represents an 8.3% increase over those three years. It will expand again this year. Last year alone, over £100 million in additional expenditure was granted to the Department of Health. The Health Minister has made £490 million of savings between 2011-12 and 2013-14.

I also heard Mr McKinney criticising the Minister on the non-delivery of his Transforming Your Care policy. I did not know that the SDLP was supportive of that policy. I am sure that the Minister of Health will welcome its volte face.

Colum Eastwood talked about a wide range of issues, including tax-varying powers. I remind him of the review that has been undertaken as a result of the economic pact, which is looking at scoping out the potential for further tax-varying powers, although I have always been very clear that, if we were to consider those, they must produce a defined economic and social benefit for Northern Ireland, and they must be affordable. I will look at them all on a case-by-case basis.

He also talked about enterprise zones, and I remind him that the first Northern Ireland pilot of that is in fact in the north-west. Without getting into the higgledy-piggledy or the nitty-gritty of the rules of enterprise zones, they are not something that we can create everywhere in Northern Ireland or, indeed, for the whole of Northern Ireland, as some people in the business community have suggested. However, there are certain circumstances, particularly where capital-intensive industries are developing, starting or growing, where we can potentially look at new enterprise zones, but I think that it is important that people come forward with a compelling case before we go to Treasury.

To be fair to Mr Eastwood, he said at the start that he would talk extensively about

Londonderry, and he was a man of his word. Other Members from the Foyle constituency likewise have spoken during previous stages of the Bill and bemoaned the lack of investment in the north-west. I understand that everybody in every constituency will say that they need investment in this, that and the other, and I do not deny that. Mr Dallat intervened and talked about roads, saying that it was the only city in Europe that did not have, did you say a dual carriageway or a motorway going into it?

**Mr Dallat:** A motorway.

**Mr Hamilton:** I am sure that the people of Armagh will be disgusted to hear that you have excluded them from the definition of a city in Europe that does not have a motorway going into it.

Look at what has been happening in the Foyle constituency and in Derry/Londonderry over the last number of years. Mr Dallat used the word "envy", and I think that many people representing other constituencies are rightly envious of what has been happening in the north-west. Look at its job situation and the recent investments by companies such as Convergys, which has brought several hundred jobs into Londonderry; Fujitsu is expanding its existing footprint there; and Ilex has been developing the north-west regional science park. As for tourism and events, there has been the success of the first UK City of Culture, so there is a lot for people in Londonderry to be proud of. Sometimes, what I think they lack is the positivity around what is happening there being enunciated by some of their representatives. By all means, come into this House and say to me and to other Ministers that we need investment here and there: it is not just a Member's right; it is their duty to do that. However, let us celebrate the great things that are going on there, the great things that this Executive have been able to help —

**Mr Dallat:** Will the Minister give way?

**Mr Hamilton:** Yes, I will, very briefly.

**Mr Dallat:** Does the Minister agree that the envy that I was referring to was the envy of the people and the extraordinary way that they have put their differences behind them? I include the Speaker in that, if I am allowed to. That has not really been matched by the amount of capital investment and infrastructure that our second city — I should have said — needs.

**Mr Hamilton:** I am not going to be tempted or be drawn into a debate along the lines that the Member is referring to. There is much that has happened in Londonderry that the people have achieved, that I think is admirable and that could well be copied and emulated by others, but, equally, I would not just dismiss the extent of capital investment that has gone into that constituency. It has been huge, in terms of physical infrastructure and community and social infrastructure, which perhaps comes back neatly to the point that the Member made.

I think it is sometimes easy — it is something that we all do in this House and this country — to almost instantly forget the good investments that have been made, which have reaped benefits and have allowed events like the City of Culture, the Clipper festival and other positive things that have happened in the north-west over the last number of years. We should not forget that some of those things would not happen if it was not for investment by the Executive. We should welcome that and not dismiss the investment that has taken place over the last number of years.

I will bring my remarks to a close by thanking Members for their contributions today and, indeed, over the last number of weeks. As we move further into 2014-15, there will be many challenges for the Assembly and the Executive. Tough decisions lie ahead for Ministers in seeking to deal realistically and appropriately with the apportionment of funding to front line and priority services. We as an Assembly must not shy away from those decisions but must work together to ensure that priority public services are maximised within the available funding.

More widely, we continue to see the evidence of improvement in our local economy and there are now opportunities that we need to grasp. The Executive are determined to support those getting back into work and ensure that the unemployment claimant rate continues its downward trend. We need to continue supporting our private sector in delivering economic recovery and growth. The Assembly and Executive must continue to make a difference by seeking to drive down public sector costs, increase private sector opportunity and use all the levers available to help Northern Ireland businesses and hard-working families towards a brighter economic future.

I will endeavour to ensure that the focus of the Executive remains on delivering key front line public services as efficiently as possible. I know that the Assembly will endorse that

objective. On that note, I commend to Members the Budget (No. 2) Bill.

**Mr Speaker:** Before we proceed to the Question, I remind Members that this is a Budget Bill and it requires cross-community support.

*Question put and agreed to.*

*Resolved (with cross-community support):*

*That the Budget (No. 2) Bill [NIA 36/11-15] do now pass.*

## **Business Improvement Districts (Miscellaneous) Regulations (Northern Ireland) 2014**

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

*That the draft Business Improvement Districts (Miscellaneous) Regulations (Northern Ireland) 2014 be approved.*

The regulations are made under sections 5(2)(f), 6(3), 9(3) and 17(2)(b) of the Business Improvement Districts Act (Northern Ireland) 2013. I will outline briefly the purpose of the business improvement districts (BIDs) legislation. The Business Improvement Districts Act provides for the establishment for the first time of statutory BIDs in Northern Ireland. It empowers interested traders and business owners across Northern Ireland to get together with their local council to look at improvements that their area may need. A plan is then developed and costed and, subject to a successful ballot, an annual levy is set, which each business involved in the BIDs area would be required to pay over a five-year period.

The Business Improvement Districts (General) Regulations (Northern Ireland) 2014, which were laid before the Assembly on 29 May 2014, provide significant supporting operational detail and procedures, including detailed instructions on the processes for developing a BID proposal, the holding of ballots, appeals and the administration of the BID levy, all of which support the framework for the establishment of BIDs provided by the Act.

The miscellaneous regulations will further support the establishment of BIDs in Northern Ireland by providing detail on the power of veto by councils over a BID proposal; the procedures to be followed in the provision of rating information from the Department of Finance and Personnel for the purposes of developing and canvassing on a BID proposal; and deciding who is entitled to vote in the BID ballot.

### **1.45 pm**

Councils will have a statutory responsibility to support the development of BIDs and facilitate their establishment. That will include confirming that a proposed BID does not conflict with council plans for the area. The power of veto provision in the regulations sets out the matters and circumstances that a council shall have

regard to when deciding whether to exercise a veto on a BID proposal.

One of the first steps in the BID development process is for the BID proposer to obtain non-domestic rating data from the local rating authority, and, in Northern Ireland, that is Land and Property Services of the Department of Finance and Personnel. That information will be used to evaluate the viability of establishing a BID in the area. The information is also required for the canvassing and ballot stage of the process to ensure that the correct ratepayer is identified and is able to vote. Although the sharing of that information is covered by the Data Protection Act, the regulations introduce fines and penalties to protect against any misuse.

It is up to the BID proposer to determine which non-domestic ratepayers will be eligible to vote, and that will be set out in the BID proposals submitted to the council. A person shall be entitled to vote in a BID ballot if, on the date on which the notice of the ballot is published, that person falls within the class of eligible ratepayers who are entitled to vote as described in the BID proposals.

I recently announced support for BIDs through a pilot BID programme, and a number of pilot areas are working on developing their proposals. It is important that the final stage of the legislative process is completed and that the regulations are put on the statute books as soon as possible to allow the pilots to continue as planned. I am sure that Members across the Chamber will welcome and support the regulations.

**Mr Brady (The Deputy Chairperson of the Committee for Social Development):** Go raibh maith agat, a Cheann Comhairle. The Committee for Social Development considered the Department's proposal to make the Business Improvement Districts (Miscellaneous) Regulations at its meeting on 5 June and again at its meeting last week on 26 June.

The Business Improvement Districts Act is an enabling Act, and the Committee, in its consideration of the Bill, acknowledged that much of the detail would come through subordinate legislation. The regulations are subject to the affirmative resolution procedure, which addresses Committee concerns that they should be subject to wide consultation and that the Assembly should have an opportunity to consider them.



The regulations support the establishment of business improvement districts, known as BIDs. They allow for the Department of Finance and Personnel to provide information from its non-domestic rates records for the purposes of developing and canvassing in relation to a ballot on a BID proposal; and to introduce fines for the misuse of that information. That relates to the assertion that Land and Property Services will take on a role in the administration of the BID levy.

The Committee, on the basis of the evidence that it took at Committee Stage, viewed business improvement districts as a positive scheme overall, but it is clear, of course, that in any instance of business incurring a cost, even if the results are positive, the businesses affected should have a chance to have their say on whether they are content. That step is included in the primary legislation and the regulations provide the required detail.

The regulations are particularly important as they outline who is entitled to vote in a ballot, which is a crucial element of the BIDs legislation because all businesses within a business improvement district are required to pay a levy. Evidence from stakeholders led Committee members to agree that the benefits to be reaped by a business within a BID outweighed the price of a levy. Nevertheless, it is vital that any businesses that would be affected have the opportunity to vote on whether they want the BID to go ahead.

Before closing, it is important to note that the Department informed the Committee that the Examiner of Statutory Rules had identified a couple of technical errors in the regulations. The Department corrected them, and the Committee agreed that it was content with the amended regulations. I therefore recommend that the amended draft statutory rule be affirmed by the Assembly.

**Mr McCausland:** I am pleased with the consensus of support across the Assembly for the regulations, and I thank the Deputy Chair and the rest of the Social Development Committee for the positive way in which the Committee dealt with the regulations. I am certain that we all want to see our towns and city centres flourishing once more, and providing a statutory basis for BIDs will contribute to that aim. So, I thank Members for their interest in the regulations and commend the motion to the House.

*Question put and agreed to.*

*Resolved:*

*That the draft Business Improvement Districts (Miscellaneous) Regulations (Northern Ireland) 2014 be approved.*

## **Police Act 1997 (Criminal Record Certificates: Relevant Matters) (Amendment No. 2) Order (Northern Ireland) 2014**

**Mr Ford (The Minister of Justice):** I beg to move

*That the draft Police Act 1997 (Criminal Record Certificates: Relevant Matters) (Amendment No. 2) Order (Northern Ireland) 2014 be approved.*

The draft order amends a drafting error in Part V of the Police Act 1997, which was made by the Police Act 1997 (Criminal Record Certificates: Relevant Matters) (Amendment) Order (Northern Ireland) 2014, which provided for the introduction of the filtering scheme. The error relates to the provisions covering the treatment of convictions for those aged under 18. In one place in the order, instead of reading:

*"the person was aged under 18 on the date of conviction"*

it reads:

*"the person was aged 18 or under on the date of conviction".*

That needs to be amended. Following the original order, decisions on the filtering of convictions for those aged under 18 have been made by Access NI in line with the intention of that order as passed by the House. This order, if passed today, will come into operation on 8 July this year.

I thank the Justice Committee for its consideration of the draft legislation. I apologise to the Assembly for the need for the amendment. Pausing for anything further to say in the absence of the Committee Chair but hoping that others will respond, I commend the draft order to the House.

**Mr Wells:** The Committee is broadly content with what is being proposed. It is a sensible modernisation of the situation, and we have no objections whatsoever.

**Mr A Maginness:** I will not speak for very long. I support the Minister. It is a sensible amendment and something that the Justice Committee fully approves of.

**Mr Ford:** I thank Mr Wells for the eloquent way in which he stepped in for the Committee Chair

at very short notice. I am sure that the Committee Chair will be reprimanded, and I seriously do thank Mr Wells, Mr Maginness and the Committee in general for their help as ever in dealing with this minor correction. I ask Members to support the motion.

*Question put and agreed to.*

*Resolved:*

*That the draft Police Act 1997 (Criminal Record Certificates: Relevant Matters) (Amendment No. 2) Order (Northern Ireland) 2014 be approved.*

**Mr Speaker:** Order, Members. Question Time begins at 2.00 pm, so I suggest that the House take its ease until then. The business will continue after Question Time, when the next debate will be the Adjournment debate. The Assembly is now adjourned.

2.00 pm

*(Mr Principal Deputy Speaker [Mr Mitchel McLaughlin] in the Chair)*

## Assembly Business

**Mr Principal Deputy Speaker:** I will clarify for Members that, following Question Time, there will be an Assembly consent motion on the Public Bodies (Abolition of Food from Britain) Order 2014. I wish to correct the impression that we will move straight to the Adjournment.

## Oral Answers to Questions

### Environment

#### Dereliction Intervention Funding

1. **Mr Moutray** asked the Minister of the Environment for an update on the second tranche of the dereliction intervention funding programme. (AQO 6447/11-15)

**Mr Durkan (The Minister of the Environment):** I thank the Member for the question. With your permission, a Phríomh-LeasCheann Comhairle, I perhaps require an extra minute or so to answer it.

I understand that the Member has clarified that his question refers to the next tranche of dereliction intervention funding rather than the second tranche.

I recently invited bids in anticipation of further financial resources becoming available for the next tranche of dereliction funding. It is encouraging and concerning to note that 23 of the 26 councils made submissions for proposals to effect improvements and enhancements in their areas. It is encouraging because it provides clear evidence that the scheme is welcome and effective, since nearly every council wishes to benefit from it. It is concerning because it draws to our attention the fact that there is still a real and significant job to be undertaken across the North in tackling eyesores that have a detrimental visual effect.

The dereliction intervention programme has a fine history. The initial proposal was to reduce the potentially negative impact of some run-down areas in the Portrush and Portstewart area quickly and in time for the influx of visitors

to the prestigious Irish Open in 2012. It did exactly that. The next major project was to make improvements to my home city — our home city, Mr Principal Deputy Speaker — in the run-up to and during its tremendous City of Culture year in 2013. I know from personal experience how effective the project was in supporting and enhancing the visitor experience. Another high-profile intervention improved the visual environment for visitors to the G8 summit meeting in May of that year.

As well as these larger projects, there have been many smaller improvements across numerous council areas. By all reports, these have been welcome and acclaimed. It is obvious that the scheme has had a remarkably positive impact, particularly when measured against the comparatively modest sums employed. It is also clear that there has been a beneficial impact, in that adjacent and nearby private property owners have been encouraged by the uplift to the area generated by small and large schemes, and have responded by tidying and renovating their own properties. This helpful by-product had been envisaged in the creation of the programme.

I have made a strong bid in the June monitoring round for £1 million for dereliction intervention funding. The Executive have not yet completed their considerations of the round, but I will be pressing the case for provision for this excellent scheme. It is fundamentally important that the Executive ensure that the impetus and momentum that was built up in the programme's early years should be maintained. If Executive colleagues provide resources for the dereliction programme, as I hope they will, I will ensure that they are allocated amongst councils as soon as practicable thereafter.

**Mr Principal Deputy Speaker:** You did that in the three minutes, Minister.

**Mr Moutray:** I thank the Minister for his response. I accept what he said about the success of the funding that has been allocated so far and what it has achieved. If he is successful and more funding is allocated, will he personally see to it that councils that were not successful on the last occasion, like Craigavon Borough Council, will be able to avail themselves of it next time?

**Mr Durkan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle, agus go raibh maith agat fosta as an am breise. Thank you for that wee bit of extra time. Hopefully, it does not lead to penalties.

I thank Mr Moutray for that supplementary question. He quite rightly identifies the success of the fund, which is evidenced by the demand from councils. Hopefully, my bid will be successful, and, if it is, I will have my officials consider the bids from all 23 councils that made submissions. If a council has been unsuccessful to date in applying for the fund, there might be work that needs to be done between that council and my officials. I will ensure that that work is done and that suitable bids are put forward by councils for much-needed work in their areas.

**Mr McElduff:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. The Department recently hardened its definition of "dereliction". The Minister might agree that it would be a good thing if provision could be made within the grant for work to be done in areas between buildings, disused and underused land and dilapidated streetscapes, even if it required some element of match funding. I welcome the Minister's thinking on that.

**Mr Durkan:** Go raibh maith agat as an cheist shuimiúil sin. I thank the Member for that interesting question and the interesting point he has raised. Dereliction goes beyond buildings. He referred to gap sites, which are like a row of teeth: it is the one that is missing that causes the row to be ugly rather than the ones that are there.

I am aware that, in some bids from some councils, there has been a covering up of those gaps with hoardings and so forth that have been creatively adorned, maybe by local community groups and artists. However, I am unaware of any significant building work being initiated on those sort of sites as a direct result of the dereliction fund. I am certainly open to the Member's suggestion.

**Mr Copeland:** I thank the Minister for his answers thus far. What cooperation, if any, has his Department enjoyed with the Department for Social Development regarding these matters, particularly public realm schemes?

**Mr Durkan:** I thank the Member for that supplementary question. This is a very important matter, and it is one on which I am happy to say that there has been coordination between my officials and officials in the Department for Social Development. The reason that many people, including me previously, cite for dereliction and problems, such as vacant properties, in our towns and city centres is the lack of coordination between Departments. So it is extremely important that

all Departments work together. I can ensure that my Department and my officials work with other Departments. In this case, the relevant Department is the Department for Social Development, which is charged with urban regeneration and community development. It is vital that we work together, particularly in these times of straitened budgets, to ensure that we and the public are getting the biggest bang for our buck.

## Councils: DRD Functions

2. **Mr Easton** asked the Minister of the Environment to outline the discussions he has had with the Minister for Regional Development in relation to transferring current Department for Regional Development areas of responsibility to the new councils. (AQO 6448/11-15)

**Mr Durkan:** On 11 April 2013, the Executive agreed the functions of Northern Ireland Departments that should transfer to the new 11 councils on 1 April 2015. It was agreed that off-street parking — with the exception of park-and-ride and park-and-share parking places — and Donaghadee harbour and its management would transfer to councils from the Department for Regional Development.

In accordance with the Executive's agreement, it is for individual Ministers to decide on the detail and manner of functions and services transferring from Departments to new councils.

The Department for Regional Development and the other transferring Departments, including my own, have been working closely with local government sector stakeholders in the transfer of functions working group, which was established to facilitate the effective transfer of new powers to councils. The group has been working to identify the governance, operational and financial implications of the transfer and consider possible solutions to addressing them before they are presented for political decision.

The progress of the working group has been regularly reported to me in my capacity as chair of the regional transition committee. Each Department that is transferring functions or powers has submitted comprehensive information on the resources — budget, staff and assets — attached to the package of functions and powers that are to be transferred to local government. Work is under way to provide final allocation models for each of the new councils.

Officials in my Department will continue to work in conjunction with Department for Regional

Development officials to facilitate the smooth transfer of the agreed functions from Departments to the new councils.

**Mr Easton:** I thank the Minister for his answer. Can he give reassurances that the terms and conditions of staff will be the same once they transfer over to councils?

**Mr Durkan:** I thank the Member for his supplementary question and assume that it refers directly to DRD staff who are carrying out the functions that will be transferred to local councils. Different Ministers, as I have said, will take different views on how assets should transfer, those assets being such things as budgets and, very importantly and crucially, staff.

As regards DRD, the staff will come across. My Department will be transferring the staff associated with the functions that it is transferring to local councils. I know DSD is taking a different approach. It is transferring the functions of community development and urban regeneration and the budget that is currently associated with the staff. Then it will be up to the councils to decide how to spend that budget — whether or not they will take the staff on secondment from DSD. It is vital that staff are protected within this whole transfer or transformation of local government. They are what makes local government work and it is not going to work without them.

**Mr Brady:** I thank the Minister for his answers so far. What training will be offered or provided to councils and councillors who will soon have statutory powers for parking in town centres?

**Mr Durkan:** I thank the Member for that supplementary question. Having seen him try to park outside, I think he could certainly do with the training himself. *[Laughter.]* I have on several occasions within this Chamber spoken of the importance of capacity building and training for members of the new councils. A lot of the focus has been on the headline functions that are transferring, such as planning, or the brand new functions, such as community planning, and how we will build members' capacity to deal with those issues. This is the first occasion on which capacity building for this particular function has been raised, but I can assure the Member that it will be addressed within the extensive capacity building programme that is being rolled out for the members of the new councils.

**Mr Dallat:** Was the Minister suitably impressed by the proposals from the Department for Social

Development to reduce the transferring budget to meet its own comprehensive spending targets?

**Mr Durkan:** I thank Mr Dallat for that question. I am aware that the most recently proposed DSD budget allocation, which was issued just a fortnight ago on 16 June, continues to be based on the assumption that transferred resources will be subject to a 4% reduction as part of the 2015-16 Executive Budget process. This is an area that, in my opinion, will certainly require further discussion to resolve. In my view, this position is certainly not consistent with the assurance provided to councils that the transfer of functions would be rate neutral at the point of transfer. I will continue to make this case, as I have been doing, with the Minister of Finance and Personnel and other Executive colleagues.

We spoke about the importance of transferring the functions. It is vital that the staff are equipped and have the capacity to deal with them. It is also important that the budget is there to deal with these issues. There could be a detrimental impact on confidence within councils and confidence in the whole process of local government reform should we start cutting budgets before we even transfer the functions.

**Mr Kinahan:** Thank you to the Minister for his answers so far. You have touched on the transfer of planning powers. Will you give more detail on the process for the transfer of those planning powers and Planning Service staff? Are you confident it will all be in place for next year?

**2.15 pm**

**Mr Durkan:** I thank Mr Kinahan for his question. I will certainly not try to hide the fact that this is very challenging. Planning, in itself, is an often contentious and complicated area. Transferring that function to local government is, in my opinion, fraught with risk. However, I have confidence in the capacity building programme that was put in place by my Department and is being rolled out. In planning, Community Places is on board to assist with training for the new members, and I believe that that will give the competence and the confidence to councillors to deal with planning issues.

We will not just cut them adrift at 1 April. The Department will retain an oversight role, as other transferring Departments will over the functions that they have transferred, to ensure that new councils are dealing with planning applications as they should be. Next week, I

intend to attend the first shadow planning committee meeting of the Derry and Strabane council. I know that part of the training process will include role play, mock meetings and so forth, but it is a very extensive and intensive programme of training, and I believe that it will deliver.

## **Exploris: Business Plan**

3. **Mr McCarthy** asked the Minister of the Environment to outline the process in place to progress the business plan for Exploris through the Northern Ireland Executive. (AQO 6449/11-15)

**Mr Durkan:** From my perspective, the process is relatively straightforward although, as of yet, unproductive. I tabled a paper for Executive decision on 30 April this year and followed it up with an urgent procedure paper to the First Minister and deputy First Minister on 8 May. I then followed that with a second version of my original paper on 18 June. My Department also made a bid for capital funding of £900,000 at June monitoring, the outcome of which requires an Executive decision. To date, the business case has still not been discussed by the Executive, and no decision has been made regarding the capital funding requested by the council. I am still committed to funding all reasonable costs associated with the seal sanctuary up to a limit of £120,000 a year.

**Mr McCarthy:** I thank Minister Durkan for his fairly positive response and, indeed, for his support all along. I also thank Ards Borough Council, Friends of Exploris, trade unions, the public in general and, indeed, Members of the Assembly for their support to see Exploris retained and rejuvenated. Will the Minister give us an assurance that he will do all in his power, in the interests of Exploris staff and the economy of the Ards peninsula, to ensure that the capital required to rejuvenate Exploris will come along as soon as possible? That will enable Ards Borough Council to withdraw, hopefully, the closure plans that it has put in place and will enable the council and Exploris to move forward positively.

**Mr Durkan:** I thank Mr McCarthy for that supplementary question. I will try to make my answer as long as it was. I recognise the value of Exploris to the local economy in the Portaferry area and also what it contributes as an educational facility. I visited Exploris recently and was quite taken by its intrinsic charm. I can assure the Member that I have done and will continue to do all within my power to ensure that the capital investment required to

keep Exploris open is forthcoming from the Executive. I have brought that to the Executive table and will ensure that it stays on the Executive table, and I look forward to a positive announcement in the not-so-distant future.

**Mr McKinney:** Is the Minister aware of any support from any other Department in relation to the Exploris business plan, particularly, for example, in relation to its tourism potential?

**Mr Durkan:** I thank Mr McKinney for his question. Various Departments have expressed support for Exploris and the business plan prepared by Ards Borough Council. However, as of yet, no Minister, including the Enterprise Minister, who is responsible for tourism, has formally agreed to the proposals set out in the business plan, including the provision of the capital grant of £900,000. The purpose of the Executive paper that I have tabled is to obtain their formal approval.

**Mr Principal Deputy Speaker:** Before I ask Mr Cree to speak, I remind Members to avail themselves of the nearest microphone when speaking. Doing otherwise causes difficulties for Hansard.

**Mr Cree:** I also thank the Minister for his positive responses. There has been talk about capital for this. Has any work been done on, or does the business plan cover, the resource required going forward?

**Mr Durkan:** I thank the Member for his question. The business case basically outlines the fact that, without this capital injection, Exploris must close. However, with this cash injection and these necessary improvements made, Exploris can be put on a sound business footing for years to come. I have committed — as I reiterated to Mr McCarthy today — up to £120,000 per year of revenue funding from my Department. That is the cost associated with the seal sanctuary. It does not usually come anywhere near that amount, but that is how much I am prepared to fund it.

## **Wind Energy**

4. **Mr Ó hOisín** asked the Minister of the Environment to outline his plans to address the need for harmonisation of planning policy on wind energy on an all island basis. (AQO 6450/11-15)

**Mr Durkan:** I strongly support the principle of increased cooperation between North and

South and greater harmonisation of planning policy to address the common environmental challenges that we face, wherever that is appropriate. Northern Ireland and the Republic of Ireland share similar strategic development issues, and it makes sense to work together on these matters of common interest where that can provide mutual benefit to all parts of this island.

In working towards increased policy harmonisation, my planning officials already regularly communicate, cooperate and share practices with officials from the South on issues of common interest, and I will ensure that they continue to do so. In addition, high-level cooperation exists between both jurisdictions in relation to strategic planning for infrastructure, and there are also well-established trans-boundary consultation arrangements in relation to planning applications and development plans being considered under the Planning (Environmental Impact Assessment) Regulations 2012 and the Environmental Assessment of Plans and Programmes Regulations (Northern Ireland) 2004.

I acknowledge that wind energy development has, in recent times, become a controversial issue in both the North and South. In response to those concerns, I undertook to use the opportunity of the consultation on the single strategic planning policy statement to listen to the views of people on the issue. I will also seek to take account of any recommendations that may emerge from the ongoing Environment Committee inquiry into wind energy.

At the same time, I am also aware that the planning rules governing wind energy in the Republic of Ireland are subject to review and potential changes. Last year, the Department of the Environment, Community and Local Government (DCLG) published consultation proposals on proposed revisions to that Department's 'Wind Energy Development Guidelines' in relation to noise, separation distance and shadow flicker. DCLG indicated that, following consideration of the submissions, the revisions to the guidelines will be finalised and adopted. When that happens, my officials will consider them and advise me accordingly.

**Mr Ó hOisín:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht an fhreagra sin. I thank the Minister for his answer. Will he ensure that this matter will be brought up at the next meeting of the North/South Ministerial Council (NSMC)? What plans has he to meet Phil Hogan on the matter?

**Mr Durkan:** Go raibh maith agat as an cheist. I thank the Member for that supplementary question. As outlined in my first answer, I believe that cooperation on strategic, environmental and planning matters is an issue of great importance that can provide mutual benefit to all parts of the island. As I said, the North and the Republic of Ireland share similar strategic development issues, opportunities and challenges. High-level cooperation already exists between both jurisdictions, and I will ensure that my officials continue to communicate, cooperate and share practices on a regular basis. I will also discuss it with Minister Hogan. In my view, a formal arrangement through the NSMC would be to everyone's benefit.

**Mr Campbell:** I am sure that, upon reading the text of the question and listening to the Minister's answer, particularly the references to an all-island basis, the good people of Rathlin Island might feel excluded.

On a more serious issue, will the Minister talk about offshore wind energy, particularly when it comes to areas of outstanding natural beauty off the north-east coast of Northern Ireland? Will more attention be paid to ensuring that they are protected in the event of any future application, such as that of about seven years ago?

**Mr Durkan:** I thank the Member for his question. I assure him and the residents of Rathlin that I mean them no offence.

Offshore wind has come to the fore in recent months and is an issue that will divide opinion, undoubtedly. I believe it is vital that, as the Department of the Environment and an Executive, we have in place policies on offshore wind, as well as onshore wind, and how we can best deal with those types of applications in a way that can generate the electricity that we require and the employment and investment that we desire, yet protect and preserve the environment that we cherish.

**Mrs D Kelly:** I welcome the Minister's commitment to an all-island energy policy. Will he highlight whether he has any concerns around the security of all-island energy availability? Does he agree that there needs to be greater education amongst the public in terms of alternative energy sources?

**Mr Durkan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank Mrs Kelly for that question. The security of the electricity supply is one issue that keeps coming up, again

and again, in meetings that I have on a constituency level and in a ministerial capacity. I believe that we all have a duty, as elected representatives, to educate our electorate on those matters, the importance of establishing security of supply and the role that embracing renewable energies will have in providing us with that security of supply. It is about providing potential and existing inward investors with security as well, and the knowledge that our electricity market is going to remain stable and that we, as a region, are not going to be undercut or out-priced by other regions bidding for inward investment.

**Mr Elliott:** Given that much more renewable energy is going into the electricity grid at the moment, including wind energy, will the Minister explain why electricity prices continue to rise for the consumer instead of coming down, as predicted, through the use of renewable energy sources?

**Mr Durkan:** I thank the Member for that supplementary question. However, I must advise him that, as I am sure he well knows, it would be better directed towards another Minister in the Assembly. As Environment Minister, I bear responsibility for climate change policy and the reduction of greenhouse gas emissions. I believe that is something that we share collective responsibility for. While I deal with the planning aspect of renewable energy, particularly energy from wind, the Minister responsible for energy is Minister Foster, the Enterprise, Trade and Investment Minister.

**Mr Principal Deputy Speaker:** Talking about wind, that very successfully spun that out. We end the period for listed questions. We now move on to 15 minutes of topical questions.

## Belfast Metropolitan Area Plan

1. **Mr Dunne** asked the Minister of the Environment for an update on the progress of the Belfast metropolitan area plan (BMAP), which has been running for some years, is on the DOE website in draft form dated 2004 and still has not been adopted by DOE even though, as he understands it, its lifetime is to run out in 2015. (AQT 1341/11-15)

**2.30 pm**

**Mr Durkan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank Mr Dunne for that question. Quite rightly, he has brought to the Chamber concerns in the wider community in Belfast and beyond about the lack of

appearance to date of BMAP. He points to the dates: this has been in creation since 2004 and there is a notional end date of 2015. As Minister, I am responsible for its publication, and I believe that it is vital that it appears on the shelves before it passes its "best before" date.

I have raised the issue of BMAP at the Executive. BMAP went through all the necessary statutory processes, was signed off by Minister Kennedy and got its certificate of general conformity. I have brought it to the Executive for approval and that is where it sits. From that, an Executive subgroup on BMAP was established, a meeting of which I chaired, to hear concerns from some Ministers about some aspects of BMAP. However, I am coming under increasing pressure, as I believe all Members will, from businesses, social housing providers and so forth to ensure that we get BMAP published as soon as possible and practicable. I ask Mr Dunne to implore his Executive party colleagues to ensure that I can do so.

**Mr Dunne:** I thank the Minister for his answer. How will BMAP fit in conjunction with other council plans, such as that in North Down and Ards, where two plans will run under the one council — BMAP and the Ards plan? How will planning decisions be made in that case, in which there are two different policy documents?

**Mr Durkan:** I thank the Member for that interesting question. It is vital that these documents complement each other rather than compete with each other. Many of these questions will be addressed as we move forward with the transfer of planning to local government. I am aware that some shadow councils have already commenced work on their new local development plans in conjunction with my planning officials. That is vital, but it again brings the focus back to why we need to publish and adopt BMAP. In my opinion, it is high time that the Executive acceded to my request to adopt it.

## Planning Service: Staff Relocation

**Mrs D Kelly:** Mr Principal Deputy Speaker, I thought that I would be addressing you as Mr Speaker by this stage, but that appears not to be the case just at the moment.

2. **Mrs D Kelly** asked the Minister of the Environment, in light of the many letters she is receiving from Planning Service staff, to outline how the location of Planning Service staff will be decided on, how staff will be consulted and



what criteria will be used to inform the decision-makers. (AQT 1342/11-15)

**Mr Durkan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I thank Mrs Kelly for her very pertinent question. It is not dissimilar to a question that Mr Easton asked in ordinary Question Time, except that he was referring to DRD staff who may be relocated to deal with the functions transferring from that Department. I should not stand here slagging off other Departments about what they have to do to allay the concerns of their staff without being able to do so myself.

Great steps have been taken to ensure that planning staff will be placed where they want to be placed. That process has been under way for some considerable time, and I am sure that Members will have noticed quite a bit of rearranging of the furniture in their local planning office as new faces appear and others move on to other offices. Not all planning staff will transfer to local government. We will have to retain planning staff centrally. Those decisions will be looked at in the round, and that will come very soon.

**Mrs D Kelly:** In particular, it is women with caring responsibilities who have concerns about how it will be managed. Will people who have particular family responsibilities be given an opportunity to have their say and have their needs taken into account?

**Mr Durkan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I assure Mrs Kelly that that certainly will be taken into account. It is vital that we protect the workforce and ensure that we do not render people incapable of work — meaning that those with caring responsibilities would have to travel an impracticable number of miles to get to work, especially if that is on a part-time basis. So, yes, the needs of staff are very much to the fore in my thinking when dealing with staffing issues.

### **Tyres: Illegal Dumping**

3. **Mrs Cameron** asked the Minister of the Environment what enforcement measures his Department has in place to deal with the illegal dumping of tyres. (AQT 1343/11-15)

**Mr Durkan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. It seems that Members never tire of questions about tyres. I have had a Goodyear of them now. *[Interruption.]*

**Mr Allister:** You could always retire.

**Mr Durkan:** Tread carefully. *[Laughter.]* The illegal dumping of tyres is an issue that cause headaches for my Department, local councils and the general public. I am happy to say that — no pun intended this time — we are, slowly but surely, getting to grips with the issue. I am working on it with my counterpart in the Republic of Ireland. It is important that we have a cohesive, joined-up approach, as it is often the case that tyres from down South are dumped here and vice versa. That work will actually go as far as establishing a producer responsibility scheme, which, I believe, will be vital in the long term in the battle against the dumping of tyres, which are extremely damaging and detrimental to the environment. In the short term, my officials work closely with councils on the issue through the fly-tipping protocol. However, I believe that there is room for improvement in the relationship between my officials and certain councils on the issue. It is vital that we work together to address it.

**Mrs Cameron:** I thank the Minister for his answer. More specifically, a number of residents have expressed concerns about the number of tyres that have recently appeared at the Ballyduff bonfire site in my constituency. Can the Minister assure us that his Department, working with the residents, the PSNI and other groups, will work to ensure that those tyres are removed?

**Mr Durkan:** I thank Mrs Cameron for her supplementary question. I am glad that, in it, she pointed out the fact that my Department can do that only in conjunction with other agencies, the council, the local community and the PSNI. I assure Mrs Cameron and all Members that my Department will not be found wanting when it comes to working with other agencies and the community to address the issue.

### **Newry: Carbane Development**

**Mr Brady:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I want to make a point of information before I ask my question. The Minister referred to my parking abilities earlier. First, I have to say that I arrive at the Building far too early for the Minister even to see me park. *[Laughter.]* Secondly, someone of his elevated status does not have to worry about parking when he has a driver. *[Laughter.]* I think that we will leave it at that. I could not let that pass, a Phríomh-LeasCheann Comhairle.

4. **Mr Brady** asked the Minister of the Environment whether he will reconsider his decision to allow an out-of-town development at Carnbane, which is approximately 3 kilometres from Newry city centre, given that he will be aware that there has been a lot of local opposition, particularly from city centre traders and the chamber of commerce. (AQT 1344/11-15)

**Mr Durkan:** Go raibh maith agat as an cheist. I thank the Member for the question. I know that Mickey always arrives early just to make sure that he gets a parking space. *[Laughter.]*

**Mr Principal Deputy Speaker:** I remind Members that it is topical questions, not topical debate.

**Mr Durkan:** The Member quite rightly points out that my decision to proceed with an approval for an out-of-town, multi-use development on the edge of Newry has caused some consternation in the Newry area, and he asks whether I have decided to reconsider my decision. Subsequent to my decision, which, I believe, will be good for the Newry area in the long term, and the announcement of my approval, I have granted a meeting to the Newry chamber of commerce and other local interests who are vociferous in their opposition to my decision. They have outlined a very strong case, I have to say, and have brought new information to my attention. They have asked me to visit Newry with a view to having a look around the city centre, and I have agreed to do so in advance of my issuing any green form. I have also agreed to a site meeting with the applicant in this case, as I believe that that is only fair.

**Mr Brady:** I thank the Minister for his answer. I am sure that he will be very welcome in Newry. Newry city centre has approximately 70 acres for redevelopment. I just wonder whether the Minister can give us some idea of what he considers an appropriate distance from a city centre for an out-of-town development. Go raibh maith agat.

**Mr Durkan:** I thank Mr Brady for his supplementary question. He alluded to the current space available in Newry city centre. The issue was raised with me by representatives of the chamber of commerce when they came to see me, and I look forward to seeing it for myself. When we talk about appropriate distance, I was going to say and have said since taking on this Ministry that each application will be judged on its own merits or otherwise. What is suitable for one area may not be deemed suitable for another. Asking

what distance would be deemed suitable is akin to asking, "How long is a piece of string?"

## **Crawfordsburn Country Park**

5. **Mr Weir** asked the Minister of the Environment, given the media reports of large quantities of alcohol being cleared away from Crawfordsburn Country Park — not for the first time because there have been a number of incidents over the last few years, along with the resultant litter problems — what additional help or resources he can give to the hard-pressed staff there to ensure that everyone can get the fullest enjoyment from that magnificent facility. (AQT 1345/11-15)

**Mr Durkan:** I thank Mr Weir for the question and for bringing the issue to my attention, as it has not been brought to my attention before. Since being appointed Minister 11 months ago, I have had occasion to visit Crawfordsburn Country Park twice, and I must say that it is an excellent and beautiful facility. Therefore, I am happy to give my pledge to Mr Weir that I will ensure that my officials work hard to support those charged with maintaining Crawfordsburn Country Park as a clean place that we can all enjoy.

**Mr Principal Deputy Speaker:** That brings an end to topical questions. I thank the Minister. We must move on to questions to the Minister of Finance and Personnel.

2.45 pm

## **Finance and Personnel**

### **Public Procurement: SMEs**

1. **Mr Brady** asked the Minister of Finance and Personnel to outline his proposals to ensure the removal of the barriers faced by small and medium-sized enterprises when accessing public procurement opportunities. (AQO 6462/11-15)

**Mr Hamilton (The Minister of Finance and Personnel):** Improving the access of SMEs to public procurement opportunities has been a key area of focus for the procurement board over the last three years. Under my chairmanship, the board has overseen a programme to simplify processes, reduce bureaucracy and remove potential barriers to SMEs. Building on the recommendations made in the Finance and Personnel Committee's report on public procurement, Central

Procurement Directorate (CPD), in conjunction with centres of procurement expertise (COPEs), has implemented a significant number of measures aimed at improving SME access. They include simplifying processes by focusing on the production of clearer specifications; standardising terms and conditions for all contracts; removing the minimum eligibility requirements for low-value supplies and services contracts; and awarding contracts on lowest acceptable price when possible.

In taking the programme forward, CPD has worked with business representatives and the construction industry to ensure the widest possible acceptance of the proposals. The list of measures is too long to read today, but I will arrange to make it available to Members. More improvements are planned, with the development of a new procurement portal — eTendersNI — to be introduced in the autumn. The new portal will help to reduce the administrative burden on SMEs through the use of standardised templates and processes across the public sector. The portal will be aligned with the latest European procurement directives. Together with others, Northern Ireland has lobbied strongly for the relaxation of European regulations that have acted as barriers to SME participation in public contracts. I am pleased to say that there has been a positive response, and the new directives are more SME friendly. Northern Ireland is working with the Cabinet Office to ensure that the benefits are reflected through the transposing regulations.

**Mr Principal Deputy Speaker:** If Members are having conversations, I ask them not to interfere with proceedings. There were very loud murmurings of conversation.

**Mr Brady:** I thank the Minister for his answer. I was going to ask him what steps are in place to level the playing field between SMEs and larger companies, but he has answered that to a large extent. SMEs feel that they are not often on a level playing field when making procurement bids against larger companies.

**Mr Hamilton:** The Member talks about perception. There is definitely a perception that small and medium-sized enterprises in Northern Ireland, which are the bulk of our economy and account for some 99% of businesses, are somehow disadvantaged when they are up against larger companies. All the evidence suggests that small and medium-sized firms from Northern Ireland are outperforming much larger companies, which is what the Committee found when it did its work on procurement a

couple of years ago. The experience that those firms gain from public procurement in Northern Ireland stands them in good stead when they bid for work in, for example, the Irish Republic, and there is an interesting statistic that companies from Northern Ireland get more work in the Irish Republic in public procurement than the other way round.

While there is a downside, particularly on the capital side, in that a significant amount of the work being carried out by our major construction firms, which are still medium-sized firms, is now happening across the water, the fact that they are able to win huge construction contracts — a lot of them in Scotland and some in England — is testimony not just to the skills that those Northern Ireland-based firms have but to the fact that they have been able to use significant capital spend in the past in Northern Ireland to get used to public procurement. They are able to go over to Scotland, compete with Scottish firms, win that work and bring that value back to Northern Ireland.

**Mr Clarke:** I am pleased that the Minister sees the importance of small and medium-sized enterprises in Northern Ireland. Will he indicate how many of those SMEs win public sector contracts and how it compares with other parts of the UK?

**Mr Hamilton:** I thank the Member for his question. As I said in response to the now-departing Mr Brady, who is obviously very satisfied with the answers that he got —

**Mr Principal Deputy Speaker:** He is past caring.

**Mr Hamilton:** That is unfair, Mr Deputy Speaker. I will give you a Northern Ireland example to back up my comments to Mr Brady. In 2012-13, 2,889 contracts totalling £1.4 billion were awarded by COPEs, of which 79% were awarded to local businesses, 80% were awarded to SMEs, and 66% were awarded to SMEs based in Northern Ireland. Those figures compare quite favourably with Scotland and Wales. The other day, I noticed that the leader of the Labour Party, Mr Miliband, I think, said that, should his party be elected to form the next Government, one of its targets would be that 25% of all contracts let in England would go to small and medium-sized businesses. As the Member can tell, if 66% of those 2,889 contracts are awarded to SMEs based in Northern Ireland, we are well ahead of the national average.

**Mr D Bradley:** Go raibh míle maith agat, a Phríomh-LeasCheann Comhairle. What processes are in place to ensure that small and medium-sized enterprises that supply goods to government are not excluded by the requirement in some tenders that a certain number of products have to be supplied and that any company that cannot supply that number is excluded?

**Mr Hamilton:** Clearly, nobody is excluded, in the sense that any firm can bid for a range of contracts, but it is important that, when we as a customer procure goods, services or even capital projects, we are mindful of the capacity of the firm that we are procuring and buying from to deliver. That is why, as the Member has highlighted, there will be occasions when criteria around the viability of a business to deliver are assessed in the process. I cannot think of a specific example, nor would I go into a specific example in relation to procurement, but you cannot have a multimillion-pound contract being delivered by a firm that has no experience of getting anywhere near that. In such a situation, you would have considerable doubts about its ability to deliver and, therefore, provide the service that we need. Ultimately, we are not buying these goods just for the sake of it. People rely on the services that are delivered using those goods, so it is important that we, as a customer, have some certainty. That is why, from time to time, those thresholds will be part of the criteria on which we assess tenders.

**Mr Elliott:** I thank the Minister for that. He will be aware that one of the drawbacks and difficulties that SMEs have when going through public procurement is experience. It is a magic circle: how do they get experience without first getting into the contracts? Can the Minister explain what his Department is doing to help contractors get the experience?

**Mr Hamilton:** Again, that, in many ways, relates to the question asked by Mr Bradley. This is important: you would not want to let a tender for a huge construction project, such as a hospital, to a firm that has no experience of building a hospital or healthcare facilities on that scale. You would be worried about the ability of that firm to deliver the project on time and within budget. Experience is one of the components that has to be there, along with price and other considerations, when you are weighing tenders. This gets to one of the conundrums with procurement and why, frequently, there is no right answer. Certain circumstances will suit some suppliers, and other circumstances will suit others. I

understand some of the valid reasons why we want to go with experience, but, when you go heavily on experience, it is seen to exclude new or, perhaps, smaller firms. When you go down to no experience, you maybe have risks about the ability to deliver the project, and you have concerns about their experience in managing large projects.

Procurement is a fine balancing act. One of the things I have learned over the past number of years is that there are competing factors, whether it is value for money or getting SMEs to get more contracts. It is a fine balance to find. I think that we have got the balance more or less right in Northern Ireland, but that does not mean that we should not constantly and continuously improve our processes. With the help of the procurement board, that is what we have been trying to do over the past year.

**Mr Allister:** Why does the Minister not move towards the multi-supplier framework agreements that pertain in large measure in Great Britain? The work is divided into lots, and those with a particular interest who are smaller contractors can apply and compete. Is that not a road worth travelling and testing, as it seems to work much better in the rest of the UK?

**Mr Hamilton:** I am not sure if it works much better in the rest of the UK. There are issues of scale in respect of what might happen, say, in Whitehall Departments. They have had less concern about trying to use procurement to support SMEs, not least because their economy is structured somewhat differently from ours. The point that the Member raises reminds me of discussions that took place in the House and in Committee rooms seven or so years ago but from a reverse perspective, when the procurement service and CPD had been moving towards bigger framework contracts with lots. People were turning their face against that, and a lot of suppliers were concerned about that. You will recall the reason or one of the reasons, Mr Principal Deputy Speaker, from your time on the Committee. I agree that frameworks can deliver experience and value for money, which is incredibly important in my position — at the end of the day, we should never lose sight of the fact that we are trying to get services or projects delivered in a value-for-money way through procurement — but there was concern from some suppliers that, if you failed to get onto, say, a five-year framework contract, that was you out of that type of work for a full five years. That might negatively impact on that business. Procurement is not here to solve all our social or economic ills, but that concern was listened to at the time, and

there was something of a retreat from wholesale framework contracts.

We have been trying to make progress in a related way through our collaborative procurement strategy, which was approved by the procurement board in June last year. That looks at all the areas across government where common services, goods and supplies are purchased, and it tries to drive value for money through that. I am pleased to say that, against a target of saving £30 million over a three-year period — the first two contracts we looked at related to security and electricity — 8.7% in savings, which equates to nearly £2 million saved to the public purse, has already been achieved through collaborative procurement. However, to go back to the point made by Mr Elliott —

**Mr Principal Deputy Speaker:** You are out of time.

**Mr Hamilton:** — there are balances to be struck.

**Mr Principal Deputy Speaker:** That was a useful question and a detailed answer, but can we try to work to the two-minute rule?

## Public Sector Reform

2. **Mr Moutray** asked the Minister of Finance and Personnel to outline how he intends to take forward his public sector reform agenda. (AQO 6463/11-15)

**Mr Hamilton:** The Executive recently endorsed my proposal to engage the Organisation for Economic Co-operation and Development, more commonly known as the OECD, to conduct a strategic review of public sector reform in Northern Ireland. That independent review will outline what we are doing well and identify areas where we can improve, benchmarked against international best practice. The recommendations of the review will help to shape the reform programme going forward. In parallel, the public sector reform division in my Department has been developing a range of reform tools available to the Civil Service and wider public sector to support Ministers in progressing public service improvements. For example, an innovation laboratory project took place last week. I have also recently launched an innovation scheme, inviting staff to submit ideas to generate real financial savings and/or service delivery improvements. The scheme has been piloted initially in my Department. Since February 2014, I have been engaged in a series of

bilateral meetings with my Executive colleagues. The support for the wider reform measures has been encouraging. We need to work collaboratively with Departments, business areas and front line staff as a catalyst and an enabler of reform.

**Mr Moutray:** I thank the Minister for his response. Will he outline the sort of work the OECD will carry out as part of its review?

**Mr Hamilton:** I thank the Member for his question. I repeat that I am pleased that Executive colleagues have agreed to engage the OECD to look at what we are doing in respect of public sector reform in Northern Ireland. There are two broad areas that the terms of reference will enable them to look at in terms of reform in Northern Ireland. The first is in what might be described as cross-cutting areas and levers for making reform happen, which is things like procurement, HR policy, IT and digitalisation. Those areas, by and large, are my responsibility as Minister of Finance and Personnel. I want them to come in and look at those areas and suggest where we could improve what we do in procurement, HR, IT and digital delivery, at all times benchmarking us against international best practice across the 34 OECD member states.

The second area of work that I have also received support from Executive colleagues to look at is particular areas of policy. It could be in health, justice or education, where our Ministers have either already started reform projects and want to mark those against international best practice or where they are considering reform and want to use the breadth of knowledge from OECD to suggest where they might head in respect of reforming the policy areas in their Department. It is encouraging that an organisation of the stature of the OECD has been willing to engage with the Northern Ireland Executive on that work. I look forward to that starting over the next couple of months. It will be the first time that the OECD has done a public governance review of a sub-national Government like ours. In that respect, it is quite a prestigious thing for Northern Ireland to take the lead in.

## 3.00 pm

**Mr Dallat:** I am sure that, as I represent the Coleraine area, the Minister will not be a bit surprised when I ask him for assurance that the reform agenda does not include cutting public service jobs.

**Mr Hamilton:** It is not just Coleraine; this could apply to any part of Northern Ireland. Of

course, we sometimes fall into the trap of thinking that the jobs that the Member refers to are in just Coleraine, but other people around Northern Ireland are affected too. I have been careful to say from the start that the objective of reforming the public sector has not been to reduce headcount. We have to accept, mind you, that we face significant public spending challenges over the next number of years.

As I was saying during the Final Stage of the Budget Bill earlier — I think that the Member was present — we are going into 2015-16 with around 1.5% coming off our Budget compared with this financial year. That puts our Budget and our public services under extreme pressure. My mantra around reform has been fuelled not just by that fact but by the fact that, if you project the next five years down the line, Treasury and the Office for Budget Responsibility are saying that that is the picture that is here and it is here to stay, particularly with the pressure on current expenditure. That is why I have encouraged Ministers to agree — I welcome the fact that they have, to a man and a woman, done so — with the sentiment that I have been pushing that they do not look at cutting public services, but, where services are not working or where they have succeeded, there is scope for stopping them or toning them down. Ministers need to look at how they can deliver and achieve better outcomes with what they have. Doing more for less is an elusive goal. It is challenging and difficult, but it is something that we have to embrace because, in the years ahead, because of public spending cuts and welfare reform penalty pressures, it will be essential that we continue to reform public services and make the best use of the people we have. They will have to use the innovation and creativity that, I think, they all possess.

### **DFP: Late Committee Papers**

3. **Ms Maeve McLaughlin** asked the Minister of Finance and Personnel why his Department continues to issue late papers to the Committee for Finance and Personnel. (AQO 6464/11-15)

**Mr Hamilton:** My Department has regular, constructive engagement with the Committee for Finance and Personnel. I am satisfied that my Department has appropriate procedures in place regarding the provision of papers to the Committee and will ensure that these are followed. However, as Minister, I am responsible for ensuring that I am content with all the output of my Department, including briefings for the Committee. It is inevitable that there will be occasions where briefing material

is not ready in time to meet Committee deadlines.

**Ms Maeve McLaughlin:** Go raibh maith agat. I thank the Minister for his response. Does he accept that there has been a slowdown in the processing of papers and an increase in the lateness of papers coming to the Committee? Does he accept that this is not good enough and can and would potentially undermine the workings of the Assembly?

**Mr Hamilton:** I welcome the Member's interest in the workings of the Finance and Personnel Committee. I would have thought that she had enough to worry about, being Chair of the Health Committee, but I am sure that her colleagues will welcome her concerns about the tardiness or otherwise of papers being presented to the Finance Committee. My party colleagues tell me that they have plenty of work to do with what the Committee does and what the Department supplies it with.

I communicated this to the Committee in April: I value having a good working relationship with the Committee, as, I am sure, any Minister in the House would, but occasionally — it is only occasionally, as, I think, the statistics will bear out — papers will not be ready to be with the Committee, for a host of reasons, within the arbitrary deadlines that it sets. It is ironic that a member of Sinn Féin should raise an issue about delaying things from moving forward, given the track record of that party in many respects in the House and the Executive. When I saw this question, it sparked something in my head about a paper from my Department. It was not even from me; it was a paper from Mr Wilson when he was Minister — Mr Cree will smirk as he realises which issue I am talking about — about a review of the financial process. That paper was put forward by my Department to the Executive for agreement to change and reform our outdated budgetary process in this place.

That paper has been with the Executive since 9 March 2012, held up by Sinn Féin, and I am being criticised because papers are arriving a couple of days later. I think that that says it all.

### **Social Clauses**

4. **Mrs McKeivitt** asked the Minister of Finance and Personnel for his assessment of the inclusion of social clauses in government contracts. (AQO 6465/11-15)

**Mr Hamilton:** The Programme for Government includes a commitment to include social

clauses in all public procurement contracts for supplies, services and construction. I can confirm that all contracts should include social clauses for equality and health and safety. Beyond that, Departments are free to define those social considerations that are to be linked to the subject matter of the contract, those that will be furthered by contract-performance clauses, or those that will be by a combination of both.

The procurement board agreed that Departments should set targets for the inclusion of social clauses, and it monitors progress against those biannually. However, reporting has been inconsistent. I am disappointed to note that not all Departments make returns and that levels of assurance on the accuracy and completeness of the figures provided are low. The Central Procurement Directorate (CPD) is working with Departments to improve the quality of returns. However, I urge my ministerial colleagues to ensure that activity in their departmental areas is maximised and accurately recorded.

More positively, CPD has, with effect from 1 January 2014, implemented the detailed monitoring of training and employment clauses in construction contracts with values over £30,000 awarded by centres of procurement expertise. Returns for the first quarter, which ended on 31 March 2014, indicate that contracts awarded during the period include 2,949 weeks of training, 308 weeks of student placements and 8,733 weeks of employment opportunities. That is substantially ahead of the figures reported by Departments and presents a more positive picture. The scope for training and employment clauses on supplies and services contracts is less as they tend to be of shorter duration. However, CPD is working with Departments to increase the level of activity in larger services contracts.

**Mrs McKeivitt:** Does the Minister have any plans to increase the profile of the social clause in public contracts, with particular reference to the likes of giving more opportunities to the young apprentice?

**Mr Hamilton:** It is something that is a Programme for Government commitment, although I was not in the Executive at the time and have to admit that I thought that it was an ambitious target to have them in all contracts. Some other jurisdictions are only including social clauses in contracts above a certain level, which is easier to do for lots of different reasons. I am quite pleased that what we have been able to achieve in training, student places

and employment opportunities seems to be going very well. It is harder to say that categorically, given that Departments are not consistent in reporting what they are doing. That issue is frequently raised at the procurement board, and it was raised at our last meeting a couple of weeks ago.

It is important that CPD, in managing all those on behalf of the whole Executive, can create the mechanisms for all Departments to consistently report how many social clauses they are including in contracts, whether it is for training, student placements, prompt payment, equality or health and safety. Then we could have a better picture of how we are performing. I suspect that we are performing infinitely better than we were a number of years ago; nevertheless, it is important that we can track progress up or down over the next number of years.

**Mr Campbell:** By way of comparison, can the Minister outline how assessments of social clauses in government contracts are monitored in, say, Scotland and Wales?

**Mr Hamilton:** It is important that we benchmark ourselves, particularly against our near neighbours, in respect of things like that, particularly as I do not think that there is another policy area that I am responsible for in which I hear — Mr Allister was at it earlier — everybody else being described as better at it than we are in Northern Ireland. We are always talking about how wonderful Scotland is at procurement. However, I recall that the Scottish Labour Party, in its parliamentary election manifesto a couple of years ago, said that public procurement in Scotland needed to be improved and that it wanted to look at Northern Ireland for examples of how to improve it. There is a bit of a grass-is-always-greener attitude about those things.

In respect of social clauses, the Welsh Government have developed guidance to support public sector organisations to adopt what they refer to as community benefits. There is a list of priority policy areas that match up with their Programme for Government, but it does not set targets, as they recognise that community-benefits approaches can vary significantly from project to project.

In Scotland, legislation on community benefits passed Stage 3 in May 2014. Again, that is for all regulated procurements with values above £4 million. So, whilst we may be having some difficulties measuring and assessing exactly and precisely where we are across all Departments, I think that we should be commended for the fact that our target is to

include community benefits or social clauses — however they are referred to — in all public procurement contracts. Whether they are in capital contracts, where it is easier, or in supply contracts, where it is a little bit more difficult, we have said that it must be in all contracts, it is not above a certain threshold and no targets have been set as in Wales. So, in many respects in that regard, we are more advanced than our neighbours in Wales and Scotland.

**Ms McCorley:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a fhreagraí go dtí seo. I thank the Minister for his answers thus far. How are the outcomes from social clauses measured and tracked against local needs?

**Mr Hamilton:** Before I start talking down what we have done too much, or appear to, we need to bear in mind that we are in the early stages of developing our approach to social clauses. Guidance was issued to Departments only in the last little while to try to more clearly define what social clauses are and what Departments should be adding into contracts in respect of social clauses.

There are arguably social clauses of a kind in all contracts, particularly in construction contracts where there are health and safety and prompt payment issues. There are, of course, always equality matters in terms of employment. However, those sort of broader clauses, whether they deal with apprenticeships, youth employment or student placements, are sometimes a bit harder to define. So, there is flexibility for Departments to define social considerations that they see fit for particular circumstances.

We always need to bear in mind that, at the end of the day, we still want contracts delivered, and we should not be deflected from the good delivery of contracts by dreaming up ever more imaginative and weird and wonderful social clauses. However, I understand that there is that degree of flexibility in the procurement guidance note that allows Departments to consider social considerations and the benefits that might flow from social clauses in a particular contract without it being a sort of generic thing that is just slapped down from on high.

**Mr Copeland:** I also thank the Minister for his answers thus far. Will the Minister detail the number of apprenticeships that have been achieved through the process so far within Northern Ireland, GB, the European Union and

elsewhere from contracts that have been issued by Northern Ireland Departments?

**Mr Hamilton:** I am tempted to say that I cannot give that answer, certainly not off the top of my head. I will have to go away and start doing some long table addition for all that. It may not be possible to follow that through to the extent that the Member wants, and I am not sure whether he wants us to compare our performance versus others or just what Northern Ireland firms are doing elsewhere. I am happy to converse and communicate with him and try to get him the answer he is looking for.

**Mr Principal Deputy Speaker:** That ends the period for listed questions. We now move to topical questions.

## Emigration

1. **Mr McElduff** asked the Minister of Finance and Personnel whether he will recommend to the Executive the development of a strategy to tackle emigration, in light of the fact that his Department has published figures that show that over 25,000 people left the North last year — a figure higher than at any other time, including during, for example, the conflict. (AQT 1351/11-15)

**Mr Hamilton:** I take the Member's point. I think that he is genuinely concerned about a mass movement of people outside Northern Ireland, and clearly we want to see as many people who are from Northern Ireland and who are educated here taking root, setting up homes, having families and contributing to our economy. That is why I very much welcome that our economic strategy, which is lead by DETI and Arlene Foster, is reaping benefits and bringing in more jobs. I also very much welcome the announcement of nearly 500 jobs in First Derivatives in Newry today; it is good to hear an announcement of a local firm increasing to that sort of scale. One of the most important ways in which we can keep local people who are educated in Northern Ireland here and ensure that they take root here is by ensuring that our economy works.

I understand the Member's concerns. Before we jump to a range of conclusions, we need to spend a little bit of time analysing the figures published at the tail end of last week to see whether people leaving Northern Ireland perceived their move as enforced because of a lack of labour opportunities or whether it was more a matter of their choosing to avail



themselves of economic or education opportunities presented to them.

**3.15 pm**

**Mr McElduff:** I thank the Minister. I suggest to him that young people need a future and employment prospects. I take on board the points made about job creation and the job announcements in Newry and other areas recently, but will the Minister consider applying pressure on the European Union to widen the youth guarantee scheme so that it operates on an all-island basis?

**Mr Hamilton:** That is the responsibility of the Minister for Employment and Learning. I am racking my brains to try to remember what I picked up at the last North/South Ministerial Council plenary meeting. If I recall rightly, Dr Farry and his counterpart Ruairi Quinn, the Education Minister in the South, looked at whether the youth guarantee scheme could be extended across the whole of Ireland. The South gets a more generous benefit from the scheme than we in Northern Ireland do. I think that, because of some situation with the criteria — they are called NUTS criteria, which seems appropriate sometimes when you think about it — the scheme does not apply to Northern Ireland in the way that it does to the South. Maybe there are more nuts there than here. I do not know — that is a dangerous one to get into.

It is primarily an issue for the Minister for Employment and Learning. I think that the Member's point is right and echoes my point that improving economic conditions is key to ensuring that people migrating out of Northern Ireland for labour opportunities and the young unemployed have opportunities. I hope that, with our economy growing by 2.6% and projected to grow by more than that this year, with unemployment continuing to fall and with investment by indigenous companies like First Derivatives and others, there will be opportunities so that the migration that there has been, particularly from some parts of Northern Ireland, will become a thing of the past.

## **PV Payback: Public Buildings**

2. **Mr Agnew** asked the Minister of Finance and Personnel, given that there are companies that can provide free, profitable photovoltaic (PV) schemes, with homeowners receiving payback in seven years, how he can stand over the payback period supplied by his officials on 28 May when they gave a briefing to the Finance

and Personnel Committee in which they said that there was a 50-year payback for PV systems on public buildings. (AQT 1352/11-15)

**Mr Hamilton:** There was a bit of noise in the Chamber. Did you say 15 or 50?

**Mr Agnew:** Fifty.

**Mr Hamilton:** I freely admit that I am not an expert on the payback of various renewable sources of energy, power and heat, but that sounds a little high to me when you consider the plethora of them appearing on domestic properties across Northern Ireland. There is nobody as savvy as a homeowner when it comes to calculating whether this is a worthwhile investment, albeit, in most cases, with a publicly funded subsidy.

I am not against using any form of renewable heat or energy in public buildings. Part of the asset management strategy that my Department is responsible for looks at saving money, not just through rent, service charges, rates and things like that but in our energy consumption. A lot of the buildings that civil servants currently populate are quite old and, therefore, less energy efficient. When the leases run out, there is an opportunity to move to new buildings. We want to save money on rent, rates and service charges and by getting more people into the space, but we also consider energy efficiency as part of that. That does not exclude using the sorts of renewables that the Member is talking about in the existing buildings that we own.

**Mr Agnew:** I welcome the Minister's answer. For his information, the officials also said that the payback period for solar thermal energy was 100 years, which to me seems incredulous. Given what the Minister said, will he look at this issue and push officials in his Department to support the work of the Minister of Enterprise, Trade and Investment in promoting renewable energy by ensuring that we look at the public estate and put more renewables into public buildings?

**Mr Hamilton:** I am happy to give that assurance. The Member will appreciate that, whether it is 50 years, 100 years or considerably less, it is a technology that is very much developing. We could make a sizeable investment now and find that, in a couple of years, it was not good value for money as the technology advances. I suppose that there is always a risk, particularly with that type of thing. We also have to bear in mind whether we own the building, and, if we do not own the building,

it is not necessarily our responsibility to make the investment, even though we may be the beneficiary of it. There are wheels within wheels in all of this, but it is not something that I object to taking a look at in principle, particularly if the investment does have a shorter payback period than 50 years. I think that 50 years would see all our time in politics, and then some. *[Interruption.]* Sorry, there is some resistance to that. Not only is the technology good for the environment but it saves a few pounds, and it is important that we look at those opportunities when they arise.

### **Bank of England: Meeting**

3. **Mrs Hale** asked the Minister of Finance and Personnel to outline what was discussed when he and the First Minister met the governor of the Bank of England. (AQT 1353/11-15)

**Mr Hamilton:** I thank the Member for her question. It was my first opportunity and that of the First Minister to meet the relatively new governor of the Bank of England, Mr Mark Carney, when he was in Belfast at the tail end of last week. I very much welcomed the opportunity to have a full, frank, long conversation with him on a range of subjects. As the House would expect from somebody in my position, we focused on the economy and what he thought the prospects are for our economy, which I have to say are positive.

We also concentrated on the issue that we have talked about many times in the House, which is national lending initiatives not reaching Northern Ireland and having a positive impact on businesses in Northern Ireland. From talking to business representative organisations in Northern Ireland, I can say that there still appears to be issues with access to finance. The governor listened to our concerns and understood the issues that we have with access to finance. He also understood the very different nature of the banking system in Northern Ireland and the problems that that has caused, particularly the issue of property overhang, influenced by our Irish banks. It was a useful conversation and the start of a dialogue that we hope to keep up in the years ahead.

**Mrs Hale:** Did the Minister discuss the impact of the likely interest rate rises on the people of Northern Ireland?

**Mr Hamilton:** We did. Before we had our meeting, I noticed that he had been quoted in the national news talking about likely interest rate rises and the level that they might reach.

Inevitably, that did come up in conversation. The First Minister and I obviously came from a particular Northern Ireland perspective, and we agreed with the governor that, if the economy rapidly improved, there might be scope for him and the monetary policy committee to look at interest rates. We impressed on the governor the particular circumstances in Northern Ireland and told him that, whilst we are seeing an improvement in our economy — the 2.6% growth last year that I mentioned — falling unemployment and rising employment, there are still problems with disposable income in Northern Ireland. Therefore, any sudden and sizeable increase in interest rates may have more of a negative effect here than it might have in London, the south-east of England or the rest of the United Kingdom.

### **Family Law Review**

4. **Mr P Ramsey** asked the Minister of Finance and Personnel for his opinion on the family law review, particularly in respect of fathers' custody and visiting rights in light of Justice Coleridge's recent statement about access. (AQT 1354/11-15)

**Mr Hamilton:** I am not particularly au fait with the specifics of the judge's recent statement. As the Member knows, this is an incredibly sensitive area and one in which it is very difficult for any state or its Government to be in a position to arbitrate in those very difficult positions in which families have broken down and there is little scope for them coming together to agree the best way forward. At the end of the day, we should all focus on the children and their needs.

That is why we are seeking to consult on this issue. I move towards consultation on family law in Northern Ireland, knowing full well that the very consultation itself will see diametrically opposed views in respect of what is the best way forward. It is important that all of us in the House always bear in mind that we should consider, first and foremost, the children and what is best for them in these sorts of circumstances.

**Mr P Ramsey:** I thank the Minister for his response and welcome it. We are all aware of families becoming estranged and the difficult circumstances that arise from that. Will the Minister reflect on Justice Coleridge's statement in the court and whether, at some stage, we might meet to discuss it and a way forward?

**Mr Hamilton:** I am happy to do that. I will familiarise myself with the statement that the

Member refers to. It is an area that I know, as I said, is fraught with difficulty in trying to move forward. Given that there are lots of conversations about trying to reform what is, in some respects, viewed as a bit of an outdated legal position, I think that we need to consider carefully all contributions that have been made. In doing so, as I said, we must always bear in mind that we have to consider and weigh up in the balance of it all what is best for children and their rights.

## **Infrastructure Projects: Delivery**

5. **Mr Douglas** asked the Minister of Finance and Personnel how he hopes to progress the plans he listed last week when he outlined his proposals to improve the delivery of major infrastructure projects. (AQT 1355/11-15)

**Mr Hamilton:** I am pleased to have been able to announce and to have, so far, gained widespread support for my suggestions and proposals for improving the delivery of major infrastructure projects. They include a lot more centralisation of procurement and delivery of our projects; the development of a strategic pipeline of projects; and trying to change the culture within the Civil Service, so that projects are delivered on time and professionally.

Some progress has already been made on the first objective, which is to create a centralised procurement and delivery service. The Health Minister and I have agreed that the transfer of health estates come to the Central Procurement Directorate later this year. It is important that the expertise and experience that is there is brought to the centre. That will benefit us all. A strategic pipeline of projects will require Executive agreement. However, as I have said in the House a few times, the objective merits of taking such an approach are obvious. To have a list of strategic economic infrastructure projects that we can pick from as money becomes available can only ensure that we are spending our infrastructure capital budget wisely. That, of course, will require Executive agreement, but, given that the proposals are sensible, I hope that we get support.

**Mr Douglas:** I thank the Minister for his answers thus far. What is Northern Ireland's capital budget looking like over this next few years?

**Mr Hamilton:** We can speak with certainty only about this year and next. This year, after having experienced a 40% reduction to our capital budget over this Budget period, we are starting to get back up to the trend that we had

before the 2011 downturn. For the first time in three years, we entered this financial year with a starting position of over £1 billion of capital spend. That rises quickly to £1.6 billion when you consider our reinvestment and reform initiative borrowings and our capital receipts. That gets us up not quite but close to where we were before 2011. I am obviously keen to see all of that money spent on strategically important projects.

Moving forward, it would appear that, certainly in 2015-16, about 1.5% to 2% increase in our capital budget is likely, even on top of that £1.6 billion. So that also bodes well for Northern Ireland and our ability to develop and improve our infrastructure.

**Mr Principal Deputy Speaker:** Thank you, Minister. That ends the period for questions to the Finance Minister. I ask the House to take its ease while we change the top Table.

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

3.30 pm

## Executive Committee Business

### Public Bodies (Abolition of Food from Britain) Order 2014: Assembly Consent Motion

**Mrs O'Neill (The Minister of Agriculture and Rural Development):** I beg to move

*That this Assembly consents to the Public Bodies (Abolition of Food from Britain) Order 2014 in the form of the draft laid before the UK Parliament on 6 May 2014.*

The Public Bodies (Abolition of Food from Britain) Order will abolish the Food from Britain (FFB) council, which ceased operations on 31 March 2009. In practice, the order dissolves FFB in law. It will also transfer any property, rights and liabilities of FFB to the Secretary of State for Environment, Food and Rural Affairs, so there will not be any liability for this Assembly from its abolition.

The order also requires the Secretary of State to make arrangements for the provision of final reports and accounts to go up to the date of abolition. That is a normal requirement in these circumstances, and the cost will be met by the Secretary of State for Environment, Food and Rural Affairs.

The proposed abolition of FFB is not new. Members may recall that, in March 2011, the Assembly gave its consent to the Public Bodies Act 2011. That Act granted British and North of Ireland Ministers the authority to abolish, merge or transfer the functions of various public bodies. FFB is listed in schedule 1 of that Act as one of the public bodies that could be abolished.

The abolition of FFB is the joint responsibility of the four Agriculture Ministers in Britain and the North of Ireland. The making of the order therefore requires, in line with section 9 of the Public Bodies Act 2011, the consent of the Scottish Parliament, the Assembly for Wales and this Assembly. The British Government have requested such consent from us, and that is the purpose of today's debate.

By way of brief background, FFB is a non-departmental public body (NDPB) whose

function was to assist British and North of Ireland food and drink companies in export markets and to promote speciality food and drink products. Government funding for FFB activities was provided by the Department for Environment, Food and Rural Affairs.

Following a decision by British Ministers to end government funding, FFB ceased operations on 31 March 2009, so it has been defunct for over five years. The cessation of activities by FFB has had a minimal impact on the North, because Invest NI has provided a comprehensive range of support to food and drink companies. My Department also operates a regional food programme.

Last year, there was a public consultation on the proposed abolition of FFB. Whilst only one response was received from the local industry, it was an important one. It came from the NI Food and Drink Association (NIFDA), which is a key industry body and is well placed to assess the impact, if any, of the proposal on the local industry. In NIFDA's reply, it supported the abolition of FFB.

Furthermore, the Agri-Food Strategy Board continues to play an important role in ensuring that the potential of the sector is maximised. As Members will be aware, the board recommended the creation of a single agrifood marketing organisation in the North to consolidate all marketing and promotional activities. The board believes that that is essential to securing new and developing export markets.

In response to that recommendation, the ETI Minister recently initiated a review of agrifood marketing and promotional activities. My Department is represented on the steering group for that important work. The review offers the potential to identify options for the improved delivery of marketing and promotional arrangements that are tailored to the specific needs of agrifood businesses here as well as opportunities for working with bodies in other jurisdictions, such as Bord Bia and Scotland Food and Drink. I therefore commend the motion to the Assembly.

**Mr Frew (The Chairperson of the Committee for Agriculture and Rural Development):** In March 2012, the Assembly agreed to a legislative consent motion on the Public Bodies Act 2011, which allowed certain public bodies to be dissolved or abolished. One such body was Food from Britain, which was a non-departmental body that was established to assist UK food and drink companies in export markets.

Food from Britain has been non-operational since March 2009, and it has no budget or staff. Following its abolition, a regional food programme was introduced to address any concerns, and the range of programmes from Invest NI was strengthened. It is generally accepted, therefore, that the official abolition of Food from Britain will not have any major material impact on the Northern Ireland agrifood industry.

As part of the process, a UK-wide consultation took place, with DARD advising local stakeholders. A total of eight responses were received, with one from Northern Ireland in favour of the abolition.

As a Committee, we considered the proposal from the Department at a meeting on 27 May 2014. The information received by the Committee clearly showed that the abolition will have minimal effect in Northern Ireland. Therefore, the Committee is content for the Department to proceed in seeking the Assembly's consent to the Public Bodies (Abolition of Food from Britain) Order 2014.

**Mrs Dobson:** I welcome the opportunity to make a few brief comments on the legislative consent motion. As the Minister and Chair outlined, the Food from Britain body was playing no real role in the promotion of the produce of the agrifood sector here or in Great Britain. Indeed, its uselessness was further highlighted by the work of the Agri-Food Strategy Board. Its abolition is, therefore, the logical thing to do.

I would like to raise another body that many feel is long overdue for abolition: the Agricultural Wages Board plays no real beneficial role in Northern Ireland.

**Mr Deputy Speaker:** Could I ask the Member to return to the subject, please.

**Mrs Dobson:** I would like to now call on the Minister to abolish that along with others quangos that are unnecessary. The difference to the one being abolished today is that it costs public money and gets in the way of the sector it is meant to support.

**Mrs O'Neill:** I thank Members for their comments. The issue raised by Mrs Dobson is not relevant to today's debate but I continually keep all bodies under review. I think that the Agricultural Wages Board does a piece of work that is necessary in protecting the rights of farm workers, particularly workers from the migrant

population so, in my view, it plays an adequate role.

*Question put and agreed to.*

*Resolved:*

*That this Assembly consents to the Public Bodies (Abolition of Food from Britain) Order 2014 in the form of the draft laid before the UK Parliament on 6 May 2014.*

*Adjourned at 3.37 pm.*







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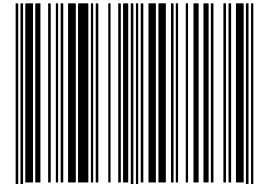
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