

# Official Report (Hansard)

Tuesday 11 February 2014  
Volume 91, No 8



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They should be sent to:  
The Editor of Debates, Room 248, Parliament Buildings, Belfast BT4 3XX.  
Tel: 028 9052 1135 · e-mail: [simon.burrowes@niassembly.gov.uk](mailto:simon.burrowes@niassembly.gov.uk)

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# Northern Ireland Assembly

Tuesday 11 February 2014

*The Assembly met at 10.30 am (Mr Principal Deputy Speaker [Mr Mitchel McLaughlin] in the Chair).*

*Members observed two minutes' silence.*

## Assembly Business

**Mr McNarry:** On a point of order, Mr Principal Deputy Speaker. Yesterday we learned of a letter that the Minister of Finance sent to his ministerial colleagues only — a letter of alarming facts and figures, which the House is so far unaware of. Subsequently, the letter was leaked to the media by obviously at least one Minister. Is that not a breach of the ministerial code? How seriously do you view the matter?

**Mr Principal Deputy Speaker:** If you have information, you can bring it to the attention of the Speaker's Office, and we will then consider the matter. I have to say that it is something that I am completely unaware of as we speak. So, if you can supply that information, or, indeed, if you have done so already, it will be considered in due course.

**Mr McNarry:** Further to that point of order, Mr Principal Deputy Speaker, just for your information, the information that I bring is very much in the public domain. I am very surprised that no one from the Bench that you sit on listened to the news last night.

**Mr Principal Deputy Speaker:** The latter point is not a point of order. The Speaker's Office will take its own counsel on the matter.

**Mr Allister:** On a point of order. I want to refer back to the statement that the Health Minister made about the situation in our emergency departments. The House may recall that, yesterday, I directly asked the Minister whether there had been any deaths in consequence of or related to trolley waits and delays in the hospital. The Minister ducked the question and did not answer, yet this morning on the radio, we heard from Dr Tony Stevens that there may have been as many as five deaths in connection with that. Surely the expectation of the House is that, when Ministers come to the House and are asked questions, they should frankly and openly supply the information that is requested, rather than duck the issue. Is that not a reasonable expectation in the House?

**Mr Principal Deputy Speaker:** I remind the Member, and Members generally, that, on 26 January 2009, the Speaker gave a very clear ruling that it is not for the Chair to judge whether a Minister is giving a satisfactory answer. If Members are not satisfied with an answer, they should be persistent with the Minister and table further questions, which I recommend to the Member.

It is not the job of the Chair to make judgements on answers, and I addressed that point last week. I will not take any more points of order on these matters. Members have recourse if they are not satisfied with the response from a Minister or, indeed, with subsequent disclosure, and they know how to follow those matters up in their own diligent fashion.

## Ministerial Statement

### Organ Donation

**Mr Principal Deputy Speaker:** The Minister of Health, Social Services and Public Safety wishes to make a statement.

**Mr Poots (The Minister of Health, Social Services and Public Safety):** Thank you, Mr Principal Deputy Speaker. I wish to make a statement concerning the future of organ donation policy in Northern Ireland.

In April last year, I announced the key measures to be taken forward by my Department in developing its organ donation policy. In July 2013, I launched the NHS Blood and Transplant's (NHSBT) new UK-wide organ donation and transplantation strategy, 'Taking Organ Transplantation to 2020: A UK Strategy'. The strategy was developed by NHSBT in collaboration with all UK Health Departments and all those involved in organ donation and transplantation, including professional bodies, patient groups, transplant surgeons and the wider health service. The overall aim is to match world-class performance in organ

donation and transplantation. The strategy does not propose that soft opt-out legislation should be introduced as a UK-wide policy. The strategy proposes that three groups — society and individuals; NHS hospitals and staff; NHSBT and commissioners — need to act for the strategy to be successful and achieve the desired outcomes. Support action from government, professional bodies and the voluntary sector will be essential, too.

In addition to the actions set out in the strategy, at my request, the Public Health Agency (PHA) has completed a major survey to test local public opinion on organ donation. The findings of that survey will be addressed by a public information campaign, which the PHA will launch on 12 February. The campaign is aimed at encouraging people to let their family know whether they wish to donate their organs at the end of life. The aim is to increase public awareness of organ donation and the number of donors. Following the campaign, the PHA will conduct a second public attitudes survey into organ donation later this year. When the results of that survey are known, I will be better placed to reach a decision on what further action might be required, including whether we need to move forward with statutory measures on organ donation policy.

For the past six years, Northern Ireland's organ donation policy has been driven initially by advice from the UK organ donation task force (ODTF) and, since June 2012, by the Northern Ireland Committee for Organ Donation and Transplantation (NICODT), a group comprising commissioners, DHSSPS officials, clinicians, NHS Blood and Transplant, local regional collaborative members and the voluntary sector. In January 2008, the ODTF made 14 recommendations addressing the obstacles to organ donation throughout the whole of the UK, aiming to increase donor rates by at least 50% by 2013. During that time, there was considerable investment in organ donation. Clinical leads and specialist nurses were appointed in each trust, donation committees were established and regional collaboratives developed to share good practice and provide a platform for shared learning. As a result of the developments, and the dedication of the staff involved, the 50% increase in donation was reached by the UK as a whole. Northern Ireland exceeded the target by increasing donation rates by 82%. That is rightly an achievement that we should be very proud of, but we cannot be complacent as more still needs to be done. Currently, around 160 people in Northern Ireland are actively waiting on a transplant and, unfortunately, around 15 people die in Northern Ireland each year while

waiting for a transplant. Having achieved, and indeed surpassed, the aims of the ODTF, in July 2013, I launched a new UK-wide organ donation and transplantation strategy, 'Taking Organ Transplantation to 2020: A UK Strategy'. The strategy was developed by NHSBT in conjunction with the four UK Health Administrations. The overall aim of the strategy is to match world-class performance in organ donation and transplantation.

Last year, I announced that I intended to initiate a public engagement process to establish attitudes towards organ donation to inform my decision on the future policy for organ donation in Northern Ireland, including the possible introduction of an opt-out system for organ donation, if necessary. This work was taken forward by the Public Health Agency and consisted of a public attitude survey and focus group meetings. It was to be followed up by a widespread media campaign. The results of the PHA's public engagement process were published in October 2013. In response, I stated that I wished to consider the report in detail before making my decision on the future of organ donation in Northern Ireland.

The PHA's public engagement process involved a representative sample survey of 1,012 members of the Northern Ireland public and 16 focus groups with key stakeholders, such as charities, people on a waiting list, those who have had a transplant, donor families and health and social care staff. The results of the work highlighted that with regard to organ donation and registration on the organ donor register (ODR), 84% of respondents supported the idea of organ donation. However, support was lower for the idea that we should all register for organ donation, at 55%, or that it is unacceptable not to donate your organs, at 26%. More than a third, 36%, of respondents were not aware of the ODR. Knowledge about organ donation was generally low among respondents, who answered, on average, three questions out of seven correctly.

Four factors were found to drive respondents' attitudes towards organ donation, of which spiritual or traditional beliefs, such as that the body should be kept whole for burial, was the main one. That was followed by medical distrust; for example, "If I sign an organ donor card, doctors may take away my organs before I am actually dead". There was the "icky" factor; for example, "I do not like the idea of my body being cut into when I have died". Another factor was the perceived benefits; for example, "Organ donation is the gift of life for whoever receives it". Seventy-eight percent of

respondents said that they would be willing to accept an organ if they needed one.

Seventy-eight percent of respondents agreed that it is important to discuss organ donation wishes with family and/or friends. However, only 38% had done so, and only 43% thought that their family or close friend would actually know their wishes. Just over half of the respondents, 52%, said that they knew the donation wishes of their wife, husband or partner, and fewer knew the wishes of their parents, 32%; siblings, 27%; children, 29%; or close friend, 26%.

Eighty-eight percent of those who said their family or close friend would know their donation wishes thought that they would agree with those wishes. However, that fell to 29% when they did not think their family or close friend would know their wishes. This suggests that people may be less likely to discuss their donation wishes with their family or close friend if they are concerned that their family or close friend would not agree with their decision.

What can be done to improve organ donation in Northern Ireland? Stakeholders felt that it was important to normalise organ donation. Informing the public by providing correct information and dispelling myths was considered essential. There was unanimous support across all stakeholder groups for a well-resourced and sustained public information campaign to raise awareness of organ donation and make it a cultural norm.

The soft opt-out/presumed consent debate has been happening. Fifty-six percent of respondents said they would be in favour of changing to a soft opt-out/presumed consent system. However, when asked whether they agreed with the statement that, "Everyone should be presumed to be an organ donor unless they register a wish otherwise", fewer, 49%, agreed, indicating that there is some confusion about the idea.

With regard to stakeholders, support for soft opt-out/presumed consent was higher among organ donation charities, transplant recipients, those on the transplant waiting list, and the British Medical Association (BMA). Those who were less supportive of the proposed legislative change believed that now is not the right time and raised concern about public readiness. Concerns among stakeholders about the introduction of soft opt-out/presumed consent included the possibility of feeding into medical distrust — public perception of a conflict of interest for medical staff when considering end-of-life care — a general feeling that people

would not actively seek out an opt-out register and fear that use of the ODR, which would still be in operation, may decline.

That means that more families could be in a situation of not knowing their loved one's wishes, so decision-making consent among donor families could become more difficult. The pool of potential donors could reduce from the current situation whereby all families are asked to consider donation if medically appropriate, whether their loved one is on the ODR or not, to one whereby only the families of those not on the opt-out register are asked.

#### 10.45 am

Other concerns included the following: losing the notion that donation is a gift; creating public confusion that stops people opting in; and the issue becoming a political football. There are general concerns that the gains made in Northern Ireland over the past six years could be lost if the public are not fully in favour of a change. Some stakeholders said that they had changed their opinion from being supportive of the proposed legislative change to becoming more cautious about implementing it at this time. Finally, 43% of respondents felt that more can be done with the current opt-in system before changing to soft opt-out/presumed consent.

Following on from the public engagement, tomorrow, the Public Health Agency will take forward the next phase of the work that I announced last year, which is a major public information campaign aimed at tackling the obstacles identified to organ donation in Northern Ireland. A major theme of that will be letting your family and friends know of your wish to become an organ donor after your death.

As I have publicly stated, making a decision on any legislative change for organ donation is not one to be taken lightly. The last place that we want to be is, in seeking to do the right thing for the right reasons, actually doing the wrong thing. Making such an important decision warrants taking sufficient time to assess the available evidence and reach a final decision on the long-term future of the service. Part of that evidence will be to see how the public respond to the information campaign that is about to be launched. I will also follow closely the view of the professionals and will be cautious about legislative change without clear clinical support from those with expertise of working day in, day out in this field.

There is much more to consider here than simply whether or not we proceed with legislation. We also need to look at how we further improve awareness of the organ donor register, organ donation in general and highly sensitive issues such as how to encourage people to discuss their wishes with loved ones. Those areas must be given further impetus and the response of the public carefully considered if I am to arrive at a properly informed decision on the future development of policy on organ donation in Northern Ireland.

In the meantime, I urge all those who have not already done so to join the organ donor register and to discuss their wishes with friends and family. Our shared aim is to reduce the numbers of people on the waiting list for life-saving organs by increasing the numbers of families who consent to making healthy organs available for transplantation.

In conclusion, I firmly believe that increased public awareness, education on the key issues and the further development of transplantation services through UK-wide action is the right way forward for organ donation in Northern Ireland at this time. I will be happy to continue these discussions with all who have an interest in this important issue later this year, after I have had an opportunity to consider the further survey of public opinion following the PHA's public awareness campaign. Thank you.

**Ms Maeve McLaughlin (The Chairperson of the Committee for Health, Social Services and Public Safety):** Go raibh maith agat, Mr Principal Deputy Speaker. I thank the Minister for his statement. He outlined that 84% of respondents supported the idea of organ donation and that 55% supported the idea that we should all register for organ donation. However, the opt-out debate is not about registering in as opposed to opting out. We should all advocate public awareness, but given that, specifically, Wales has adopted a two-pronged approach through legislative change and a public awareness campaign, is the Minister simply stalling legislative change? How will he give guarantees now that a soft opt-out system or any legislative change will be advanced in this mandate?

**Mr Poots:** I am not against soft opt-out legislation. We are dealing with something that is hugely sensitive, and I am of the opinion that a person's organs belong to the person. They do not belong to the state; they belong to the individual, and it is for the individual to make the decision. However, if we go down the soft opt-out route, it may well ensure that more lives are saved by increasing organ donation, but we

have to do that on an evidence basis. The evidence base in Sweden, where the soft opt-out was introduced, is less conclusive. Spain has seen a significant benefit, but that did not come immediately after the soft opt-out was introduced; in fact, it came many years later and after public information campaigns. Therefore, we need to work more closely with the public to make them more aware of the benefits and importance of organ donation and the importance of discussing those matters with their relatives. We then need to go back to the public to see whether we can get a more confirmed view. We have public consultation for garnering the public's views on these matters before the Assembly makes decisions. That is why we have had this extensive consultation and why, given the confused responses from those who participated, we need to have a further extensive consultation.

**Mr Wells:** The Minister is aware that there has been a significant increase in the number of live kidney donors. Does he see that as an option to try to make up the gap between the demand of those requiring organs and the number of those prepared to donate?

**Mr Poots:** We have a target of 50 live kidney donors annually, and that has been surpassed in recent years, which makes Northern Ireland one of the leading countries in the field of live organ donation. We need to congratulate our staff for the excellent work that they have carried out. However, that will help out only with kidneys, and there is a range of other organs that can be donated. It is important to drive up the number of people who donate organs when deceased. So there is a course of work that needs to be continued.

A huge success story is the increasing number of people, up to 82%, donating organs. Much of that is down to the excellent work of our specialist nurses in organ donation. We have six specialist nurses based in the Belfast Trust, and they provide excellent support for families going through the most traumatic period in their life, which is losing their loved one. They do things in an incredibly sensitive way, and that has enabled us to increase massively the number of people who are donating organs. We need to consider that in all of this, and we need to ensure that we can develop it further, because I think that we can make further ground in increasing the number of organs donated.

**Mr McKinney:** Does the Minister accept that the statistics in the consultation responses are sufficient for action of a legislative nature? One



startling statistic that underscores the point is that 15 of the 160 people currently on the transplant list may not survive their wait. Therefore, for them, every day is a delay.

**Mr Poots:** The statistics demonstrate that there is massive confusion. They certainly do not give us a clear pathway. I encourage the Member to read through the statistics. The fact that 15 people die each year should be a major incentive for us to act. The truth is that many of the organs that are obtained in Northern Ireland are not used in Northern Ireland.

If we are to make a real impact on the 15 lives that are lost each year, we need to do it across the United Kingdom, because we are part of a pool of organs that exists in the United Kingdom. Therefore Northern Ireland is leading the way in driving up organ donation. We need to get other parts of the United Kingdom to move as quickly as Northern Ireland. That is where the real benefits can be obtained across the United Kingdom, not just in Northern Ireland. It is important that we work with our colleagues in England, Scotland and Wales to ensure that we maximise organ donation, to ensure that many more people benefit from organ donation as a consequence, and to ensure that we make a real impact on those numbers — the 160 who are waiting on the list and the 15 lives that are lost each year. That is something that we are absolutely committed to doing.

**Mrs Dobson:** Minister, your statement proves one thing in the House today: the personal commitment of the First Minister and the deputy First Minister means little. You can survey an issue to death; meanwhile people continue to die. Will you give a commitment to the House that, when you know the results of the second public survey, which, I gather, could be up to a year away, you will bring a soft opt-out system before the end of this mandate? Or, perhaps, you will commission another survey, followed by another survey, followed by yet another survey.

**Mr Poots:** I do not know what the outcome of the second survey will be. I did not dictate people's responses in the survey; we asked people questions, and they came back with answers. I know that organ donation is hugely important to the Member and that her family has benefited personally from it, as has mine. My uncle was one of the earliest recipients of a kidney transplant in Northern Ireland and is still alive today as a result. I could have benefited further from organ donation for my mother who died early of liver disease, in spite of the fact

that she never drank. However, she did not have the opportunity to get that. This issue is very important to me personally, as I want to save lives through organ donation.

I am not against the proposals that Mrs Dobson, for example, has produced on soft opt-out; it might be the right way forward. However, it is important that we educate the public and bring the public with us on those issues if we are to take what is a very significant step. It may be the right step, but, at this moment in time, I do not have the powerful evidence base that I think we should have to move ahead.

**Mr McCarthy:** The issue of organ donation has been with us for a very long time. I am disappointed that we seem to be going for more time. Of course, we want to make the right decision. I welcome the statement's indication:

*"The overall aim is to match world-class performance in organ donation and transplantation."*

However, the statement also says, as has been mentioned, that 160 people are waiting for a transplant; therefore urgent decisions are required. Can the Minister advise whether his Department is looking at the success or otherwise of what is happening in other places where soft opt-out is in operation? Given that, will the Minister give the Assembly an assurance that an early decision will be forthcoming?

**Mr Poots:** I already have mentioned Spain and Sweden. Wales has introduced legislation but is not enacting it until late in 2015, I believe, so we will not have any evidence base arising from that. This is not about creating inordinate delays. In fact, we will continue to drive up the numbers who donate organs over the time in which we are doing this work. I am absolutely confident of that. One of the benefits of the proposals on both pieces of legislation is that they have created debate, and public awareness is now much higher than it was. So there has been significant benefit.

#### 11.00 am

However, it is important that the public are more engaged and that they have those conversations with their families. I ask Members this: have they had those conversations with their families? Many people have not had that conversation and do not know the wishes of their loved ones, and, as a consequence, when the worst possible thing happens and that leads to the death of a loved

one, people are in a confused state. We need to keep getting a message out there that will help remove confusion and help bring clarity to the situation and, consequently, we can save more lives.

**Mr Dunne:** I thank the Minister for his statement. What does international evidence say about the opt-out systems for organ donation?

**Mr Poots:** Internationally, as I indicated, Spain has driven up organ donation quite significantly as a result of soft opt-out legislation, but that did not happen until public information and education was driven up, which was quite a number of years after the legislation was introduced. Sweden has not had the real benefits that it might have expected to derive as a result of introducing soft opt-out. So, in that respect, it is patchy. We really need to focus on how we can maximise organ donation in Northern Ireland but also in the pool that we receive organs from, which is right across the United Kingdom. It is very important that we work very closely with our colleagues across the other UK regions to ensure that many more organs are donated at a UK-wide level. We have a population of 1.8 million people, and the organ donation pool has a population of 60 million people. So, if we make a 100% increase and they only make a 10% increase, that is not as significant as it could be. We need to work closely with our colleagues across the UK to ensure that the increases take place on a UK level and, consequently, the benefits are maximised. Matching livers, hearts and other organs is very challenging, and that is why we really need more organs to come in from the wider pool, which is the UK pool, as opposed to from Northern Ireland.

**Mr McCartney:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Gabhaim buíochas leis an Aire as a fhreagraí go dtí seo. I thank the Minister for his answers to date. Quite recently, on a number of occasions, I have heard an MLA in the Assembly make the point that, when a Department or a Minister wants to kick something into touch, they ask for more evidence. Given the evidence-based campaign led by Joe Brolly, is this a case of looking more evidence or are you simply kicking the ball into touch? By the way, the MLA was Jim Wells.

**Mr Poots:** Well, I cannot argue with Jim Wells. I am not interested in kicking this into touch. I am interested in getting the best outcomes. People can either judge that as genuine or not. I sincerely believe that we should encourage

more people to donate their organs. It is a hugely sensitive issue, and we need to be very careful in how we manage the public and not take the public for granted. We carried out an extensive survey and asked a wide range of questions, and it demonstrated that the public are not as well informed as we want them to be. Immediately, on the back of that, we are engaging in a public information campaign, and as soon as that concludes, we will take a further evidence base. If that gives us the nod to go ahead, I will be very happy to proceed with it. It is not about holding things back.

**Mrs Cameron:** I thank the Minister for his statement. I concur with his call for us to have those conversations with friends and families and let them know our wishes for after our death.

Minister, in the Public Health Agency findings, there is a significant variation from other figures that have been quoted. How robust do you consider the PHA process to have been?

**Mr Poots:** It was a robust exercise. It certainly questioned a wide range of people across Northern Ireland. The work carried out met all expected standards. The process involved a statistical representation of the population of Northern Ireland, which indicates that it is a truer reflection of the thoughts of the whole of Northern Ireland than it would be had it included just those people who may be exercised to respond to an individual consultation.

I plan to repeat the public attitudes survey later in the year following the public awareness campaign, so I hope to establish whether the campaign has the desired impact of increasing awareness and understanding of organ donation issues. That will allow me to make a decision on the future policy for organ donation in Northern Ireland. I encourage people to read the statistics that the Public Health Agency produced. They are very interesting, indicating that there can be a community and religious difference when it comes to organ donation. For example, people from the Roman Catholic community are less inclined to have their organs donated than people from the Protestant community are. There are issues that we may need to discuss further to ensure that people feel more comfortable, even in their faith, that the right thing to do is to help others to live after they die.

**Mr P Ramsey:** I welcome the statement, and I have no doubt that the Minister is honourable in his approach. It is clear from his language that the matter is a very emotive and sensitive one.

I share the concerns of a number of Members about a delay of another 12 months. As the Minister said, it will mean that another 15 families will lose a loved one. Given that we regularly get statistics from the Department, what research or study has it carried out into how many lives would be saved if presumed consent were introduced?

**Mr Poots:** I state very clearly that, if soft opt-out were introduced today, and, indeed, if we drove the numbers up, we would still not save the life of 15 people, or anywhere near that number. We should not confuse that. Nonetheless, we should make an effort to save the life of as many people as possible. If the strategy saves one or two lives, it is very important to the one or two who are saved. Let us be very clear about that. However, I want to go after the 15. I want to maximise the number of lives saved. What we do in Northern Ireland and what other parts of the UK do will help us to achieve that. Therefore, we will work closely with others to drive forward the campaigns and ensure that they have as good success as we are having in driving up the numbers of people donating organs. As I indicated before, we have achieved success thus far, but we have not, by any stretch of the imagination, plateaued. There are massive opportunities for us to increase the numbers further. Not proceeding straight away with soft opt-out legislation will not stop us from increasing organ donation at this point and ensuring that more lives are saved in Northern Ireland and across the United Kingdom. If others can keep pace with us, that will certainly ensure that lives are saved here as a consequence of organs being donated in other parts of the UK and coming to people who live in Northern Ireland.

**Mr Beggs:** I, too, welcome the Minister's statement, but he said little in it to assure those who may have personal concerns about organ donation. The soft opt-out proposals include a register so that those who have concerns can ensure, for the first time, that their wishes will not be overridden by others, as can happen at present. Will the Minister explain why he did not explain that in his statement?

**Mr Poots:** One of the issues identified was that, for people not on the organ donor register, new problems will be created as a result of the legislation. Consequently, there are issues for them. There were also issues for people who are on the organ donor register who indicated that they believed that their donation is a gift. They said that, if the Government decided that they owned the organs, they would remove their names from the register and not donate

their organs. That is a relatively small number of people, but it is a couple of percent of those who are on the organ donor register.

So, not everybody takes kindly to the notion of the Government saying, "Organs belong to us". That is because people believe that organs belong to them. We need to work on that to ensure that people are more conformable with the fact that the organs that they donate after their lives have been lived will help others to live a full and healthy life. I think that it is most important that we continue to get those messages out to the public, that the public in Northern Ireland are widely receptive to our proposals on organ donation and that more and more people sign up to donate organs.

**Mr D McIlveen:** I thank the Minister for his statement. There has been considerable focus on what has been done in countries outside the United Kingdom, such as Spain and Sweden. However, all of us in Northern Ireland live in Her Majesty's United Kingdom. With that in mind, will the Minister advise us of the English view of the soft opt-out approach?

**Mr Poots:** Members may be interested to know that I met David Cameron when he visited Northern Ireland just over two years ago. I was not in this position very long, and I asked him what his opinion was on organ donation, as I was somewhat inclined to go for the soft opt-out option. Mr Cameron made it very clear that neither he nor Andrew Lansley was sympathetic to that option, and it would appear that Jeremy Hunt is not particularly sympathetic to the proposal. Indeed, the previous Labour Administration were not particularly sympathetic to it either. That alerted me to the fact that, we could go down a particular route, but we would not get the changes that we would want by having a massively increased organ donor pool. That is because the largest body of people who would contribute to that pool would not engage in it.

As with my English colleagues, my Scottish colleagues said that they would find it difficult to recommend changing the current opt-in system, as they have seen a significant rise in organ donations of around 63% in the UK as a whole since 2007-08. That level is predicted to increase to 68% by the end of this financial year. There has also been an increase of 33% in organ transplantation over the same baseline years. Those rates continue to rise.

So, England and Scotland do not seem inclined to go down this route. Wales has done something different, but it has not been demonstrated at this point that it will increase

the organ pool. We will do our thing and develop our policies. However, it is important that we develop our own policies on the basis of qualitative information. This is not an emotive issue; rather, it is about having factual information at hand that can demonstrate that we can make a real and tangible difference.

**Mr Ross:** I commend the Minister for taking a sensible decision on this sensitive issue. Two things jumped out at me from the PHA consultation. First, a third of people are still unaware that there is an organ donor register, and secondly, the more that people learned about presumed consent, the more that they were opposed to it. Indeed, over 50% of respondents to the consultation were opposed to presumed consent.

Does the Minister agree with the transplant specialists and the consultants who work closest with potential donors that the opt-out legislation would be unnecessary and could be counterproductive? I cite the fact that the 1979 Spanish legislation that introduced presumed consent there has never been enacted and that presumed consent legislation in places such as Sweden, Norway, Chile and Brazil has been counterproductive and they have worse rates of donor donation than we do in the United Kingdom.

**11.15 am**

**Mr Poots:** If we put our minds to it, we could probably do it better than a number of the countries named. Nonetheless, it is absolutely correct to say that the closer you get to intensive care units and specialists who deal with people at the end of their life, where most organs are obtained, there is greater reticence and reluctance to go down the route of soft opt-out. The BMA indicated that it supports it, but the closer you get to the doctors and clinicians who deal with the people who provide us with most organs, the more reluctance you find. It is important that we take cognisance of what professional people tell us and say.

As I indicated, we have six specialist nurses in organ donation in the Belfast Trust. They do a fantastic job. I spent a full afternoon with them and the consultants in the departments. I came away with the view that we should proceed on these matters very carefully. We should not take things for granted or make assumptions, and we should operate on the basis of evidence, fact and what can make an absolute, real and tangible difference. We need to deal with this in a way that is not around emotions but is on the basis of fact, and we need to stick rigidly to that.

**Mr I McCrea:** I welcome the Minister's statement. I have never made it much of a secret that I do not support legislative change to introduce presumed consent, but I do support what the Minister says in respect of conversations with family members and the need for people to get on the register. However, people need to do that based on their own mindset rather than a legislative change to state-own organs, as it were.

Does the Minister accept that if the presumed consent soft opt-out legislative change is brought about, it could result in people going the opposite way, as he said, in removing themselves from the register? Would having the legislative process changed not be more detrimental to the number of organs coming into the system than giving people the choice?

**Mr Poots:** When Mr McCrea goes one way, that normally encourages me to go in the opposite direction. We are probably looking at a relatively small number removing themselves from the list, with greater potential for increased numbers joining the list. However, that is not something that we should easily ignore, and we need to reflect on the fact that people who willingly indicated that they wished to have their organs donated are indicating that they would remove their names. We should not ignore that in how we do things.

It is absolutely important that we continue to drive upwards the number of organs donated. We can make a significant impact on that. The public awareness raised by the work that Joe Brolly, for example, has done, and the work that Alastair Ross and Jo-Anne Dobson have done, has been beneficial. Let us be clear about that. However, we can and should do more to continue to improve the number of people on the organ donor register.

**Mr A Maginness:** I thank the Minister for his statement. I have no doubt that he is sincere in what he is attempting to do, but I sense, by the nature of the questions, a great deal of frustration and impatience in the House about not getting on with some legislative initiative à la the outline Bill that Mrs Dobson presented to the House. The delay of a year in the public consultation is something that people have found unacceptable. Can the Minister speed up that process? Does he accept that, unless a concrete proposal is given to the public, the public will not make up their minds in a decisive and influential way?

**Mr Poots:** I accept that the latter part of that argument has a lot of strength. Regarding the

pace of the process, we are starting the public information campaign tomorrow, so that obviously cannot happen sooner. We can look to see whether we can hasten the process. When I took up my position, I was more inclined towards soft opt-out than I am now. My view is a consequence of speaking to a lot of key people who are engaged in the delivery of the service and provide care and support for those who are at the end of their lives.

I encourage people to research the issue themselves. Do not take my word for it. Go and research the findings of the PHA yourselves, talk to those who are engaged with people who are at the end of their lives, particularly those in intensive care units, and arrive at your own conclusions. Do not let me try to influence you on this. My position has changed, although I am not necessarily opposed to the soft opt-out option. If we are to get there, we should do more work to bring the public with us and ensure that those in the medical profession who deal the most closely with people who are at the end of their lives are with us as well.

**Mr Agnew:** I want to leave no confusion: I want my organs to be donated when I die. I also would like to dispel some of the myths that the Minister set out. Your body does not stay whole after you die: it rots and your organs will rot unless they can be kept alive by keeping someone else alive.

The Minister said that we need to increase the pool across the UK, but surely if we introduce soft opt-out and make it work, we can make it harder for England and Scotland to resist such a change.

**Mr Poots:** I said that I have no religious opposition to this, but I have to respect people who say that they do. That is an issue for them. Most of the people were not of my faith, so it is not something that affects my electorate to the same extent either. You still have to show respect for people's views and give them consideration. I can make that decision for myself, and I did so many years ago, long before I was a politician. For one reason or another, others have not made that decision or have not made their decision clear.

It is very important that we encourage people to have those conversations with their families. I confess that our conversation was more recent: it is probably something that we should have done years ago. Everybody wants to donate, should the situation arise. I suspect that, if more people had the conversation, more would

be content in the knowledge that donating organs can make a real difference.

People who I know very well lost their very young child relatively recently. They decided that their child's organs would be donated, which saved the lives of five other children. It is a massive comfort to them that, in spite of the fact that they do not have their little child, other children are alive as a consequence of them donating their child's organs. So, it is something that can bring peace and satisfaction to individuals who have lost a loved one. However, again, we need to be very careful that we do not take people and the public for granted and that we seek to bring the public with us on these issues.

**Mr Anderson:** I also thank the Minister for his statement. Minister, what percentage of organs received by Northern Ireland residents came from Northern Ireland donors?

**Mr Poots:** One hundred and sixty organs were donated in Northern Ireland over the past 11 years, of which we received 22.4%. Around three quarters of the organs donated will go to other parts of the UK, and less than one quarter will stay in Northern Ireland. As I said, the real benefits here will be through ensuring that England, Scotland and Wales drive up their organ donation in significant ways. If they are not to go down the opt-out route, how can we ensure, and encourage them to ensure, that those numbers go up quite dramatically? That will involve our liaising closely with them, which may or may not be assisted by our doing our own thing. We will give consideration to that at some point.

**Mr Givan:** I thank the Minister for the very sensitive way in which he has handled this emotive issue this morning. I am certainly not ideologically opposed to Mrs Dobson's Bill, and I commend her for her work in taking it forward and the public debate that it has created.

Everyone in the House wants to do the right thing and wants organ donation levels to increase. I am registered and have had the conversation with my wife and family about what could happen to me. We want the best evidence to guide us, and I have had conversations with nurses who work in intensive care units in Belfast who have told me how difficult the conversations can be with families at the end-of-life stage. To that end, has the Minister been able to identify the way in which families approach the issue when they are in this tragic state of having to consider

these issues and having those very difficult conversations with clinicians?

**Mr Poots:** Families can approach the issue in different ways and, because the view has not been expressed to them, will not do it and will err on the side of caution. It is hugely unfortunate that there is an issue of medical distrust, but some people have the notion that doctors and medical staff will not do as much to save lives if they think that they are going to receive their organs. That is wholly and completely wrong. That is the perception among a minority, but, nonetheless, a significant number of people hold that view.

We need to be very clear with families that we will do everything that we can to save the lives of individuals who come into our healthcare system. Hospitals in Northern Ireland have the lowest mortality rates in the United Kingdom. Every one of our trusts has a lower mortality rate than the average in England, but we need to dispel that myth to ensure that people have confidence.

I cannot do very much to persuade people on the faith side. Others need to do that, and I would encourage them to do so, because lives can be saved as a result of people donating organs. More work can be done with families, and we can do work to help, particularly on the medical distrust issue. Others could assist us in some work, and I encourage them to do so.

## Executive Committee Business

### Carrier Bags Bill: Further Consideration Stage

**Mr Principal Deputy Speaker:** The Minister of the Environment has advised that he is not in a position to move the Further Consideration Stage of the Carrier Bags Bill today. However, as it still stands as an item of business in today's Order Paper, it will need to be disposed of formally.

**Mr Durkan (The Minister of the Environment):** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I confirm that I do not intend to move the Bill to Further Consideration Stage today. Given the policy implications of the amendments tabled on Thursday 6 February, I wish to consult my Executive colleagues to seek reaffirmation of their commitment to existing policy direction. However, I stress that I remain committed to progressing the Bill through the Assembly and will seek to reschedule Further Consideration Stage at the earliest possible opportunity.

*Not moved.*

**11.30 am**

### Health and Social Care (Amendment) Bill: Final Stage

**Mr Poots (The Minister of Health, Social Services and Public Safety):** I beg to move

*That the Health and Social Care (Amendment) Bill [NIA 27/11-15] do now pass.*

As I said at Second Stage, the purpose of the Bill is to make a number of necessary amendments to the Health and Social Care (Reform) Act (Northern Ireland) 2009. There are two main amendments proposed in the Bill. The first deals with support services that the regional Business Services Organisation (BSO) can provide. The second covers functions that can be delegated to the BSO.

As Members will be aware, the Reform Act established the BSO and defined its role as being to provide or secure the provision of a range of support services to the Health and Social Care bodies listed at section 1(5) of the Reform Act. However, as currently framed, the Reform Act does not enable the Department to

secure support services from the BSO, nor does it provide the Department with the power to direct the BSO to provide support services to three of the Department's arm's-length bodies: the Northern Ireland Social Care Council, the Northern Ireland Practice and Education Council for Nursing and Midwifery and the Northern Ireland Fire and Rescue Service Board.

Clause 1 seeks to address the issue by giving the BSO the legal cover to provide support services to the Department and all the Department's arm's-length bodies. Clause 1 also seeks to provide greater clarity on the nature of the fraud prevention support service provided by the BSO. The counter-fraud and probity services unit in the BSO carries out a range of activities that include fraud investigation, fraud prevention and probity services. However, the Reform Act refers only to fraud prevention. Although it is felt that this definition covers the complete range of activities undertaken by the BSO, the Department has taken the opportunity to provide clarity on the definition by adding the words "fraud investigation" and "probity services" after "fraud prevention". I point out that this amendment does not alter the activity or scope of the services that are currently undertaken by the counter-fraud and probity services unit on the ground — they remain unchanged.

I move on to clause 2. Section 26 of the Reform Act contains a provision that enables the BSO to exercise those functions that the Central Services Agency had exercised immediately before its dissolution in 2009. However, the Reform Act does not currently permit the BSO to exercise any new functions relating to the administration of health and social care. What clause 2 of the Bill will do, therefore, is enable the Department to direct the BSO to exercise any new functions of the Department with respect to the administration of health and social care.

Clause 3 seeks to deal with the membership of the Health and Social Care Board, the Public Health Agency and the Business Services Organisation. The Reform Act currently provides the Department with the power to prescribe conditions for persons appointed as members of these organisations. However, the Department does not have the power to prescribe conditions for their chairs. Clause 3(6) provides the Department with a power to make subordinate legislation to prescribe conditions for appointment for the chair of the Health and Social Care Board, the Public Health Agency and the Business Services

Organisation. I also wish to point out that the Department proposes to prescribe for chairs in similar terms as for members of these organisations.

The schedule to the Bill includes amendments that should originally have been made under schedule 6 to the Reform Act, which includes a number of blanket amendments to references to particular bodies in other existing legislation: for example, the name of health and social services trusts was changed to Health and Social Care trusts. Section 1 of the Reform Act renames the Health and Personal Social Services Regulation and Improvement Authority (RQIA) to reflect the correct legal title of the organisation, the Health and Social Care Regulation and Quality Improvement Authority.

However, schedule 6 to the 2009 Act did not carry across the change to the title of the organisation into other legislation. For that reason, the amendments proposed at paragraphs 1 and 2 of the schedule to this amending Bill seek to change the title of the organisation in other pieces of legislation. Finally, paragraph 3 of the schedule seeks to amend the reference to "personal social service" in the Carers and Direct Payments Act (Northern Ireland) 2002 to "social care service".

In conclusion, I am sure that Members will agree that there is a sound rationale for the Health and Social Care (Amendment) Bill and that the amendments to the 2009 Act are clearly necessary.

**Ms Maeve McLaughlin (The Chairperson of the Committee for Health, Social Services and Public Safety):** Go raibh maith agat, Mr Principal Deputy Speaker. On behalf of the Committee for Health, Social Services and Public Safety, I welcome the Final Stage of the Bill.

As the Minister said, its purpose is to make a small number of amendments to the Health and Social Care (Reform) Act 2009. The amendments are designed to correct oversights or anomalies that were contained in the original legislation rather than to introduce any new policies. Although the Bill is fairly technical in nature, the Committee welcomes the fact that it will result in more uniformity across the Department's arm's-length bodies.

The Bill was referred to the Committee on 24 September 2013. To ensure that there was enough time to scrutinise the legislation, the Committee sought an extension until 11 December. However, I am pleased to say that we finished a week ahead of schedule, thanks

to the hard work of Committee members and the cooperation of departmental officials. The Committee received written submissions from seven organisations and, because the evidence was straightforward and supportive of the Bill, we chose simply to take oral evidence from departmental officials.

The majority of the groundwork on the Bill had been done by the Committee during the pre-introductory scrutiny phase. We had been concerned that the proposals in clause 3, which require that the chairs of the Health and Social Care Board, the Public Health Agency and the Business Services Organisation must satisfy prescribed conditions, were an attempt to prescribe new criteria on who could apply for the position of chair of those three bodies. The Committee was of the view that the appointment criteria for a chair should be consistent across all the Department's arm's-length bodies.

Departmental officials explained that clause 3 was aimed at correcting an error in the original legislation rather than at implementing a new policy. An oversight had occurred when the Health and Social Care (Reform) Act 2009 was made that meant that the chairs of the Health and Social Care Board, the Public Health Agency and the Business Services Organisation did not need to satisfy prescribed conditions. That was not the intention of the Department, as its view is that the chairs of all its arm's-length bodies must satisfy prescribed conditions. Following the clarification provided by the Department on the matter, the Committee indicated that it was content with clause 3.

The Committee received written evidence from the Business Services Organisation and the Health and Social Care Board in support of clause 1, which gives the former legal cover to provide support to the Department and the full range of arm's-length bodies. The Committee welcomed the clarification around the nature of the counter-fraud and probity services provided by the Business Services Organisation.

The Committee considered written evidence from the RQIA on the schedule to the Bill. The RQIA had suggested simplifying the wording of its title. However, during the oral evidence session with the Department, officials explained that RQIA's full title — the Health and Social Care Regulation and Quality Improvement Authority — needed to be used in the Bill as it is the organisation's legal title. The Committee was therefore content with the Department's explanation of the issue. To conclude, the Committee welcomes the Final Stage of the Bill.

**Mr Wells:** If bonuses are being paid to Ministers in the House, the present Health Minister would be due a very substantial payout. *[Interruption.]* Yes, the Finance Minister has also been very busy over the past few weeks.

At least 75% of the business in the Assembly this past month has been on health, and here we are again with the Minister on his feet several times.

I am glad to say that, on this particular occasion, he will get a very fair wind from Members, because the Committee discussed this piece of legislation at length. We took evidence from the Department, and, as the Chair said, there really were no problems with it.

During RPA and the whole review of the structures of health and social services in Northern Ireland, with the huge change that involved the abolition of the old trusts and boards and a move towards a more centralised and streamlined approach, it was inevitable that there would be a few gremlins in the system that needed to be ironed out later and that there would be a few pieces of drafting errors that had to be dealt with. That is very much what we are dealing with this morning.

Clause 3 brings into line what should have been there already in the criteria that are required for the chairs of various organisations. Knowing, as I do, the chairs who had been appointed under the legislation pre-amendment, I emphasise that this is no inference about their quality and ability. They are all outstanding individuals who have done a lot already in a short period to further health service provision in Northern Ireland. It is just a tidying-up exercise, and, indeed, despite not having this technically in the legislation, the Department has been adhering to good practice and has, in my opinion, got the right people. Apart from that, there is nothing contentious about this. There was cross-party support throughout the Committee. Following the consultation, everyone agreed that this should be given a fair wind. Therefore, as Deputy Chair, I support the legislation.

**Mr McKinney:** I welcome the opportunity to speak at this Final Stage of the Health and Social Care (Amendment) Bill. We have discussed this in Committee some eight times. The main amendments that the Committee ratified are on the functions of the Business Services Organisation, as has been described. The Bill will allow that body to provide support services to all Departments' arm's-length bodies



and to administer any health and social care functions on behalf of the Department of Health. It must be noted, as it has been, that this amendment Bill is merely a refinement of the original 2009 legislation and that it is in line with the purpose for which the BSO was established. The Committee feels that that is important, given that the BSO is currently providing services to arm's-length bodies without legislative cover.

Another key amendment is on the appointment of the chairs to three of the Department's arm's-length bodies. Those are the Health and Social Care Board, the Public Health Agency and the BSO. The Chair described the issue with the oversight in the original legislation, and the amendment in the legislation attempts to rectify that. Another key point as we discuss the legislation is that all the organisations that responded to the Committee's call for evidence were in favour of the Bill, and there were no objections to any of the clauses. The amendments are sensible and logical and refine the original legislation in a way that is agreeable across the spectrum. The Committee, and, by extension, the SDLP, is content that the amendments that were put forward in this legislation and that have been discussed will serve to correct the anomalies in the Health and Social Care (Reform) Act 2009.

**Mr Beggs:** Like other Members, during scrutiny of this new legislation, the Health and Social Care (Amendment) Bill, and while taking evidence from others, I can say that no issues were raised that gave me concern. Therefore, I am content that the amendments in the Bill are sensible. As others said, the Bill perhaps regularises some of the minor omissions that were in the original legislation when it went through.

The Business Services Organisation has the potential to bring about improvements and effectiveness and efficiencies in how the support services of a range of arm's-length bodies are delivered. By specialising, there is the potential to bring that efficiency about, but care has to be taken that we do not become overbureaucratic, that those efficiencies are delivered and that there are improvements in how services are delivered. Therefore, I continue to support that aspect of the Bill.

The widening of the definition of "fraud prevention" to "counter-fraud and probity services" seems to enable greater protective action to be taken to reduce risks and to minimise the risk of potential fraud in organisations. Therefore, that is a sensible adjustment, and I am supportive of it as well.

## 11.45 am

As to widening the governance of committee chairs to the same level as would exist for other members of boards of arm's-length bodies, that again seems to be eminently sensible, and, as others have said, it may simply have been an oversight when the original legislation went through.

I am therefore content that this Bill should be supported and I will continue to support it.

**Mr McCarthy:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I say very briefly, on behalf of the Alliance Party, that I support and commend this Bill as it passes its Final Stage. This has been a fairly straightforward Bill, and, as a member of the Health Committee, I am happy and content to agree with the others and respondents to the Bill. I take this opportunity to thank everyone involved in contributing to the Bill and its smooth passage through all stages. I look forward to its implementation.

**Mr Poots:** It is truly a privilege to be here to have listened to one of the best speeches ever made by Mr McCarthy. I thank him for that, and I thank the Members who contributed to the debate for their remarks.

**Mr McCarthy:** Did you understand it all? Did you get the gist?

**Mr Poots:** Yes, I understood.

The Committee has done considerable work on this, and we appreciate that. It is largely a tidying-up exercise, as the Act left some gaps. It is important that that aspect was carried out. As Mr McKinney pointed out, it creates a greater degree of uniformity, which is something that needed to be done. Although this is not the most significant legislation that we will ever pass, it is nonetheless necessary. My officials met the Health Committee on various occasions to discuss the rationale behind the proposed amendments, and I appreciate the work that they have done in helping to increase the understanding of the necessity for this. I thank the Committee for so readily receiving that information. I will conclude on that, and I again express my gratitude for moving this legislation forward.

*Question put and agreed to.*

*Resolved:*

*That the Health and Social Care (Amendment) Bill [NIA 27/11-15] do now pass.*

## **Financial Provisions Bill: Consideration Stage**

**Mr Principal Deputy Speaker:** I call the Minister of Finance and Personnel, Mr Hamilton, to move the Consideration Stage of the Financial Provisions Bill.

*Moved.* — [Mr Hamilton (The Minister of Finance and Personnel).]

**Mr Principal Deputy Speaker:** Members will have a copy of the Marshalled List of amendments detailing the order for consideration. The amendments have been grouped for debate in the provisional grouping of amendments selected list. There is a single group of amendments that deals with changes to the Rates (Northern Ireland) Order 1977 and other technical issues. We will debate the amendments in turn. Once the debate on the group is completed, any further amendments in the group will be moved formally as we go through the Bill, and the Question on each will be put without further debate. The Questions on stand part will be taken at the appropriate points in the Bill. If all that is clear, we shall proceed.

No amendments have been tabled to clauses 1 or 2. I propose, by leave of the Assembly, to group these clauses for the Question on stand part.

*Clauses 1 and 2 ordered to stand part of the Bill.*

### **New Clause**

**Mr Principal Deputy Speaker:** We now come to the single group of amendments for debate. With amendment No 1, it will be convenient to debate amendment Nos 2 to 10. Amendment Nos 6 and 7 are technical. The remaining amendments deal with rates in relation to landlord liability, information gathering and discounts. Members will note that amendment Nos 8 and 10 are consequential to amendment Nos 1 to 5, and amendment No 9 is consequential to amendment No 2.

**Mr Hamilton (The Minister of Finance and Personnel):** I beg to move amendment No 1: After clause 2 insert

**"Rating of owners instead of occupiers in certain cases**

**2A.***In Article 20 of the Rates (Northern Ireland) Order 1977 (rating of owners instead of occupiers in certain cases)—*

*(a) in paragraph (1)—*

*(i) in sub-paragraph (a), after "hereditament" insert "(where the hereditament does not have a net annual value and a capital value)";*

*(ii) in sub-paragraph (b) for "£55,000" substitute "£150,000";*

*(iii) in sub-paragraph (c), for head (ii) substitute—*

*"(ii) its net annual value does not exceed £1,590;";*

*(b) in paragraph (1A), for the words from "both conditions" to the end of that paragraph substitute "the conditions in sub-paragraphs (b) and (c)(ii) of paragraph (1) must be satisfied, but the condition set out in sub-paragraph (c)(i) of that paragraph does not apply in relation to such a hereditament.".— [Mr Hamilton (The Minister of Finance and Personnel).]*

*The following amendments stood on the Marshalled List:*

No 2: After clause 2 insert

**"Repeal of Articles 23 and 24 of the Rates (Northern Ireland) Order 1977**

**2B.***Articles 23 (liability of occupier for rates unpaid by owner) and 24 (recovery of rates from tenants and lodgers) of the Rates (Northern Ireland) Order 1977 are repealed.".— [Mr Hamilton (The Minister of Finance and Personnel).]*

No 3: After clause 2 insert

**"Power of Department of Finance and Personnel to require information**

**2C.—(1)** *Article 26 of the Rates (Northern Ireland) Order 1977 (power of Department to require information as to ownership, etc.) is amended as follows.*

*(2) In paragraph (1)—*

*(a) at the end of sub-paragraph (a) insert "and the date on which he acquired that interest";*

*(b) after sub-paragraph (c) insert—*

"(cc) the date on which he began to occupy the hereditament;"

(3) After paragraph (1) insert—

"(1A) The Department may, for the purposes of this Order, serve a notice on the owner of any hereditament requiring him to state to the Department in writing, within a period and in the manner specified in the notice—

(a) the date on which he acquired ownership of the hereditament; and

(b) the date, if any, on which he began to occupy the hereditament."

(4) In paragraph (2B)(a) after "(1)" insert ", (1A)".— [Mr Hamilton (The Minister of Finance and Personnel).]

No 4: After clause 2 insert

#### **"Discount on rates on dwellings**

**2D.**—(1) Article 30 of the Rates (Northern Ireland) Order 1977 (discount on rates on dwellings) is amended as follows.

(2) After paragraph (2) insert—

"(2ZA) An allowance shall be granted in accordance with paragraph (2ZC) to any person entitled to possession of a hereditament to which paragraph (2ZB) applies who pays the net amount due on account of a rate in respect of that hereditament in a single sum before such date as the Department may notify to him.

(2ZB) This paragraph applies to a hereditament in the capital value list in respect of which rates are chargeable under Article 25A where the hereditament is a hereditament which—

(a) is not in use; and

(b) is a hereditament which the Department considers will, when next in use, be a dwelling-house or, though not a dwelling-house, will be used partly for the purposes of a private dwelling; and

(c) is not the subject of an agreement under Article 21.

(2ZC) The allowance shall be by way of a discount of 4% on the amount payable on account of the rate as is computed by reference

to the rateable capital value of the hereditament."

(3) In paragraph (2A) after "(2)" insert "or (2ZC)".— [Mr Hamilton (The Minister of Finance and Personnel).]

No 4: After clause 2 insert

#### **"Discount on rates on dwellings**

**2D.**—(1) Article 30 of the Rates (Northern Ireland) Order 1977 (discount on rates on dwellings) is amended as follows.

(2) After paragraph (2) insert—

"(2ZA) An allowance shall be granted in accordance with paragraph (2ZC) to any person entitled to possession of a hereditament to which paragraph (2ZB) applies who pays the net amount due on account of a rate in respect of that hereditament in a single sum before such date as the Department may notify to him.

(2ZB) This paragraph applies to a hereditament in the capital value list in respect of which rates are chargeable under Article 25A where the hereditament is a hereditament which—

(a) is not in use; and

(b) is a hereditament which the Department considers will, when next in use, be a dwelling-house or, though not a dwelling-house, will be used partly for the purposes of a private dwelling; and

(c) is not the subject of an agreement under Article 21.

(2ZC) The allowance shall be by way of a discount of 4% on the amount payable on account of the rate as is computed by reference to the rateable capital value of the hereditament."

(3) In paragraph (2A) after "(2)" insert "or (2ZC)".— [Mr Hamilton (The Minister of Finance and Personnel).]

No 5: After clause 2 insert

#### **"Temporary reduction of rates for specified hereditaments**

**2E.**In Article 31C of the Rates (Northern Ireland) Order 1977 (temporary reduction of rates for specified hereditaments)—

(a) in paragraph (1) after "percentage" insert "or a specified amount";

(b) in sub-paragraph (a) of that paragraph for "exceed a" substitute "exceed such other".— [Mr Hamilton (The Minister of Finance and Personnel).]

No 6: In clause 3, page 2, line 13, leave out "make provision as" and insert "give directions in relation".— [Mr Hamilton (The Minister of Finance and Personnel).]

No 7: In clause 6, page 3, line 6, after "regulations" insert "subject to negative resolution".— [Mr Hamilton (The Minister of Finance and Personnel).]

No 8: In clause 8, page 3, line 21, leave out "Section 5 comes" and insert "Sections 2A, 2B, 2C, 2D and 5 come".— [Mr Hamilton (The Minister of Finance and Personnel).]

No 9: In the schedule, page 4, line 15, at end insert

*"The Rates (Northern Ireland) Order 1977 Articles 23 and 24."*— [Mr Hamilton (The Minister of Finance and Personnel).]

No 10: In the long title, after "authorities;" insert

*"to amend the Rates (Northern Ireland) Order 1977"*.— [Mr Hamilton (The Minister of Finance and Personnel).]

**Mr Hamilton:** I would like to convey my thanks to the Committee and its staff for their timely and helpful consideration of the Bill and associated amendments. Their extensive engagement on this Bill is very much appreciated.

Amendment Nos 1 and 2 deal with some changes that have arisen from the recent consultation exercise undertaken by my Department in relation to liability to rates in the landlord sector. Amendment No 1 revises the landlord liability provisions within article 20 of the Rates (Northern Ireland) Order 1977. It has the effect of removing the outdated and unnecessary article 20(1) frequency-of-tenancy criteria for the domestic rental sector in relation to properties with a value of £150,000 or less. The existing valuation threshold is not being changed.

The present criteria in article 20(1)(c) state that only properties in respect of which rent is paid

or collected less than quarterly and with a value of £150,000 or less fall within landlord liability. In reality those sorts of tenancies are extremely rare if not non-existent, so the existence of the criteria makes no difference and only causes bureaucracy and confusion. The removal of the criteria has the support of landlords, as represented by the Landlords' Association, and tenants, as represented by the Housing Rights Service. It is also welcomed by Land and Property Services (LPS) as it removes red tape and the requirement on it to examine tenancy agreements.

Amendment No 2 serves to repeal articles 23 and 24 of the Rates (Northern Ireland) Order 1977. The current article 23 provision states that if a landlord defaults, LPS can recover the rates due from the tenant. The other provision, article 24, relates to a power to allow the Department to step in and act as landlord should there be an issue of default. The articles have never been used and have been sitting dormant in the rating legislation. The Department deems the provisions to be unsuitable for use and legally challengeable. Again, that amendment also had support during our consultation.

Amendment No 3 clarifies LPS's ability to request effective dates for occupation under article 26 of the Rates (Northern Ireland) Order 1977. The change is aimed at enabling the Department of Finance and Personnel to establish and maintain more accurate records for the purposes of rates collection and the correct backdating of bills. It addresses concerns that the existing powers available to LPS may be inadequate and puts that matter beyond doubt. It will not change LPS processes and practices but it will clarify its authority.

Amendment No 4 serves to extend the current discount allowed for early repayment of rates in relation to occupied dwellings to also cover unoccupied dwellings. That is a change that follows from the rating of empty homes policy introduced into the rating system by my predecessor.

Amendment No 5 provides for an adjustment of article 31C of the Rates (Northern Ireland) Order 1977, which currently provides for the small business rate relief scheme. Currently, article 31C only provides for a reduction in rates to take the form of a specified percentage. The amendment would allow such a reduction to also take the form of a specified amount if required. I am making that change in advance of a full policy evaluation in the next financial year to ensure that the Department has greater

legislative flexibility to address the outcome of that review. It is not intended as a limiting measure.

Amendment Nos 6 and 7 are provisions for the Department of Justice. Amendment No 6 amends clause 3 of the Bill following advice from the Examiner of Statutory Rules that, where a change is being put through to the Court Funds Rules (Northern Ireland) 1979 to allow interest rates to be amended by way of ministerial direction, that needs to be expressly spelt out. Amendment no 7 amends clause 6 of the Bill, where the Examiner of Statutory Rules has asked that the provision clearly shows that the power given to the Department of Justice to make regulations providing for the constitution, functions, procedures and financing of the Northern Ireland Police Fund and the Police Rehabilitation and Retraining Trust are subject to Assembly procedures.

Amendment No 8 makes provision for the commencement of the aforementioned new rating provisions brought forward as amendment Nos 1 to 5. Amendment No 9 makes an amendment to the schedule to reflect the repeal of articles 23 and 24 of the Rates (Northern Ireland) Order 1977 given effect by amendment No 2. Amendment No 10 makes an amendment to the long title of the Bill to reflect the aforementioned new rating provisions brought forward as amendment Nos 1 to 5.

That concludes my comments on the proposed amendments to what is a technical and, hopefully, non-controversial piece of legislation. I am content to address any queries that Members might have when I sum up later, but I urge the Assembly to support the amendments before us.

**Mr McKay (The Chairperson of the Committee for Finance and Personnel):** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Before I address the amendments tabled today, I first want to take a little latitude as Committee Chairperson to refer briefly to our scrutiny of the Bill. Financial provisions Bills, by their very nature, are generally considered catch-all legislation. Their purpose is generally to deal with routine, minor and non-controversial amendments to governing legislation or to regularise an existing practice. As such, the Bill contains provisions that are relevant not only to the Department of Finance and Personnel but to the Department of Agriculture and Rural Development, the Audit Office, the Department of Justice and the Department for Social Development. The Committee for Finance and Personnel,

however, fulfilled a coordinating role in seeking and collating submissions from the respective Committees on the Bill's provisions in addition to considering evidence from departmental officials on provisions relevant to DFP itself. During a pre-introductory briefing to the Committee, members raised issues relevant to the Department for Regional Development, the Department of Justice and the Department for Social Development portfolios and referred those to the appropriate scrutiny Committees for further consideration.

I shall refer only briefly to the clauses relating to other Departments' remits, as the Minister has previously outlined their purpose, and representatives of the applicable Committees may wish to contribute to the debate today. Suffice it to say, the Finance Committee was content, although it was mindful of comments from other Committees.

First, the Committee was content with clauses 1 and 2 as introduced, although it was mindful that the Committee for Agriculture and Rural Development did not have any concerns with those clauses. Secondly, following advice from the Examiner of Statutory Rules, the Committee highlighted issues with the technical drafting of clauses 3 and 6 as introduced, hence today's tabled amendments. Members sought clarification on the use of alternative short- and medium-term investment options for moneys held under the court fund and on the status of the police fund and the Police Rehabilitation and Retraining Trust. Members were generally content with the clarification that was provided.

After receiving clarification from officials on the disparity of land disposal costs between transaction and administrative costs, as well as an indication from the Social Development Committee that it was content with the explanation given by DSD officials, members of the Finance and Personnel Committee were content to agree clause 4.

Likewise, following an indication from the Public Accounts Committee and the Audit Committee that they were content with clause 5, members were content to agree that clause.

Clauses 7, 8 and 9 deal with repeals, commencement and the short title respectively. The Committee was content with those as drafted and with the consequential amendments to clause 8, the schedule of repeals and the long title.

As I said during Committee Stage, members were informed of four new clauses that would introduce provisions for rating legislation falling

within the direct remit of the Department of Finance and Personnel. As outlined by the Minister, the new measures will amend or repeal articles in the Rates (NI) Order 1977, known as the 1977 order. I do not intend to go over the purpose of those provisions. The Committee sought further information, including where any particular difficulties were posed by the absence of the new power to require an effective date of occupation and the estimated costs of extending the discount for early repayment of rates to unoccupied dwellings. Members were, however, generally content with the explanation.

The Committee was subsequently informed of another two repeals to the 1977 order: one would remove the reference to the frequency of collection of rent from consideration of whether a landlord is liable for rates on properties up to £150,000; the other would remove liability of the occupier for rates, should an owner default and remove the provision for rates to be recovered from tenants. Despite DFP officials' assurance during a recent departmental consultation that the Landlords' Association and the Housing Rights Service supported those removals, the Committee did not have the time to gauge stakeholder views.

In January, after the Committee had completed Committee Stage, members were informed of one further amendment concerning a broadening of an existing power in rates legislation to provide the small business rate relief scheme. Officials explained to the Committee that that will ensure maximum flexibility in addressing the outcomes of the forthcoming policy evaluation of the scheme, which is due to begin in the spring.

Officials further pointed out that the current power is found in article 31C of the 1977 Order and allows only for percentage reductions in rates. DFP considers that to be too limiting and that an amendment to that power would allow reductions to be given as specified amounts as opposed to percentages. The amendment is listed before us today as amendment No 5.

### **12.00 noon**

Again, the Committee did not have the opportunity to report on that as the evidence gathering on the Bill had already been completed. Therefore, no agreed Committee position can be reflected here today. The Minister, in his concluding remarks, might wish to elaborate on the specific circumstances in which the specified amounts approach might be taken in future.

I would like to take this opportunity, a Phríomh-LeasCheann Comhairle, to thank the other Committees for providing input to the scrutiny of the Bill and the officials, who were responsive to the requests of the Finance Committee and other Committees who requested clarification on issues raised by their respective members.

Although I welcome the early notification from the Department of some of the amendments being debated today, I will conclude by highlighting the Committee report's recommendation that DFP take steps to ensure that future financial provisions Bills are as fully developed as possible before their introduction to the Assembly.

**Mr Girvan:** I, too, support the progress of the Bill. In doing so, I want to comment on the common-sense approach taken to some of the amendments moved today. The one that probably stands out most allows the discount to be extended to those who pay rates on vacant properties. I appreciate that, if someone pays rates on a vacant property, whether it is occupied or not, they should be able to avail themselves of the discount, and this goes some way towards trying to address that.

Another very good amendment relates to the small business rate relief scheme introduced by the previous Finance Minister. As the Chair stated, the amendment includes a change to allow for a specified amount or a percentage. There was a bit of discussion in Committee on that matter and how it had been brought forward. It gives flexibility back to the Department to make some of those points. I look forward to getting clarification on the matter raised by the Chair.

Another vital point is that amendment No 7 brings under the same financial controls whatever is dealt with through the Police Rehabilitation and Retraining Trust. I think that that has to be brought under the same controls as DFP has.

A lot of the amendments are of a technical nature, and, consequently, one leads on to the next. Amendment Nos 1 and 2 relate to landlords and tenants. I appreciate that the Minister has clarified that the Landlords' Association and tenants' rights groups are in favour of the approach. Although very few landlords receive payments less than quarterly — I would say that most like to receive payment more frequently — it will affect a small number of individuals. Therefore, it is important that we put that measure in place.

I am happy to support all the Minister's amendments in order to allow the Bill to progress to its next stage. The Bill has addressed a number of areas in previous years. This is a way of aligning it with some of the changes made in previous years, so that they and issues associated with the rates review can be included. It is not a move, as some might have thought at one stage, to remove the small business rate relief scheme; it is an opportunity for us to extend it and then look at it under the outcome of that review, which will take place within the next year.

**Mr Cree:** At this stage in the debate, there is not an awful lot more to say. I was surprised to hear Mr Girvan refer to common sense. That is a novel approach to things.

The Bill as it stands contains nine clauses, which, in common with such Bills, cover a wide range of issues for several Departments. Most of them are fairly technical in nature and were really designed to bring legislation up to scratch. We now have 10 amendments tabled to the Bill by the Minister of Finance and Personnel.

Amendment No 1 proposes a change to an article in the Rates (Northern Ireland) Order 1977 on the rating of owners instead of occupiers in certain cases.

Amendment No 2 is intended to repeal articles 23 and 24 of the 1977 order. Amendment No 3 will insert a further new clause, which will give the Department of Finance and Personnel the power to require information.

Amendment No 4 deals with a discount on rates on dwellings and will insert new clause 2D. That is "D" for "donkey". Amendment No 5 seeks to insert new clause 2E, which deals with a temporary reduction of rates for specific — I love this old-fashioned word — hereditaments.

As the Minister said, the remaining five amendments are mainly technical and complete his list of 10 amendments on rates and miscellaneous matters.

On behalf of the Ulster Unionist Party, I have no difficulty supporting all the amendments.

**Mrs Cochrane:** I, too, welcome the opportunity to speak on the amendments. Much of the detail has already been covered by the Minister and other Members, so I will keep my comments brief. However, I wish to highlight a few points about the changes, specifically those to rating policy.

First, I welcome any changes that will provide greater clarity on rating legislation. I have had numerous queries from constituents in recent times, and proposed new clause 2A is a small step in the right direction. I assume that the amendment tabled by the Minister will be based on his priority of ensuring that rates can be collected in as seamless a manner as possible. However, I approach the amendment with the concerns of tenants at the forefront. Although I welcome the change, which will make all rented property with a capital value of less than £150,000 subject to compulsory landlord liability no matter at what intervals tenants' rent is collected, I argue that it potentially does not go far enough.

Letting agents are not currently regulated in Northern Ireland. I have seen many occasions on which a tenant has signed a lease that states that the rental payment is inclusive of rates, only to discover at the end of the tenancy that the landlord has not made the rate payments for the property. The tenant is then left with a liability because the property has a capital value of more than £150,000. Unfortunately, it is too late for the tenant to realise that the lease is not worth the paper that it is written on and that the Rates (Northern Ireland) Order 1977 trumps the tenancy agreement. That is of great concern, given that many tenants in the private rental market will have sourced their property via a letting agent who will have provided what they assumed was a lease that looked after their interests.

Even if the letting agent is also a regulated estate agent, the Estate Agents Act 1979 does not extend to letting functions. Therefore, tenants of properties with a capital value of more than £150,000 are left to rely on the good nature of their landlord to pay the rates to LPS if their tenancy agreement states that the rental amount includes rates. I hope to address that through a private Member's Bill, which is in its preliminary stages. However, I ask the Minister to consider making the whole process simpler in future by making landlords liable for rates, regardless of the property's capital value.

Amendment No 2 seeks to repeal articles 23 and 24 of the Rates (Northern Ireland) Order, which, we have been advised, have never been used since their introduction in 1977. I therefore have no problem supporting the amendment.

Amendment No 3, which will introduce new clause 2C, is technical in nature. We should support the amendment if it assists LPS in accurately establishing the period of rates liability.

Amendment No 4, which will introduce new clause 2D, will extend the early payment discount to the rating of empty homes. When the rating of empty homes policy was introduced in 2011, it was decided that the owners of such properties would not be able to avail themselves of the early payment discount. I am interested to know whether that original decision was as a result of the assumption that many of the owners were wealthy developers who should have been well able to pay the full rateable amount. However, we all know how slow the market has been in recent times, although there are signs that it is picking up. People who own properties would in fact like to sell them, instead of holding on to them to make money as the market rises. That small change to allow the early payment discount to be applicable to empty homes should, therefore, be welcomed.

Finally, where amendment No 5 is concerned, a range of measures is in place to support our small businesses. One of those is the small business rate relief scheme. An evaluation of the scheme is due to be undertaken this year to assess its effectiveness and to consider the need for longer-term support measures to continue after the non-domestic revaluation in 2015. New clause 2A will allow reductions for small businesses to be given as specified monetary amounts as well as percentages. That has the potential to do two things. First, it may help to budget for the cost of the scheme more accurately, and, secondly, it will ensure maximum flexibility in tailoring longer-term alternatives that are based on the outcomes of the evaluation of the scheme in the context of future economic conditions.

I support all the amendments that have been tabled today.

**Mr Hamilton:** I am sure that Members will agree that the amendments were dealt with fairly efficiently. I am also sure that the Second Stage of the Budget Bill later today will be equally uneventful.

I thank the Chair, the Committee and its staff for the work that they put in to the scrutiny of the Bill and for their support of the amendments. I appreciate their flexibility and their understanding as additional amendments came to them, even beyond their formal scrutiny of the Bill. The Chair, Mr McKay, raised issues on amendment No 5. I assure him that this is an enabling power for small business rate relief. He asked me to predict circumstances for when it may be deployed. However, it is hard to predict such circumstances exactly. I do not want to pre-empt the review of the small

business rate relief scheme, which will be carried out later this year. However, it is fair to consider that that evaluation might reveal moving a better scheme forward, which could be to have a set amount of a reduction as opposed to a percentage reduction. The Chair of the Committee and Members will be aware that the small business rate relief scheme was an intervention specifically for the recession. Like England and Wales, we here are due to end it in 2014-15. So, the review is being carried out now to see whether there is still a need for that or a revised scheme. Rather than going through a full legislative process later, I think that it is only prudent and sensible to have this maximum flexibility in place now and to be sensible well in advance.

Mr Girvan supported amendment No 4, which is on empty homes. I think that it is only right that the discount of 4% in rates for early payment is extended to empty homes, similar to the situation for occupied homes. To address Mrs Cochrane's point, although undoubtedly not having the discount in place will affect all sorts of people, for me, it is more an issue of fairness to extend it so that everyone benefits from the discount.

Mrs Cochrane also spoke about increasing simplicity in the rating system. I am very keen to see that happen. When you consider our rating system in Northern Ireland, particularly with all the various reliefs and allowances that we have added to it, you see that we have an incredibly complicated system. It is difficult for all of us in the House who legislate on it to understand it, never mind the people out there who have to deal with it day in and day out.

I already said that, after the current revaluation that is ongoing and the outcome of the small business rate relief scheme review, I will be keen to look at the totality of non-domestic rates, particularly with a view to trying to simplify the system. When you look at the whole suite of reliefs and allowances that we have, you can see that they are not easily understandable. I think that the simpler and more easily understood the system is, the better it is for all of us.

The Member will know that regulation of letting agents is an issue, first and foremost, for the Department for Social Development. Although I think that the issues that she raised are very relevant — they are certainly relevant to me for rates — she will appreciate that I hope that this is a technical Bill and not a piece of legislation to address those issues. However, I look forward to addressing them, either myself or



through her Private Member's Bill that she mentioned.

In conclusion, I again thank all Members and particularly the Committee for their support. I commend the amendments to the House.

**12.15 pm**

*Question, That amendment No 1 be made, put and agreed to.*

*New clause ordered to stand part of the Bill.*

**New Clause**

*Amendment No 2 made: After clause 2 insert*

**"Repeal of Articles 23 and 24 of the Rates (Northern Ireland) Order 1977**

**2B.**Articles 23 (liability of occupier for rates unpaid by owner) and 24 (recovery of rates from tenants and lodgers) of the Rates (Northern Ireland) Order 1977 are repealed."— [Mr Hamilton (The Minister of Finance and Personnel).]

*New clause ordered to stand part of the Bill.*

**New Clause**

*Amendment No 3 made: After clause 2 insert*

**"Power of Department of Finance and Personnel to require information**

**2C.**—(1) Article 26 of the Rates (Northern Ireland) Order 1977 (power of Department to require information as to ownership, etc.) is amended as follows.

(2) In paragraph (1)—

(a) at the end of sub-paragraph (a) insert "and the date on which he acquired that interest";

(b) after sub-paragraph (c) insert—

"(cc) the date on which he began to occupy the hereditament;"

(3) After paragraph (1) insert—

"(1A) The Department may, for the purposes of this Order, serve a notice on the owner of any hereditament requiring him to state to the

Department in writing, within a period and in the manner specified in the notice—

(a) the date on which he acquired ownership of the hereditament; and

(b) the date, if any, on which he began to occupy the hereditament."

(4) In paragraph (2B)(a) after "(1)" insert ", (1A)".— [Mr Hamilton (The Minister of Finance and Personnel).]

*New clause ordered to stand part of the Bill.*

**New Clause**

*Amendment No 4 made: After clause 2 insert*

**"Discount on rates on dwellings**

**2D.**—(1) Article 30 of the Rates (Northern Ireland) Order 1977 (discount on rates on dwellings) is amended as follows.

(2) After paragraph (2) insert—

"(2ZA) An allowance shall be granted in accordance with paragraph (2ZC) to any person entitled to possession of a hereditament to which paragraph (2ZB) applies who pays the net amount due on account of a rate in respect of that hereditament in a single sum before such date as the Department may notify to him.

(2ZB) This paragraph applies to a hereditament in the capital value list in respect of which rates are chargeable under Article 25A where the hereditament is a hereditament which—

(a) is not in use; and

(b) is a hereditament which the Department considers will, when next in use, be a dwelling-house or, though not a dwelling-house, will be used partly for the purposes of a private dwelling; and

(c) is not the subject of an agreement under Article 21.

(2ZC) The allowance shall be by way of a discount of 4% on the amount payable on account of the rate as is computed by reference to the rateable capital value of the hereditament."

(3) *In paragraph (2A) after "(2)" insert "or (2ZC)".*— [Mr Hamilton (The Minister of Finance and Personnel).]

*New clause ordered to stand part of the Bill.*

### **New Clause**

*Amendment No 5 made: After clause 2 insert*

#### **"Temporary reduction of rates for specified hereditaments**

**2E.***In Article 31C of the Rates (Northern Ireland) Order 1977 (temporary reduction of rates for specified hereditaments)—*

*(a) in paragraph (1) after "percentage" insert "or a specified amount";*

*(b) in sub-paragraph (a) of that paragraph for "exceed a" substitute "exceed such other".*— [Mr Hamilton (The Minister of Finance and Personnel).]

*New clause ordered to stand part of the Bill.*

#### **Clause 3 (Provision as to payment of interest on funds in court)**

*Amendment No 6 made: In page 2, line 13, leave out "make provision as" and insert "give directions in relation".*— [Mr Hamilton (The Minister of Finance and Personnel).]

*Clause 3, as amended, ordered to stand part of the Bill.*

*Clauses 4 and 5 ordered to stand part of the Bill.*

#### **Clause 6 (Expenditure on bodies providing services for the police, etc.)**

*Amendment No 7 made: In page 3, line 6, after "regulations" insert "subject to negative resolution".*— [Mr Hamilton (The Minister of Finance and Personnel).]

*Clause 6, as amended, ordered to stand part of the Bill.*

*Clause 7 ordered to stand part of the Bill.*

#### **Clause 8 (Commencement)**

**Mr Principal Deputy Speaker:** Amendment No 8 has already been debated and is

consequential to amendment Nos 1 to 5. *Amendment No 8 made:* In page 3, line 21, leave out "Section 5 comes" and insert "Sections 2A, 2B, 2C, 2D and 5 come".— [Mr Hamilton (The Minister of Finance and Personnel).]

*Clause 8, as amended, ordered to stand part of the Bill.*

*Clause 9 ordered to stand part of the Bill.*

#### **Schedule (Repeals)**

**Mr Principal Deputy Speaker:** Amendment No 9 has already been debated and is consequential to amendment No 2. *Amendment No 9 made:* In page 4, line 15, at end insert

*"The Rates (Northern Ireland) Order 1977 Articles 23 and 24."*— [Mr Hamilton (The Minister of Finance and Personnel).]

*Schedule, as amended, agreed to.*

#### **Long Title**

**Mr Principal Deputy Speaker:** Amendment No 10 has already been debated and is consequential to amendment Nos 1 to 5. *Amendment No 10 made:*

In the long title, after "authorities;" insert

*"to amend the Rates (Northern Ireland) Order 1977"*.— [Mr Hamilton (The Minister of Finance and Personnel).]

*Long title, as amended, agreed to.*

**Mr Principal Deputy Speaker:** That concludes the Consideration Stage of the Financial Provisions Bill. The Bill stands referred to the Speaker.

#### **Budget Bill: Second Stage**

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

*That the Second Stage of the Budget Bill [NIA 32/11-15] be agreed.*

Accelerated passage of the Bill through the Assembly is needed in order to ensure Royal Assent as early as possible in March, and, therefore, legal authority for Departments and other public bodies to draw down and spend the cash and use the resources in the Bill in 2013-

14 and to ensure a smooth continuation of public services into 2014-15.

As the House is by now well aware, the preparation of the detailed Estimates and the related Budget Bill under consideration today is a difficult undertaking given the tight timetable involved. The Bill and the Estimates must reflect the latest financial monitoring position announced to the Assembly on 21 January, yet the Bill requires Royal Assent prior to the end of the financial year. It is no easy task, I am sure you will agree, to bring the Bill to the Assembly in that small window of opportunity. I am, therefore, grateful that the Committee for Finance and Personnel has confirmed, in line with Standing Order 42, that it is satisfied that there has been appropriate consultation with it on the public expenditure proposals contained in the Bill and is content that the Bill may proceed by accelerated passage. I welcome and appreciate the assistance of the Committee in the matter.

I shall now briefly outline the purpose of the legislation before us today and draw attention to the main provisions of the Bill. The debate follows the Bill's First Stage yesterday, which, in turn, followed the debate and approval of the Supply Resolutions for the 2013-14 spring Supplementary Estimates and the 2014-15 Vote on Account.

The purpose of the Bill is to give legislative effect to the 2013-14 spring Supplementary Estimates and to the 2014 Vote on Account, which have been laid before the Assembly. Copies of the Budget Bill and the explanatory and financial memorandum have been made available to Members today. I do not intend to repeat the detail that I gave to Members yesterday. Indeed, in accordance with Standing Order 32, the debate, as you know, should concern itself with the content of the Bill, a point that I am hopeful other Members will have taken note of in preparation of their speeches. For the benefit of Members, and in accordance with Standing Order 32, I wish to summarise briefly the main features of the Bill.

The purpose of the Bill is to authorise the issue of £15,530,883,000 from the Northern Ireland Consolidated Fund in 2013-14. This is an additional £123,052,000 since the Main Estimates were presented last year. The cash is drawn down on a daily basis as needed from the Northern Ireland Consolidated Fund, which is managed by my Department on behalf of the Executive. The Bill also authorises the use of resources totalling £16,606,564,000 by Departments and certain other bodies, which is

some £406,569,000 more than approved in the Main Estimates last June.

These amounts are detailed in part 2 of each spring Supplementary Estimate for 2013-14. In addition, the Bill revises for 2013-14 the limit on the amount of accruing resources that may be directed by my Department to be used for the purposes in column 1 of schedule 2. The limit includes operating and non-operating accruing resources, or, in other words, current and capital receipts and amounts to £2,366,007,000.

Under section 8 of the Government Resources and Accounts Act (Northern Ireland) 2001, a direction on the actual use of the accruing resources will be provided by way of a DFP minute, which will be laid before the Assembly in March following Royal Assent of the Bill. Therefore, not only does the Bill authorise the use of resources, it authorises accruing resources, bringing the resources for use by Departments and other public bodies to almost £19 billion.

The sums to be issued from the Consolidated Fund are to be appropriated by each Department or public body for services as listed in column 1 of schedule 1 to the Bill while the resources, including the accruing resources, are to be used for the purposes specified in column 1 of schedule 2. The amounts now requested for 2013-14 supersede the Vote on Account in the Budget Act (Northern Ireland) 2013, which was passed this time last year, and the Main Estimates provision in the Budget (No. 2) Act (Northern Ireland) 2013, which was passed by the Assembly in June 2013. The Bill also authorises a Vote on Account for 2014-15 of cash of £7,062,352,000 and resources of £7,545,788,000 to allow the flow of cash and resources to continue to public services in the early months of 2014-15 until the Main Estimates and the related Budget Bill are approved in June this year. The cash and the resources are to be appropriated and used for the services and the purposes set out in column 1 of schedules 3 and 4 respectively.

Finally, clause 5 authorises temporary borrowing by the Department of Finance and Personnel at a ceiling of £3,531,176,000 for 2014-15. That is approximately half the sum authorised in clause 4(1) for issue out of the Consolidated Fund for 2014-15 and is a normal safeguard for any temporary deficiency arising in the fund. I must stress to the House that clause 5 does not provide for the issue of any additional cash out of the Consolidated Fund or convey any additional spending power, but it

does enable my Department to run a very efficient cash management regime.

There is little more that I can usefully add on the detail of the Budget Bill, but I will be more than happy to deal with any points of principle or detail that Members want to raise.

**Mr McKay (The Chairperson of the Committee for Finance and Personnel):** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. As we heard, the Budget Bill provides statutory authority for expenditure as set out in the spring Supplementary Estimates 2013-14. The Bill also includes the Vote on Account, which allows Departments to incur expenditure and use resources in the early part of the next financial year, 2014-15, until the Main Estimates are voted on by the Assembly in June.

Standing Order 42(2) states that accelerated passage may be granted for a Budget Bill provided the Committee for Finance and Personnel is satisfied that it has been appropriately consulted on the public expenditure proposals in the Bill. At its meeting on 5 February, departmental officials briefed the Committee and took questions on the Budget Bill, including on issues relating to a range of Departments. In addition to that evidence, the Committee has scrutinised each of the monitoring rounds during the current financial year, including the overall outcome across Departments and the position for DFP as a Department. In view of that evidence-gathering exercise throughout the year, the Committee was content to grant accelerated passage to the Bill, and I, therefore, wrote to the Speaker to inform him of the Committee's decision.

As I pointed out in yesterday's Supply resolution debate, the scale of the cumulative changes resulting from the normal reallocations through monitoring rounds combined with the in-year technical changes will, in some cases, have resulted in significant differences between the opening and closing resource and capital allocations of Departments. The Committee welcomes the engagement with the Department on those issues and during the quarterly monitoring rounds, and members will continue to prioritise that aspect of their work. I encourage the other Statutory Committees to continue to monitor closely the financial forecasting and expenditure of their respective Departments for the remainder of this year and during the next year to ensure that underspend is minimised and that Departments maximise the impact from available resources. In the meantime, for today, on behalf of the Committee, I support the motion.

**Mr Principal Deputy Speaker:** The Business Committee has arranged to meet immediately after the lunchtime suspension. I propose, therefore, by leave of the Assembly, to suspend the sitting until 2.00 pm. The first item of business when we return will be Question Time.

*The debate stood suspended.*

*The sitting was suspended at 12.29 pm.*

*On resuming (Mr Deputy Speaker [Mr Dallat] in the Chair) —*

2.00 pm

## Oral Answers to Questions

### Health, Social Services and Public Safety

#### Ambulance Service: Designation

1. **Mr Boylan** asked the Minister of Health, Social Services and Public Safety why the Ambulance Service is designated as an essential service rather than an emergency service. (AQO 5512/11-15)

**Mr Poots (The Minister of Health, Social Services and Public Safety):** I have been advised that there is no legal definition of what constitutes an "essential" as opposed to an "emergency" service. The Northern Ireland Ambulance Service (NIAS) is the emergency service of Northern Ireland's Health and Social Care (HSC). As such, it is considered to be an emergency service alongside the police and the fire service. While the police and the fire service are stand-alone services, our Ambulance Service is an integral part of HSC. I strongly believe that it should remain so. NIAS is more than just an emergency service. It provides essential clinical services and plays an important role in the wider urgent and emergency care system.

**Mr Boylan:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a fhreagra. I thank the Minister for his answer. Will he consider re-evaluating the classification to bring it into line with services such as the fire service and the PSNI?

**Mr Poots:** I do not see what difference it will make at this point. Perhaps people can argue that it will make an essential difference. The Ambulance Service is different from the Police Service and the fire service because it is a key element of our health and social care sector. For example, we have a medical director in the Ambulance Service. We have doctors in 999 rooms to take calls and assist people who fall ill. It is a different kind of service from what is offered by the police and the fire service. It is certainly something that we can give consideration to, but the arguments would need to be very well made that significant benefit will come from it.

**Mr Craig:** Will the Minister commend the Ambulance Service staff on their efforts at the Odyssey incident last week, particularly their use of front line doctor services at the scene, which saved a lot of congestion in the A&E services?

**Mr Poots:** The Ambulance Service, which was the first responder, provided an excellent service at the Odyssey. It dealt with a lot of people on site without bringing them to hospital. It was able to provide them with the support and care they needed. Indeed, it initiated a major incident, which was absolutely necessary and the right thing to do, given the scale of the event that was occurring and the possibility that it could have got considerably worse. It ensured that the hospitals were well prepared and well placed to deal with the numbers that came in. We were greatly assisted by the work of the Ambulance Service on the ground, which ensured that large numbers were dealt with without having to come to hospital. I cannot commend the Ambulance Service highly enough on its response in that instance.

**Mr P Ramsey:** Following through from the original question, I ask the Minister about the new car-style ambulances that are seen across Northern Ireland. Are they compliant with the specification of emergency vehicles?

**Mr Poots:** The cars can get to the site quicker, so you have a paramedic who can get to the individuals quicker. Over 70% of people in Northern Ireland are responded to by the Northern Ireland Ambulance Service within eight minutes of making that call, which is quite remarkable given the geography of Northern Ireland. A lot of that is done by the cars. You have a paramedic there, who will very often get all the testing equipment and so forth and do the first response. If people need to be taken to hospital, the ambulances are very often quickly on the scene as well. It enables us, as first responders, to engage even more quickly with the needs of people.

#### Health Promotion: Belfast

2. **Mr Newton** asked the Minister of Health, Social Services and Public Safety what action he is taking to promote better health in inner city Belfast. (AQO 5513/11-15)

**Mr Poots:** Partnership working is vital if we are to effectively promote better health and tackle health inequalities. That includes working with communities, which are best placed to know their local resources, assets, issues and challenges. That intimate knowledge is vital in

tailoring services and initiatives to address local needs and in finding solutions to those challenges. The Public Health Agency (PHA) works at a strategic city-wide level with Belfast City Council, and with other organisations through the Belfast Strategic Partnership for Health and Wellbeing, to coordinate actions for health improvement across the city. Members of local community organisations and area-based partnerships are key members of that partnership.

In addition, the agency is supporting actions at a more local community level through the investment of some £6 million, which is largely being channelled through the community and voluntary sector. One example is the east Belfast health framework that I launched recently. That will provide community-driven front line action and practical support for individuals in need and their families.

**Mr Newton:** I thank the Minister for his comments. He mentioned the strategy that he announced. Will he be specific about the issues that he is addressing in the east of the city?

**Mr Poots:** The Public Health Agency funds five community-based posts in the East Belfast Community Development Agency and the East Belfast Partnership at a cost of almost £200,000 per annum. Work is being taken forward to ensure that the contracts that the PHA have are aligned with the five themes of the east Belfast health framework, and an action plan will be developed for 2014-15.

During 2012-13, the PHA funded work with the East Belfast Independent Advice Centre, which resulted in support for 236 people with mental health issues from disadvantaged areas. The support allowed them to access benefits that they were entitled to and generated an income for them of some £310,000. A number of organisations are being funded through Protect Life, and there has been recent additional investment to enhance bereavement support in the area. A local drugs and alcohol action plan for east Belfast was developed in November 2013 and specifies a range of actions to be taken forward in 2013-14.

## Flu Vaccinations: Children

3. **Mr Irwin** asked the Minister of Health, Social Services and Public Safety for an update on influenza vaccinations for children. (AQO 5514/11-15)

**Mr Poots:** Last October saw the introduction of the first phase of the children's flu vaccination programme across Northern Ireland, with a live attenuated influenza vaccine Fluenz, which has been shown to provide greater protection for children than inactivated influenza vaccine, being offered to all children aged two or three years old and pupils in primary year 6. This vaccine was also offered to children in an at-risk group who are aged between two and less than 18 years of age.

Provisional data for the period up to the end of December shows that Northern Ireland has achieved the best uptake rates across the UK. For two- and three-year-olds, it was 54.3%; for children in P6, it was 80.7%. I express my appreciation to all who worked hard to achieve those uptake rates. I recognise the considerable effort required by GPs and school nursing teams to complete the seasonal flu vaccination programme within a very short timescale.

From the coming autumn, in addition to the routine flu programme, the children's flu vaccination programme will be extended to all preschool children aged two and over and all primary-school children. In the autumn of 2015, it is intended that the flu vaccination programme will be extended to include all children of secondary school age.

**Mr Irwin:** I thank the Minister for his response. How important does he feel that the flu vaccination is for young people?

**Mr Poots:** Flu vaccination is a very important policy. Through it, we believe that we can avoid people needing to attend our emergency departments or being admitted to hospital as a consequence of the more serious symptoms of flu.

The provisional data for the flu vaccination programme for the period up to the end of December showed that Northern Ireland has achieved excellent uptake rates compared with the rest of the UK: 72.6% for over-65s, 72.3% for under-65s at risk and 51.4% for pregnant women. That demonstrates that people in Northern Ireland are getting the message very clearly that flu can be quite a serious illness and that they can do something to avoid it. Many people take that option. We are keen that more and more children take that option and ensure that they do not suffer the effects of flu.

**Mrs Cochrane:** A response to a recent question that I tabled to the Education Minister indicated that almost 15,000 working days were

lost among the teaching profession last year as a result of flu-related illnesses. Therefore, will the Minister consider working with the Education Minister to extend the flu vaccination programme to teachers?

**Mr Poots:** That seems a perfectly reasonable suggestion and is something that I am happy to talk to the Education Minister about. We are targeting schoolchildren because flu is so common and so easily spread in that environment. We want teachers to be teaching and not sitting at home sick, and I am sure that they want to be teaching and not sitting at home sick, so if that is something that the Education Minister wishes to take up with me, I will be happy to liaise with him.

**Mrs McKeivitt:** Will the Minister outline the stock levels of vaccinations and say whether they are subject to sell-by dates?

**Mr Poots:** This year, Northern Ireland procured 546,500 doses of seasonal flu vaccine, so stock levels for the target groups have been reasonably good and have not proven to be an issue for us this year.

## Cancer Drugs

4. **Mr McKinney** asked the Minister of Health, Social Services and Public Safety to outline the current availability of cancer drugs compared with England. (AQO 5515/11-15)

**Mr Poots:** The Health and Social Care Board (HSCB) has responsibility for commissioning all cancer drugs available in Northern Ireland. The HSCB and the NHS commissioning bodies in England are guided by the National Institute for Health and Care Excellence (NICE) in determining which cancer drugs should be routinely available. All NICE-approved cancer drugs that are routinely available in England are recurrently funded or available via a cost-per-case mechanism in Northern Ireland. The HSCB has a clear process by which unapproved cancer drugs can be made available to patients by means of an individual funding request setting out the clinical circumstances that support the request.

**Mr McKinney:** I thank the Minister. The cancer drugs fund in England takes a different approach for non-routinely available drugs and has granted NHS access to up to 38 drugs that are not available here. Will the Minister consider having a cancer drugs fund model here or approaching his Westminster counterpart to address the inequality?

**Mr Poots:** I certainly will consider it. If the Executive and Assembly were to support me in doing that, I would do it very quickly. That would be done through charging something for prescriptions once again, as that would allow us to establish a specialist drugs fund for not just cancer drugs but other specialist drugs that are not regularly available.

That is the right thing to do. Any good socialist should want to do it, because those of us who can afford to pay for drugs would be ensuring that people who really need them but cannot afford them have the opportunity to receive them, and we would be saving lives. However, if people want to cling to another policy, that is entirely a matter for them.

**Mr Kinahan:** When it comes to the funding of those who need to go across the water for special treatment for cancer or other illnesses, will the Minister look at reviewing the process so that it is quicker, allowing people to get money and get over for the treatment as quickly as possible?

**Mr Poots:** The process is carried out through the Health and Social Care Board. If the Member has identified particular problems and wishes to raise them directly with the chief executive of the board or me, we will pursue the matter. If it is an issue that Members in general have identified, I am happy to look at it.

**Mr G Robinson:** What work is going on with the managed entry of new drugs?

**Mr Poots:** The Health and Social Care Board is refining and further developing the processes for managing the entry of new medicines to ensure that they are more effective and more clearly understood by patients, their representatives and clinicians. Guidance should be issued shortly.

Access to effective treatments for the population of Northern Ireland, including access to cancer drugs and other specialist medicines, is an important priority for me and the Department. I am determined to explore every avenue open to me to deliver increased access to specialist medicines and other interventions.

If a lot of research and work has gone into developing new procedures and drugs, the public want Northern Ireland to be at the forefront of delivering on that. We are somewhat constrained in so doing, and I suggested to the House earlier that we have a means of getting around that. I ask Members to think very clearly about what we are suggesting

to them. There is a real possibility of making a difference to people's lives and of saving many lives as a consequence.

2.15 pm

## Addiction Treatment Units

5. **Mr McGlone** asked the Minister of Health, Social Services and Public Safety for an update on his plans for the future of the addiction treatment units in Omagh and Armagh. (AQO 5516/11-15)

**Mr Poots:** A public consultation by the Health and Social Care Board on the future model for tier-4 addiction services closed on 24 January 2014. The board is considering all responses received and is finalising proposals on the appropriate model of service provision, which will take account of the wider need of the overall Northern Ireland population and seek to improve outcomes for clients. The board hopes to complete that work by the end of April 2014. Therefore, no decision has been taken at this stage on the future model or on the location of any service.

**Mr McGlone:** Gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for his response. In light of his answer, can he advise whether the addictions unit that was planned for the new local enhanced hospital in Omagh could be jeopardised as a result of any proposed changes to addiction services that may be centralised across the region?

**Mr Poots:** Again, I am less interested in buildings and locations than I am in outcomes. The course of work that we are looking at would see many more people being treated in the community. Therefore, the locations of the buildings are less of an issue for us. However, we are engaged in a consultation process, and we are drawing feedback from that and collating it to identify the way forward. So, we are not at a point of making decisions. Members can lobby and seek to influence at this point, but there is a course of work that needs to be carried out before we arrive at a decision.

**Mr McElduff:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his answers. My specific interest is in the future of the addiction treatment unit (ATU) in Omagh. Does the Minister accept that it is not feasible, given the rurality of counties Tyrone and Fermanagh, to expect people to travel outside those counties for addiction treatment services? What is needed is a new configuration that

divides the North into three regions as opposed to two.

**Mr Deputy Speaker:** Can we have a question?

**Mr McElduff:** Yes. The question is this: does the Minister accept that it is not feasible for people who live in rural areas in Tyrone and Fermanagh to travel beyond that subregion to access these essential services?

**Mr Poots:** That is something that I will pay attention to, unlike previous Ministers, who decided that they did not need a hospital in Omagh and chose to close it. Mr McElduff did not seem to have that great of an influence with Minister de Brún, his own Sinn Féin Minister, on that occasion. He did not deliver for the people of Omagh on that occasion. Thankfully, since the DUP came in, a new hospital has been proposed for the town of Omagh and has started to be developed. We will look at all these things very seriously in seeking to ensure that Omagh gets fairer treatment under the DUP than it got under Sinn Féin.

## RVH/Mater: Serious Incidents

6. **Mr A Maginness** asked the Minister of Health, Social Services and Public Safety how many serious incident forms, detailing incidents when patient safety is compromised, have been submitted by staff in the accident and emergency department and the acute medical unit at the Royal Victoria Hospital and the Mater Hospital in the past 12 weeks. (AQO 5517/11-15)

**Mr Poots:** Health and social care organisations are required to routinely report serious adverse incidents (SAIs) to the Health and Social Care Board. There are specific criteria that determine whether an adverse incident constitutes an SAI. Any adverse incident that meets one or more of the criteria should be reported as an SAI to the Health and Social Care Board within 72 hours of being discovered.

Fewer than five serious adverse incident forms detailing incidents where patient safety has been compromised have been submitted by staff in the emergency departments or the acute medical wards of the Royal Victoria Hospital or the Mater Hospital in the past 12 weeks. In line with departmental policy, information on specific numbers is not routinely published if the number is fewer than five. That approach is taken to maintain patient confidentiality.



**Mr A Maginness:** I thank the Minister for that answer. Given the ongoing difficulties, particularly in the Royal, would the Minister not express some concern or even surprise that only five serious adverse incident forms have been received?

**Mr Poots:** I said fewer than five, so it could be considerably fewer than that. This morning, we all learned, including me, of five serious adverse incidents that have been reported over the past 12 months, from December 2012 to November 2013. In those instances, it has been indicated that the medical response could have been better had more doctors been available. Those are serious questions that we will all be seeking answers to in the time ahead. It will probably be difficult to reveal all the answers because we are dealing with a relatively small number of people and patient confidentiality issues will arise. There may be issues that the coroner will have to take a look at to identify and ensure that matters were dealt with appropriately.

**Mr Beggs:** Extended waiting times at our A&Es can contribute to serious incidents there, as we have learned. Does the Minister accept that, with significant numbers of patients having to wait more than four hours, there is a risk that their health could have deteriorated from when they were initially assessed by the triage nurse? When will waiting times in Northern Ireland match those in the rest of the United Kingdom in order to reduce this risk?

**Mr Poots:** I think that the waiting times that we have set are appropriate and that is why I have rigidly stuck to them. Over the past couple of months, and I know that a lot of politicians here like to run with the trade unions, we have had trade union representatives saying that those times are not reasonable and that they should be extended. I think that the evidence that we have seen over the past few days would indicate that the waiting times are not unreasonable and that they are a reasonable expectation for us to seek of our hospitals.

Throughout the course of this, we have sought to ensure that waiting times are reduced. I am glad that 12-hour waiting times, for example, have reduced to a third of what they were in the previous year, for example in December 2013. Considerable work has been done on that. We can do more and that is why I made the statement that I made yesterday. We must ensure that we adopt best practice wherever best practice is being applied and use the expertise that has delivered that to assist us in

delivering better waiting times in Northern Ireland.

## **Ulster Hospital: A&E Waiting Times**

7. **Mr Cree** asked the Minister of Health, Social Services and Public Safety for an update on accident and emergency department waiting times at the Ulster Hospital. (AQO 5518/11-15)

**Mr Poots:** The South Eastern Trust has made significant progress in reducing the number of patients waiting for longer than 12 hours in the Ulster Hospital's emergency department. In December 2013, 21 patients waited for more than 12 hours, which is unacceptable to me, but that compares with 286 patients in December 2012. In December 2013, 70.7% of patients were treated and discharged home or admitted to a ward within four hours compared with 68.8% in December 2012. I look to the Health and Social Care Board to continue working with the trust to make further progress on meeting my targets for emergency care.

**Mr Cree:** I thank the Minister for his response. The Minister is aware of pressures on the Ulster and, indeed, on the Royal Victoria. We touched yesterday on the question of Antrim. Minister, bearing in mind the pressures that are on the Ulster Hospital, do you not consider it prudent to have a review there?

**Mr Poots:** Should we have very strong recommendations flowing from a course of work with the Royal Victoria Hospital, we will want to look at the other emergency departments to ensure that they are operating as efficiently as they should be. Whether that would involve the full-scale reporting that we are currently seeking in the Royal remains to be seen. However, we will want to see that our hospitals across Northern Ireland are responding well. If actions are taken in the Royal that dramatically improve performance, we will want to see that dramatic improvement elsewhere. If that involves asking the team to do a course of work elsewhere, that is something that we will give consideration to.

**Mr Dunne:** I thank the Minister for his answers today. Bearing in mind the significance of the Ulster Hospital in the South Eastern Trust, what measures has the Minister put in place to deal with ongoing winter pressures?

**Mr Poots:** Over the winter period, we made an additional £600,000 available to recruit extra staff and implement initiatives to manage the extra activity. We created 10 extra medical beds on the Ulster Hospital site and improved

the flow and discharge of patients at the hospital. We are making greater utilisation of Ards and Bangor community hospitals as medical step-down facilities. We have 10 additional intermediate care beds in an independent sector facility; additional care package provision including physiotherapy and social work support; additional pharmacy support at the weekends; a rapid-response nursing service that will provide additional interventions such as intravenous antibiotics in clinic and domiciliary settings in the community; additional therapy provision for the community rehabilitation team; and additional allied health professionals and social work resources in Ards and Bangor community hospitals.

**Mr Hazzard:** Go raibh maith agat, a LeasCheann Comhairle. I notice that the Minister did not mention that he also closed the Downe A&E at weekends and in the evenings to help the Ulster. The Minister will be aware that 41% of patients seen at the Ulster Hospital are not from the South Eastern Trust area but are from the Belfast Trust area. What sort of pressure does that put on the Ulster Hospital?

**Mr Poots:** The Member well knows that I did not close the Downe A&E at weekends, but he seeks to cause some sort of deflection. He knows that it was a decision by the trust. It was an operational decision based on safety, because they did not have the adequate number of doctors to provide the care and cover at the weekends. We all need to ask ourselves this question: why do we have such problems recruiting doctors to work in emergency departments? I have given people the answers, and sometimes they do not like those answers. Nonetheless, that is where we are.

As regards the fact that 41% of people who attend the Ulster Hospital do not come from the South Eastern Trust, it is important to remember that a large number of attendances at the Royal Victoria Hospital are by people from the South Eastern Trust. It is a bit of swings and roundabouts. Many people who live in the Colin area, for example, will not travel to the Ulster Hospital as the Royal Victoria Hospital is much more accessible; that is wholly understandable.

Many people in the Lisburn area will travel to the Royal Victoria Hospital before they will travel to the Ulster Hospital. Indeed, many ambulances take people to the Royal Victoria first because they are not going to drive past an acute hospital with a seriously ill person if that hospital is available to them. It is clearly not a case of the South Eastern Trust having to

absorb a lot of people from Belfast and Belfast not absorbing anybody from the South Eastern Trust.

## **Occupational Therapy: Fermanagh Waiting Times**

8. **Mr Flanagan** asked the Minister of Health, Social Services and Public Safety to outline his Department's strategy to reduce the high waiting times for community occupational therapy services in County Fermanagh. (AQO 5519/11-15)

**Mr Poots:** There is a nine-week access standard for all allied health professions, including occupational therapy. The waiting time has been improved progressively, moving from 26 weeks a few years ago to 13 weeks and then to the current nine-week target. Improving waiting times for occupational therapy services is a priority for my Department, the Health and Social Care Board and the Public Health Agency.

In 2013-14, the Health and Social Care Board allocated an additional £165,000 non-recurrently to support the Western Health and Social Care Trust to reduce occupational therapy waiting times. Despite the additional funding, waiting times have increased during 2013-14. The Health and Social Care Board and Public Health Agency are currently working closely with the Western Trust to address the issue. Work is ongoing to establish the level of demand for occupational therapy services and the capacity necessary to meet such demand in line with my challenging nine-week access standard.

**Mr Deputy Speaker:** I am sorry that there is not time for a supplementary question as we have to move on. That ends the period of questions for oral answer. We now move on to topical questions.

## **Royal Victoria Hospital: Patient Deaths**

1. **Mr Ó hOisín** asked the Minister of Health, Social Services and Public Safety how he will respond to the shocking news of the death of five patients at the Royal due to delays and waiting times. (AQT 701/11-15)

**2.30 pm**

**Mr Poots:** I had initiated reporting procedures prior to being aware of the deaths of those five people. I should make it clear that those five

people died because they were seriously unwell. They attended the Royal Victoria Hospital. A serious adverse incident report was compiled that identifies that there is a possibility that more could have been done and a possibility that not all five people would have died. However, we do not know that and we do not have the evidence to say whether it is or is not the case at this stage.

There are always deaths in emergency departments. The avoidance of preventable deaths is a challenge for all health services, and the speed of delivery of appropriate medical care is a factor. That includes ambulance response times, triage, diagnostic testing and the provision of clinical care, which are all essential in ensuring the best outcome for an individual.

I previously expressed concerns about the Royal Victoria Hospital. I am aware of the five cases that Mr Ó hOisín mentioned, and, although I do not have the specific details, I have asked my officials to ascertain whether the systems in place for learning are fully functional and to identify issues of concern.

It is important to reassure the public about the overall safety of these services. We know that, overall, mortality figures for Northern Ireland hospitals, including those in the Belfast Trust area, compare favourably with the rest of the UK. In fact, the average mortality rate in England is higher than those in any of our trusts across Northern Ireland. Let us be very clear about that: the public need to know that mortality is lower in hospitals in Northern Ireland than it is in England.

The serious adverse incident is a learning system, and it is important to note that not every case that is referred to as an SAI indicates that there has been any problem with the care that has been provided or with the patient or client. There are certain categories of death, for example, that must automatically be reported as an SAI. Members will understand —

**Mr Deputy Speaker:** Order. I presume that the Minister has asked for extra time.

**Mr Poots:** I have not, no.

**Mr Deputy Speaker:** Are you asking for it?

**Mr Poots:** If I can have just half a minute, Mr Deputy Speaker, I would appreciate that.

**Mr Deputy Speaker:** Please continue.

**Mr Poots:** Members will understand that great care needs to be taken in discussing individual cases and clients to protect their confidentiality. However, I want to assure Members that I have sought assurances from officials that all appropriate steps and processes were taken. It would be wrong to conclude, at this stage, that the outcomes in these cases were directly related to waiting times. Although we recognise that healthcare can never be 100% safe, we must also recognise that these were very sick patients with very complex cases and that they may have passed away in any case. It would also be appropriate for the House to express its sympathies to the families of those five people for their deaths.

**Mr Ó hOisín:** Go raibh maith agat, a LeasCheann Comhairle. The Minister concedes that there is a possibility that more could have been done. Will he now apologise to those families? What can he do to instil public confidence?

**Mr Poots:** I would certainly express my sympathies to the families, and I have done so in these circumstances. For all individuals, their case is the most important case, and we must never get away from the fact that healthcare is about serving the needs of individuals. We need to look into these cases further and identify whether failings on the part of the health and social care system were a factor in the deaths. That needs to be identified and avoided in other instances.

## **Patient Deaths: Royal Victoria Hospital**

2. **Mr McKinney** asked the Minister of Health, Social Services and Public Safety to contrast the sad news of the deaths at the Royal with his comments in early January that the pressure situation at that hospital's A&E was a one-off. (AQT 702/11-15)

I would also like to extend our sincere sympathies to those families who learned today that their loved ones may have died as a result of accident and emergency pressures at the Royal Victoria Hospital.

**Mr Poots:** The discussion that we had in January was about what happened on three days. The issue that we are discussing now is about five incidents that occurred over a year. We need to be very careful and very sensitive about how we handle these things. I do not intend to engage in some sort of ping-pong about people's deaths.

**Mr McKinney:** I assure the House that neither will I, but it is our view that it is the sustained political and media focus that has led to these revelations, which might not otherwise have come to the fore. We conclude that the Minister either did not know or did know about the longer-term pressures when he was making his earlier remarks. Will he therefore agree with me that the public might be right to suspect that there was at least a disguising of the situation or, at worst, a cover-up?

**Mr Poots:** This has been said in the House quite a number of times, and people can ignore it, but it is factual: I attended the Royal Victoria Hospital on the morning after the major incident was declared, and I spoke to staff, and I took my actions on the basis of speaking to staff — nothing else, nothing more and nothing less.

### **Andrew Quigley**

3. **Mr P Ramsey** asked the Minister of Health, Social Services and Public Safety, on a very emotive and sensitive subject, to outline any discussions he has had with DRD, which is responsible for bridges, or the Public Health Agency in its role in bringing forward deterrents to young people who are considering self-harm, given the situation with Andrew Quigley, a young man from Derry who has been missing for four weeks after entering the River Foyle from one of the bridges, leaving Colette and his family heartbroken and devastated, and with the emergency services, North and South, along with Foyle Search and Rescue, trying to locate him. (AQT 703/11-15)

**Mr Poots:** My officials certainly have engaged with DRD officials on making the bridges more safe. I do not suppose that, if someone is determined to take their own life, it is possible to always have a means of preventing them from doing that, but I certainly think that there are people who may be thinking about it, and, if there are adequate deterrents in place, it may well stop them. There is learning that we can take from other places, for example San Francisco, which has the Golden Gate Bridge, and so forth. I am very keen that my departmental officials will continue to engage with people in the Foyle constituency, with DRD and others, and I recognise the huge distress that it causes, such as to the family that Mr Ramsey referred to. I support him in the sympathies that he has expressed for that family.

**Mr P Ramsey:** I will certainly pass on the Minister's comments to the family. Given his

comments, would he be mindful to convene with DRD in a multi-agency approach? Foyle Search and Rescue is one of the main bodies that acts to try to prevent loss of life, and it has said that small structural changes could absolutely act as a deterrent at that moment to prevent someone from either jumping in or trying to jump in.

**Mr Poots:** I assure the Member that I will make officials available. If he wishes to convene a meeting in the Foyle area, healthcare officials will not be found wanting in seeking to respond to the issues that he has raised.

### **Health Service: Staff**

4. **Mr Weir** asked the Minister of Health, Social Services and Public Safety how the number of key staff working in our local health service has changed since 2011. (AQT 704/11-15)

**Mr Poots:** I have the most recent figures for full-time equivalents in September 2013 compared with March 2011. The number of consultants, medical and dental, is up by 160, or 12%. The number of middle-grade doctors is up by 69, or 20%. Nurses and midwives are up by 531, or 4%. Nursing and support staff are up by 147, or 4%. Paramedics and ambulance staff are up by 12, or 2%. Qualified allied health professionals are up by 317, or 11%.

**Mr Weir:** The Minister has indicated that, across the board, in a range of functions, staff numbers are up in the health service. What factors has he identified that mean that our trusts are still finding it challenging to provide services in a timely manner?

**Mr Poots:** There are certain areas where it is harder to attract staff. Surgery, emergency medicine, obstetrics and gynaecology are all areas where we are finding it more difficult to recruit staff, and that needs to be made very clear. We also have particular problems in the Western Trust area, where it is more difficult to attract doctors than in the greater Belfast area. The smaller regional hospitals very often struggle to attract staff, as is the case, for example, in Lagan Valley, Downe and, perhaps to a lesser extent, the Causeway. That means that we become more reliant on locum doctors. However, the figures that I cited show that, in spite of the financial pressures over the past number of years, we have continued to drive up the number of those providing the front line services to better equip the health and social care sector to respond to the obvious needs of the public.

## Downe Hospital: A&E Service

5. **Mr Hazzard** asked the Minister of Health, Social Services and Public Safety whether he agrees with the South Eastern Trust that the preferred option for Downe Hospital is a minor injuries unit or is he committed to the full restoration of 24-hour A&E services in Downpatrick. (AQT 705/11-15)

**Mr Poots:** I have instructed the South Eastern Trust to make greater efforts to recruit emergency doctors in order to provide a more extensive service. I asked the South Eastern Trust to produce a plan for providing support to the people in the Downe and Lagan Valley area in the meantime. That plan, which has been submitted to the Health and Social Care Board, will ensure that the vast majority of needs in the Downe Hospital area will be met in that facility while the trust seeks to recruit emergency doctors.

**Mr Hazzard:** Go raibh maith agat. I thank the Minister for his answer. A connected issue is that people have no faith in the governance of the South Eastern Trust. Does the Minister have any plans to look at the governance structures of the South Eastern Trust to see whether they are fit for purpose?

**Mr Poots:** We all have a role, particularly me, in holding the South Eastern Trust to account. The House has a role in that, as, indeed, have local authorities. It is important that trusts respond to the needs of local communities. The first elements of the provision of health and social care are safety and quality. The trust will always want and have to ensure that they provide those. If it falls short, it will be a matter of real concern to all of us.

## Antrim Area Hospital: Procurement Review

6. **Mr Milne** asked the Minister of Health, Social Services and Public Safety to detail the outstanding recommendations that were made following the procurement review at Antrim Area Hospital and a time frame for their completion. (AQT 706/11-15)

**Mr Poots:** We had asked for a course of work to be done. In the past few weeks, I made a statement to the House that indicated that there were procurement issues. Although there was no evidence of fraud, there were certainly weaknesses in procurement. We are looking to close off those weaknesses and have a much

more robust procurement scheme in the Northern Trust area.

**Mr Milne:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a fhreagra sin. I thank the Minister for his answer. Will he give us an assurance that those recommendations will be implemented across the trusts and that procurement throughout the health service will be open and transparent?

**Mr Poots:** It is certainly the case that we want procurement to be open and transparent throughout the system. The Business Services Organisation will carry out much of that work for trusts. Where trusts are engaged in direct procurement, we want everything to be done in a way that ensures that they have public confidence and deliver best value for money for the public.

## Environment

### Planning: Job Losses

1. **Mr McNarry** asked the Minister of the Environment for his assessment of the number of local jobs lost or deferred by delays to the planning process. (AQO 5527/11-15)

**Mr Durkan (The Minister of the Environment):** Planning can make a very positive contribution to the development of our local economy. That is why my Department gives priority to proposals that have the potential to bring investment to the local economy and create jobs, and ensures that the applications are processed to a decision as quickly as possible.

### 2.45 pm

Performance across all categories of application has improved in recent years, and I know that strenuous efforts are being made to continue that improvement. However, I also acknowledge that more can be done, and that is why I announced in January a series of new actions to improve further our performance in planning. The actions include shortening and simplifying planning policy; continuing to implement key reforms such as initiating new development plan work; encouraging more pre-application discussions and pre-application community consultations; improving consultee performance, including in the Northern Ireland Environment Agency (NIEA) in my Department; and improving customer service.

In May 2011, there were 60 live article 31 applications. Since then, 46 applications have been determined, five of which are awaiting the outcome of the appeals process, and one further application is scheduled for a public inquiry. Since May 2011, a further 11 new applications have been designated article 31, and five of those have been determined within the new PFG target of six months. That includes the application for the redevelopment of Windsor Park, where the applicant engaged with the Department and relevant stakeholders in a comprehensive pre-application process that included piloting pre-application community consultation and resulted in the submission of a quality application, a speedy process and a determination within 11 weeks.

I want to create a better environment and a stronger economy, and my aim is to create a planning system that works to achieve that.

**Mr McNarry:** I thank the Minister for his response. He has his own refreshing style of not answering the question about job losses, so I will have another go, if I may. I ask the Minister to detail any sensitive planning applications that he is discussing to transfer to OFMDFM or whether he is likely, or intends, to discuss such a matter with it soon?

**Mr Durkan:** I thank Mr McNarry for the supplementary question. Any failure to answer it will not be a deliberate attempt on my part to avoid answering it. It will just be down to a complete lack of understanding of what he means. *[Laughter.]* I am the Minister of the Environment. My Department is responsible for making planning decisions. I am involved in no negotiations with the First Minister and the deputy First Minister. I am fairly certain that my Department is not involved in any conversations with the Office of the First Minister and deputy First Minister around the transfer of any particular application, sensitive or otherwise. However, if there is a particular application that Mr McNarry would like to discuss with me — or with OFMDFM — I am happy to meet him at a later stage.

**Mr Boylan:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a fhreagra. Will the Minister assure the House that, following consultation on the draft strategic planning policy statement, job creation and economic growth will be key elements in the planning future? Will he also bring forward some policies that will lead to sustainable rural communities?

**Mr Durkan:** Go raibh maith agat as an cheist nó as na ceisteanna sin. I thank the Member for the questions.

Following consultation on the single strategic planning policy statement, yes, economic considerations will have a material weight in determining planning decisions. However, there is nothing new in that. Currently, considerable weight is attached to economic considerations when applications are being processed. However, that weight is not determining. Good planning is a balancing act between what is good for the economy and what is good for the environment. I do not believe that one should be compromised at the expense of the other.

Yes, sustainable rural communities is a very important issue. It is one that Mr Boylan and other Members have raised with me before. We spoke at length during a debate on rural housing earlier this month. However, I know that rural businesses are also very important not just to Members but to the communities that they represent.

**Mr Cree:** Does the Minister have any plans to progress the Planning Bill, which he withdrew last year?

**Mr Durkan:** I thank the Member for his question. I have answered similar questions in the Chamber before, and I will give the same answer that I gave to those questions. The answer is, quite simply, no. I made the decision not to move the Planning Bill. I made that announcement in the House on 22 October last year and cited sound reasons for doing so. Those reasons were procedural, evidential and legal. I must say that, anywhere that I have gone and any sector with which I have engaged in the aftermath of making that decision and announcement, the decision has been received well. There seems to be consensus outside the House — although maybe not inside it — that the Planning Bill, as amended, was not the way to go about improving our planning system.

**Mr McGlone:** Go raibh maith agat, a LeasCheann Comhairle, agus gabhaim buíochas leis an Aire as na freagraí cuimsitheacha go nuige seo. I thank the Minister for his comprehensive answers to this point. I note with interest that, when talking about sharpening up the performance of planning, he made specific reference to the NIEA. It is with regret I say that that is one agency that keeps delaying the planning process through its performance and efficiency, as well as for no apparent reason. What

specific measures will the Minister take to make that organisation much more efficient in its decision-making and in its liaison with Planning Service?

**Mr Durkan:** Go raibh maith agat as an cheist sin. I thank the Member for that question. In the preamble or foreword to his question, the Member said that NIEA is "one agency". It is one agency. However, I am sure that, when dealing with NIEA, many Members think that it is a lot more than one agency. Weaknesses have been identified in the agency that fall back to the fact that it is constructed from so many different individual sectors, and there has been speculation and commentary to suggest that those sections work using a silo approach. That is something that was brought up again more recently in the Mills report on waste. When it comes to the processing of planning applications, that is something that causes great frustration to applicants, agents and developers, and indeed to objectors. It is something that I certainly intend to tackle. I have asked my permanent secretary, and, indeed, the chief executive of NIEA, to conduct a root-and-branch review of the agency with a view to improving its structure and performance. I look forward to bringing those proposals back to the Assembly.

**Mr Deputy Speaker:** Before we move on, I encourage Members please to be brief when asking questions. I also encourage other Members who are not asking questions to remain silent, please, so that I can at least hear the Minister.

## **Councils: Single Transferable Vote**

2. **Mr Dickson** asked the Minister of the Environment whether he plans to amend the Local Government Bill to allow the use of the single transferable vote system for the allocation of positions of responsibility. (AQO 5528/11-15)

**Mr Durkan:** I am committed to ensuring that positions of responsibility on a council, and positions on external statutory bodies on which the council is represented, are shared across all the political parties and independents that are represented on the council. Schedule 3 to the Local Government Bill makes provision for a council to select from either the d'Hondt or Sainte-Laguë formula methods or the single transferable vote (STV) approach to achieve that objective. The inclusion of options in the Bill provides flexibility for the political parties that are represented on a council to agree a method for sharing positions of responsibility

that they consider most appropriate for their particular circumstances. If the political parties cannot agree the method to be adopted, by a qualified majority, the d'Hondt method is specified as the default position.

In order to mitigate the potential favouring of political parties with larger levels of representation on a council, the selected method for allocating positions will be applied at the start of a council term, following a local government election, across all positions over the four-year term of the council. Each position would be held only for a single year, unless a longer term of office on an external body is specified by that body. This will provide the opportunity, in line with the democratic process, for parties with lower levels of representation or independents to hold positions of responsibility.

**Mr Dickson:** I thank the Minister for his answer. Does he not accept that, if the intention of the legislation is to ensure fairness in the distribution of areas of responsibility in local government, d'Hondt does not and can never deliver that and that it can be delivered only by the use of STV as the preferred means of sharing responsibility in local government? Although the Minister has given a menu of available options, surely the default situation should always be STV.

**Mr Durkan:** I thank Mr Dickson for his question and supplementary. Indeed, I understand some of the concerns that he has raised. However, it is my belief, and I believe that it is one shared by others, that by running whatever method of selection that is chosen by a council at the start of a council term for every position over the four-year term at that stage, smaller parties and independents will get chances that they would not necessarily achieve or get even under STV should it be run annually, as is currently the set-up in most, if not all, councils. The reform of local government provides a tremendous opportunity to us all. It is vital that those parties and independents whom people vote for have the opportunities afforded to them that are available to members of larger parties. By running whatever formula a council decides on at the start of the term, those opportunities will be much more available than is currently the situation.

**Mr Allister:** The Minister's Bill anticipates that there may be control in a council by a cabinet system. Would that cabinet meet in secret? Has the Minister any concerns that, by reposing all power in such a small power bureau, the role of every other councillor would be vastly

diminished and they would become mere spectators?

**Mr Durkan:** I thank Mr Allister for his question. The provision does indeed exist for a council to establish a committee-style form of governance. Last week, I attended the Environment Committee. The Local Government Bill is at Committee Stage. The Committee is diligently and thoroughly going through the legislation clause by clause. I found out to my expense just how thoroughly they were going through it when I appeared before them and they questioned me on many clauses and issues in the Bill, of which that was one.

It is certainly my vision that there will be no secret meetings unless there are details of a commercially or personally sensitive nature. All council business, where possible, should be open. That should extend to the cabinet of any council should it choose to go with the cabinet system. As it is, I am not sure how many councils will choose to do so. In response to Mr Dickson's question, I talked about selection of councillors for particular roles. I think that a cabinet, if a council were to go with one, would want a degree of continuity on that. I am not sure that what we have proposed on selecting councillors for positions would necessarily allow for that continuity.

There have also been questions about the membership of a cabinet, whether it would automatically include the chair and vice-chair, or mayor and deputy mayor, of a council and, if so, whether that would be an ex officio role. So, there are still quite a lot of —

**Mr Deputy Speaker:** The Minister's two minutes are up.

**Mr Durkan:** There is quite a lot of stuff left to look at, and the Committee will keep at it. I look forward to working with it to find as robust a system as possible.

**3.00 pm**

**Mr A Maginness:** I know that the Minister is a man dedicated to fairness and proportionality in local government. Will he outline the level of consultation he has had with stakeholders about the system of governance? In addition, what level of consensus was reached on that?

**Mr Durkan:** I thank Mr Maginness for the question. The provision of the three alternative methods for ensuring that positions of responsibility were shared was agreed by representatives of the five main political parties

on the policy development panel, which was charged with the development of policy proposals on the governance arrangements for the new councils. That position was subsequently endorsed by the political parties represented on the strategic leadership board. There was significant support for this approach in the responses to the public consultation on the local government reform policy proposals launched on 30 November 2010.

**Mr Weir:** I thank the Minister for his answers so far. Although it will ultimately be up to individual areas to agree, largely by consensus, the way forward with the methodology that they use, does the Minister acknowledge that, in circumstances where a large number of posts are to be appointed by a relatively small electorate — the number of councillors — the single transferable vote is not necessarily the best way of achieving that distribution of responsibilities?

**Mr Durkan:** I thank Mr Weir for his question. We intend to give councils a range of options so that they will be able to choose the system that will work for them. We should be not just empowering councils but entrusting them to make the correct decisions. However, should they not be able to make a decision on this, d'Hondt will be the default position, partially for some of the reasons outlined by Mr Weir.

### **Planning: Staffing Levels**

3. **Mr Irwin** asked the Minister of the Environment for his assessment of the effects the future transfer of planning powers to local councils will have on current staffing levels in the Planning Service southern area planning office. (AQO 5529/11-15)

**Mr Durkan:** My Department is working to establish accurately the professional planning and administrative staffing complement required to ensure that an effective, fit-for-purpose planning service is transferred to local councils. In preparation for the transfer of planning powers, the Department commissioned a workforce planning model to estimate the number of planning staff required in each local council area. It was developed in 2011 in partnership with Fujitsu in response to a recommendation from the Public Accounts Committee that planning needed a mechanism to help determine the resources to transfer under the review of public administration. The workforce model includes administrative staff, from administrative assistant to deputy principal grades, and staff on the professional and technical side, from professional and technical



officer to senior professional and technical officer grades, working in development management and enforcement. The staffing requirements for development planning work were excluded as that is not quantified on the number of planning applications received.

The workforce model will be rerun in April or May when the data for the 2013-14 financial year is available. That will provide more up-to-date figures and help guide and inform staffing decisions with the statutory transition committees. All staff transferring from the Department to local councils will transfer on the basis of TUPE-type arrangements, providing certain protections for staff, including their terms and conditions of employment.

**Mr Irwin:** I thank the Minister for his reply. When planning powers pass to councils, is it possible that we could, in effect, see several different interpretations of planning policy in Northern Ireland?

**Mr Durkan:** I thank Mr Irwin for his supplementary question. I think that I heard a voice from the Benches saying that we might already do so. Planning policy is open to interpretation, so it is inevitable that we will see, as we do on occasion, different interpretations of planning policy. However, if there is a genuine concern among the public and elected representatives that the transfer of planning powers will result in huge inconsistencies in the application of planning policy across councils, I reassure them that that will not be the case. It is vital that the planning service remains consistent, regardless of who the planning authority is. The Department will retain an oversight role, will carefully monitor the performance of each council and the decisions made and not made by councils and will be ready, willing and able to step in and assist, should councils have particular difficulties in their interpretation and application of policy.

**Mr McElduff:** Go raibh maith agat, a LeasCheann Comhairle. Tá ceist áirithe agam ar an Aire. What training and familiarisation will be provided for staff transferring from the Planning Service to the new councils in line with the transfer of powers?

**Mr Durkan:** Go raibh maith agat as an cheist shuimiúil sin. Thank you for that interesting and important question. I have been asked a lot of questions recently at various forums, including in the Chamber, about capacity building around the transfer of planning powers, and all the focus has been on training for the elected representatives and councillors who will take on

planning powers. I congratulate Mr McElduff on being the first representative to ask about the training that will be required for the planning staff who will move to local government as their new employer, and I assure him that I am considering the matter. The money that had been acquired by my predecessor for capacity building applies not solely to elected representatives. Funding has been set aside and programmes set up for the training of our planning officers and staff before their move to local government.

**Ms Lo:** Currently, staff in the NIEA provide expertise and advice on environmental and built heritage issues to planners. What happens post RPA? Can those planners access services from the NIEA, or will councils have to pay fees?

**Mr Durkan:** I thank Ms Lo for that supplementary question. An earlier question suggested that planners cannot currently access those services easily. The Environment Agency will remain a statutory consultee on many planning applications. I outlined earlier my intention to review the Environment Agency, its structure and how it operates, and I fully anticipate that it will be easier for planning officers, applicants and agents to access the NIEA throughout the planning application process.

**Mr Rogers:** Thanks to the Minister for his answers thus far. He talked about the training that would be available for staff. What assurance can he give me about the staff who transfer from the Planning Service to local government? More specifically, will he provide details of the protections that will be afforded to them?

**Mr Durkan:** I thank Mr Rogers for his question, which follows on from Mr McElduff's question. A transfer scheme is being developed by DFP for staff transferring to local government with their functions. That is from all Departments, and it obviously includes planning staff. It will be negotiated through the normal Civil Service management and trade union fora and will secure agreement from both sides. Within that transfer scheme, all staff will be afforded protections under TUPE, which provides protection for employees against changes to their terms and conditions of employment as a result of a transfer of undertaking. The Department is taking action to minimise the hardship and domestic disruption that may be experienced by individual staff who are transferred to councils. A staff preference scheme has been implemented, which identifies

the locational preferences of all staff in planning, and the Department is working to accommodate as many staff as possible in their preferred location at the date of transfer to councils.

## **Dereliction Funding: Craigavon**

4. **Mr Moutray** asked the Minister of the Environment why Craigavon Borough Council's application for dereliction funding was refused. (AQO 5530/11-15)

**Mr Durkan:** The dereliction funding scheme was introduced in March 2012 to provide councils with funding to enhance and improve the cosmetic and aesthetic appearance of an area, whether it is a city, town, village or neighbourhood. Since its introduction, £4 million has been allocated to councils by the programme.

In August 2013, I asked all councils to submit proposals in preparation for the October monitoring round. Some 16 councils submitted bids, but, as I was unsuccessful in obtaining funding at that time, councils were asked to revise their bids in time for the January monitoring round. At that stage, three councils withdrew their bids. All bids were assessed, and Craigavon Borough Council's bid was placed joint sixth.

I was successful in obtaining £500,000 at January monitoring, to which I added £100,000 from my Department's funds. That allowed me to fund five of the 13 bids — one in full and four in part. This is a competitive process and, unfortunately, Craigavon Borough Council's bid was just below the cut-off point, as five bids were judged to have more merit on this occasion.

The dereliction intervention scheme has been extremely successful and will be a rolling programme that my Department will bid to maintain. I hope that Craigavon Borough Council will rebid for further funding when resources next become available.

**Mr Moutray:** I thank the Minister for his response. Can the Minister outline what plans he has to roll out further funding and when to areas like Craigavon, so that they too can enhance their environment, improve their economy and strengthen tourism?

**Mr Durkan:** I thank Mr Moutray for his supplementary. The dereliction fund, unfortunately, is dependent on how I fare at future monitoring rounds with my Executive

colleagues. However, given the tremendous success and popularity of the scheme and the ever-growing demand for it, I have no doubt that Members will encourage their colleagues around the Executive table to support any future bid of mine for additional funding for the scheme.

**Ms McCorley:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a fhreagraí go dtí seo. I thank the Minister for his answers thus far. An dtig leis an Aire a chinntiú cé hiad na ceantair ar tugadh maoiniú dearóilithe dóibh agus cá mhéad? Can the Minister confirm what areas have been allocated dereliction funding and how much they have received?

**Mr Durkan:** Go raibh maith agat as an cheist agus má fhanann tú nóiméad tá sé anseo. On this occasion, the successful bidders, of whom there were five, were Belfast City Council, which was awarded £220,000; Ards Borough Council, which received £111,000; North Down Borough Council, which received £102,000; Newry and Mourne District Council, which received £80,000; Newtownabbey Borough Council, which received £53,000; and — oh, there were six — Larne Borough Council, which received £39,000.

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

**3.15 pm**

## **Giro d'Italia: Election Posters**

1. **Dr McDonnell** asked the Minister of the Environment whether he agrees with our colleagues Alex Attwood and Councillor Gerard Mallon that we should keep lamp posts and streets along the route of the Giro d'Italia free from election posters on 9, 10 and 11 May. (AQT 711/11-15)

**Mr Durkan:** I thank the Member for his question. This is a very positive suggestion. The Giro d'Italia has a global audience of 775 million in 165 countries worldwide, with 200 participants and up to an estimated 140,000 spectators. It presents a huge opportunity to showcase the excellent tourism product that Ireland has to offer, with key tourist sites, including Titanic Belfast, the north coast and Armagh, being especially profiled. I regret that the race is not coming to Derry, but I think that the hills might have put them off. One constituent remarked to me that we had better

get used to the "giro" not coming if Nelson McCausland gets his way. *[Laughter.]* There is a responsibility on all of us to present the best possible picture of Northern Ireland, and a small step such as this by political parties would reap much greater collective benefits for all people here. Therefore, just today, I have written to all party leaders asking them for their views and cooperation on a voluntary political agreement that will ensure that, for the three days of the Giro d'Italia in May when Northern Ireland is on the global stage, there will be a poster-free route. I look forward to responses from the party leaders and am hopeful that a positive political agreement can and will be found.

**Dr McDonnell:** I thank the Minister for that lengthy answer. He can be assured of a positive response from me and the SDLP to his letter. Has the Minister given any consideration to reviewing the current legislation on the display of election posters, including the option of a ban?

**Mr Durkan:** Under the legislation as it stands, the DOE's Planning Service writes to all parties in advance of an election reminding them of their statutory obligations in displaying election posters, including positioning, road safety issues and removal within 14 days of a poll closing. Under planning law, no advertisement may be displayed without consent granted by the Department, but exemptions exist for election posters in advance of a pending election.

The display of election posters is a cause of annoyance for many members of the public, and political parties are reminded of that every time we have an election. They are also a headache for those of us who have to put them up and take them down, although I have been told that my days as a poster boy might be over.

I am very much aware of the issue and am willing to look at it. I have been considering a review of current legislation in advance of the media interest in this issue, and, as part of that review, I will examine a range of options, including a ban.

## **Alcohol Consumption: Public Service Vehicles**

2. **Mr Eastwood** asked the Minister of the Environment for his assessment of the effectiveness of the current legislation for alcohol consumption on public service vehicles. (AQT 712/11-15)

**Mr Durkan:** That is a topical question indeed. Current law states that it is an offence for a passenger to consume alcohol on a public service vehicle. This is contained in the PSV regulations of 1985. The PSNI advise that PSV regulations offences are very difficult to enforce, as they need to collect evidence that certain individuals consume alcohol on board a vehicle. My officials therefore put forward options to address that in a consultation last July, including the introduction of a restriction on the bus operator's licence prohibiting operators from carrying alcohol in their vehicles; the creation of a road traffic offence for operators of carrying alcohol in a public service vehicle; or doing nothing.

Responses to the consultation were mixed, and genuine difficulties were raised with each of the options. Operators highlighted the difficulties that their drivers can have in stopping passengers bringing alcohol on board and consuming it. A number of respondents commented that the only effective solution would be a total ban on the carriage of alcohol on public service vehicles. The creation of such an offence would be a matter for the Department of Justice, and I have recently discussed it with Minister Ford. Other respondents called for a repeal of the current ban on consumption, citing the fact that passengers can consume alcohol on the Enterprise, on ferries and on planes.

As a result of the responses to the consultation, I proposed a four-pronged approach at this stage. The actions are to commission communication activities to highlight the fact that it is illegal to drink on buses, as well as the road safety and passenger risks that it poses; to introduce a new licensing condition for operators that requires them to highlight to hirers that they cannot consume alcohol; to engage with DOJ on the extension of the current ban on alcohol carriage to the whole bus sector in Northern Ireland; and to continue to engage with DHSSPS, which is responsible for the new strategic direction for alcohol and drugs, as problems with alcohol —

**Mr Deputy Speaker:** The Minister's time is well up.

**Mr Durkan:** — consumption on buses form just one facet of the wider societal problems of alcohol in Northern Ireland.

**Mr Eastwood:** I thank the Minister for his very comprehensive answer. I welcome the fact that he has been engaging with the Department of

Justice. What kind of response has he received from it?

**Mr Durkan:** Minister Ford has indicated that he understands the difficulties with enforcing the current offence and the risks to public and passenger safety that could result. He indicated that his Department had an extensive legislative programme under way and would consider this issue alongside that. I emphasise that the consultation highlighted what many of us know: there is no one solution to the problem. Indeed, the problem is not one of drinking on buses per se; rather, that is one element of general issues with alcohol in society, and there is little purpose in looking at the issue of drinking on buses without considering other elements, such as the price of alcohol in shops, the promotions on alcohol purchased in venues and the health risks associated with alcohol. All of us in the Chamber and any parents among us have a responsibility to work together to address those issues.

### **Alcohol Consumption: Buses**

3. **Mr Maskey** asked the Minister of the Environment, without prejudging any investigations, whether he can update the House on the allegations of buses being used to ferry alcohol to the Odyssey, given the unfortunate and dangerous events at that venue last week and the fact that the Minister has been dealing with the availability of alcohol on buses. (AQT 713/11-15)

I was going to ask the Minister earlier whether he will assure Willie Frazer that the Giro d'Italia colours are an Italian tricolour.

**Mr Durkan:** I thank Mr Maskey for his question. I have just answered Mr Eastwood's question and see this as very much a follow-on from that.

Yes, I am aware of alcohol consumption on many buses and coaches responsible for taking young people to an event in the Odyssey on Thursday night, and I said that we had to address that. As a Department, we have to engage with the proprietors and operators of those buses and ensure that they were taking every step possible to ensure that alcohol was not consumed on their buses, particularly by minors, which is another criminal offence. I have outlined the difficulty in enforcing the law, and the PSNI seems reluctant — I do not know whether that is the right word — to do so. It certainly is incapable of doing so. Apparently, if the police stop a vehicle and get on, they have to have evidence of an individual consuming

drink on it. Generally, someone drops the can or bottle and denies all knowledge of it, and, without evidence, further action cannot be taken. That causes headaches and heartache for responsible bus operators who find themselves almost having to frisk passengers who get on.

I spoke of the potential — I had this conversation with the Minister of Justice — for an outright ban on the carriage of alcohol on buses, but that seems a bit draconian. It would result in someone not being able to get the bus home after buying a meal deal in Marks and Spencer with a bottle of wine. So, there is a lot of work to be done on this, but it is a wider societal issue than just —

**Mr Deputy Speaker:** The Minister's time is up again.

**Mr Durkan:** — drinking on buses.

**Mr Maskey:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for that response. I appreciate that it is a complex issue. It is one for wider society, but, nevertheless, there is legislation in place. Will the Minister assure the House that, with the PSNI and particularly with DOJ, he will consider what other measures may be taken? Of course, he must make sure that those measures are not disproportionate to the extent of the problem, but it may necessitate amending current legislation.

**Mr Durkan:** I am certainly happy to assure the Member and the House that I remain committed to focusing on this issue. I know that it is something that my predecessor was particularly vexed about, and it is something that I would also like to address. Thursday's unfortunate incident brought it all to the fore. However, I re-emphasise that Thursday's events were, in many ways, a microcosm of what goes on in every town, village and city across the North every weekend, with young people drinking to excess. It is incumbent not just on my Department, DOJ and us, as elected representatives, but on parents and young people to assume responsibility.

### **Illegal Dumping: Mills Report**

4. **Mr Humphrey** asked the Minister of the Environment what steps his Department has taken to reduce waste crime and illegal dumping in Northern Ireland following the publication of the Mills report in December last year. (AQT 714/11-15)

**Mr Durkan:** I thank the Member for his question. My predecessor commissioned the Mills report following the discovery of waste crime on a scale previously unseen and, I dare say, undreamt of here in Northern Ireland. In fact, it was in my constituency. It has elicited a prompt and, I believe, robust response from my Department.

A number of actions were taken even before we received the Mills report. My predecessor secured £1.5 million in the June 2013 monitoring round. That has been used to employ 10 extra waste enforcement experts in NIEA's environmental crime unit; to clean up some of the waste at the Campsie illegal waste dump that posed the most immediate environmental risk; and to buy specialist investigation equipment. The funding has helped the NIEA to set up a major waste crackdown through what is known as Operation Toothfish. The operation is being led by the NIEA's environmental crime unit with the assistance of the PSNI. The operation currently involves 25 investigations covering 31 sites and 42 suspected companies and individuals across Northern Ireland. That is a worrying scale indeed. This is a comprehensive crackdown that is targeting a variety of potential types of waste crime, including illegal landfill, refuse-derived fuel, fuel laundering, end-of-life vehicles and waste tyres. The operation is the start of a programme of action over the next few years to reduce the creation of waste and to establish a fully compliant waste industry here in Northern Ireland.

**Mr Deputy Speaker:** I call Mr Humphrey for a very quick supplementary.

**Mr Humphrey:** I thank the Minister for his answer. Can I ask him to provide assurances that his Department will liaise with the Department of Justice to ensure that the serious issue of waste crime in Northern Ireland, which he has acknowledged, will be addressed by the increased sentencing that applies across the United Kingdom?

**Mr Deputy Speaker:** I call the Minister for a very quick answer as well.

**Mr Durkan:** I also raised that issue at another recent meeting with DOJ. Officials of mine and in DOJ recently held a joint seminar on the very issue of waste crime. It is important that the severity of sentence reflects the seriousness of the crime.

As it stands, the sentences that we have — the punishments — are not sufficient deterrents,

given the vast profits that are there to be made by opportunists and criminals

3.30 pm

## Executive Committee Business

### Budget Bill: Second Stage

*Debate resumed on motion:*

*That the Second Stage of the Budget Bill [NIA 32/11-15] be agreed. — [Mr Hamilton (The Minister of Finance and Personnel).]*

**Mr Girvan:** At this Stage of a Budget Bill, anything that has to be said has been said. However, suffice it to say that a number of very good initiatives have been brought forward by the Executive that have been of benefit to the people of Northern Ireland.

One of the things that is causing us concern for the future is welfare reform and the effect that it could have on our block grant should we not move ahead and make a decision. I appreciate that it is already costing us money and that £15 million has been set aside for the first quarter of this year to address some of the ongoing costs that could be attributed to it, with the costs rising to £270 million if we do not move ahead with it.

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

I appreciate that the Vote on Account 2013-14 will allow spending to be made up to April and allow us to move ahead until we set the Estimates in June. Almost £16 billion will be spent, which will allow us to move ahead.

I appreciate that the Executive are looking at a couple of other areas, one of which is air passenger duty (APD). Some of the APD has been devolved to us to attract additional air links. One of the major problems in Northern Ireland is that we rely heavily on our air links: people cannot necessarily travel freely as we have no land links to other areas of the United Kingdom. APD has been devolved for long-haul flights, and it would be encouraging if we could attract additional long-haul flights into Northern Ireland. We know that most of the people who would use those flights would ultimately stay for some time and spend money in our local economy. That is a very important issue that needs to be addressed.

A number of things came through the Committee, and I appreciate that we have had the opportunity to look at what has come forward. I also appreciate that each Department has been involved in bringing forward its budget for the forthcoming year and explaining how it will break down its spend. I feel that the process has improved. Through the monitoring rounds in October, November and June, Departments have released money that they have not spent. That has been very good, but it is important that we get the money early enough so that it is all spent. I think that that is the case.

We do not want any money to go back to the Treasury; everyone always says that it is a big problem when you hand money back to the Treasury. We are making use of the money, but we must ensure that what we spend is not wasted. I appreciate that it is the responsibility of each Department to ensure that it spends the money that is allocated to it effectively. On some occasions, however, we are not so sure that we get that efficiency. We need to ensure that that is being driven out and that all those efficiencies are there.

As I said, one of the big worries that we have is welfare reform and how it could affect what happens in the forthcoming year of the Budget. It is vital that we resolve that matter and move ahead.

So, with that, I support the Budget Bill as presented and just hope and pray that we definitely come within our spending limits in all areas. I know that the Executive keep a close eye on that. I believe that they have done a good job this year, and I do not think that it will be anything different next year.

**Mr Principal Deputy Speaker:** I am glad you have that confidence.

**Mr Girvan:** It is confidence.

**Mr D Bradley:** I could not possibly comment, but thank you very much anyway, Mr Principal Deputy Speaker, for the opportunity to participate in this debate.

As I mentioned in the debate yesterday on the Vote on Account and the spring Supplementary Estimates, for the SDLP, using other means of levering further expenditure to invest in the local economy and sectors that could improve the lives of our people here is the whole purpose of devolution. Outside of the block grant, we had a promise that additional revenue-raising proposals to the tune of £900 million would be

incorporated into this Budget from 2011 to 2015. I do not know whether we are on target to meet that amount. I would be interested to hear an update from the Minister. I used to have a little bit of an obsession with the previous Finance Minister and questioned him quite often on that issue, so why break the habit of a lifetime.

Looking at this section of the Budget in isolation neglects the opportunity to be more holistic and strategic. A yearly Budget, as opposed to the current four-year Budget, would provide the opportunity for our economy to be more flexible, especially during these difficult times. There is no reason why we should not do what other Governments do, and what is done in Dáil Éireann and in Westminster, which is to produce a Budget annually.

In conjunction with an annual Budget, we should wish to emulate the Scottish Government, who, in establishing the Calman commission on extending devolution, highlighted the additional set of levers they could obtain that would provide more control and help to shape a bespoke economic future. Other forms of devolution could include tax-varying powers. We have mentioned them before: landfill tax, motor tax, corporation tax, enterprise zones and so on. Such devolved powers would enable us to move away from a process like today's Budget Bill, which is not much more than tinkering around the edges of what we are supplied with.

**Mr Ross:** I thank the Member for giving way. He mentioned a number of tax-varying powers that we could devolve to the Assembly. Perhaps he would share with the Assembly the cost of devolving those powers.

**Mr D Bradley:** Of course. There is absolutely no difficulty about sharing the cost of those — we just ask the Minister of Finance here. As we know, when we ask for the cost of devolving powers, we get one figure from the Minister and another comes from the Treasury. It is all really quite confusing, so to get an accurate figure is very difficult indeed.

It would provide the opportunity for us to use our finances in a way that could boost the local economy and improve the lives of the people of Northern Ireland. I imagine that the Finance Minister would relish the opportunity for the Executive to develop greater financial control, to get to grips with tax-varying powers and to set, collect and invest those taxes back into the economy.

In response to Mr Ross's question, a commission such as the Calman commission would look at the possibilities from devolving tax-varying powers and might engage in the costing of those powers. So, we would know what is available to us and what the cost would be. Therefore, we could make decisions based on evidence, and I am certainly in favour of that.

Every time the subject is raised in the House, it provokes controversy and the type of question that Mr Ross asked. If he really wants his question answered, he should support me in calling for a Calman-type inquiry. Then, he will have the answers and I will have the answers, and we can then make up our minds about the future.

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

**Mr D Bradley:** No, not on this occasion. *[Interruption.]* I have been generous enough: I gave way to your colleague who I am sure you trust enough to convey the thoughts of your party to me. I have answered his question.

There is no doubt that these issues are complex, but that is not a reason to shy away from them. We should not be constantly reverting to the automatic default situation. We should seek to explore what is available to us on a cost-benefit basis.

Our long-term planning must involve seeking, to the greatest extent possible, to stand on our own feet economically. Our medium-term planning must involve becoming more flexible to the needs of our economy, and in the short term we must make budgetary changes to position ourselves so that we benefit from the global economic uplift.

During this debate, my other colleagues will be raising such opportunities, notably the opportunity to use investment in all-Ireland infrastructure projects, including improving the roads infrastructure to boost economic growth. They will also talk about investing in the green new deal initiatives and focus on sustainable job creation, which was all but ignored in this Budget. Such an investment would not only help tackle climate change but the measures proposed have the ability to help lift vulnerable people out of fuel poverty and, crucially, provide opportunities for very significant job creation.

Finally, instead of handing them back, DSD moneys should be reinvested in house building to boost the construction industry. As has been well rehearsed in this House, house building is labour intensive and consumes considerable

quantities of locally-sourced material, so it offers a high economic-multiplier effect. It is essential that we properly consider such options while debating the Budget to provide a better way of life for all of our people. A Phríomh-LeasCheann Comhairle, gabhaim buíochas leat as ucht na deise cainte.

**Mr Cree:** Yesterday, we approved the spring Supplementary Estimates and Vote on Account, and I appreciate that a new Bill needs to be in place before the end of the financial year. However, this year will complete the third year of Budget 2011-15, which means that we will shortly be entering the final year. It is crucial that we examine what targets have been achieved and what remains to be done.

We discussed, at some length, the savings delivery plans that Departments were required to meet. What is the situation on real savings that have been achieved? One Minister — the Minister of Education — refused to cooperate and opted out of the plan. This is the same Minister who blocked the financial review process and frustrated the clear will of the House. The Northern Ireland Assembly attracts a lot of criticism, some of it ill-advised, but how can we explain to our citizens that the Executive cannot even agree two non-political and non-contentious plans to improve the running of government in this place?

**3.45 pm**

I would like to revisit the use of consultants. A target of 10% year-on-year reductions was expected: what progress has been made there? I continue to be concerned about the way in which we handle financial transactions capital (FTC). This is a relatively new area of economic development and has considerable potential. Will the Minister tell me what formal plans have been put in place to maximise this investment opportunity, bearing in mind that a structured approach is necessary? It is also essential to have a close working relationship with the private sector, bearing in mind the lead time for capital projects.

Yesterday, the Minister drew attention, as another Member has done, to the £15 million being held that may have to be paid to the Treasury because of the delay in dealing with welfare reform. I understand that it is being held in the centre. What other moneys are there now, and what is his best estimate of what will be there at year end?

In the past, use has been made of overcommitment to prevent moneys being

returned to the Treasury as a result of money not being spent as anticipated in the Budget. We also now have the provision of headroom to safeguard against late underspends. Will the Minister clarify the total provision available now and the estimated total for the year end? I am sure that he will agree that there is a danger of resources being spent on low-priority areas, should there be surplus funds towards year end.

Colleagues from my party will address other issues in the Bill during the debate. They will arrive shortly, I am quite sure.

**Mr Dickson:** The Budget gives us the opportunity to reflect on recent financial changes across various portfolios and the impact that budgetary decisions have on the services that the Assembly ultimately delivers. The financial stability of our Budget sends out a very strong signal. I am sure that the Finance Minister would agree that that signal goes out not only to our community and those who benefit from the Budget that we spend inside Northern Ireland but, most importantly, to investors and businesses wishing to contribute to Northern Ireland, perhaps from outside.

Financial stability is very important to any economy, and the stability of our Budget and how we budget is important. Therefore, perhaps one of the biggest issues presenting instability today is the difficulties that we are having with welfare reform. We have been told that we are facing a fine of some £5 million and that is just a short-term cost. In the long term, if we do not move on with this legislation, the costs could be astronomical, with the Finance Minister suggesting recently a figure of £1 billion. The figure may be in dispute, but the fact that there is and will continue to be a cost of doing nothing is indisputable.

I do not support every part of the welfare legislation, but the place to have opposed it was in Westminster. The room that we have in this House is for local determination, and I support that within the overall framework of the Bill. However, what there is not room for is a continued Mexican stand-off between parties. What we need is constructive dialogue on the Welfare Reform Bill, not a megaphone debate.

We must act in the interests of the whole of Northern Ireland by taking part in constructive negotiations among the political parties in order to discuss what possible key refinements can be made to the Bill as it is brought to the Assembly. It is essential that this is progressed now before wider cuts are needed to other services that also deliver alleviations to poverty,

and we start to see a domino effect on some of the poorest and most vulnerable in our society.

I will turn now to local government reform, ongoing reform and the cost of local government. We will need to consider the significant cost of the merger of councils. Of course, this will save money in the long run, but these costs will be borne by the Department or by ratepayers. It is worth asking the Minister whether extra resources will be allocated from within DOE or whether more money will be allocated from the centre. This is, after all, a public administration review and not just a single-Department review, and so should be supported centrally. I am also interested in knowing how the Executive plan to ensure that the new shadow councils manage the mergers of debts and rate convergence for the benefit of ratepayers and business rate payers.

Health is perhaps the largest spending Department, so fluctuations in spend have significant knock-on effects, specifically because extra money has been allocated to tackle winter pressures this year. That has not solved the problems for this year or for future monitoring rounds. I would like to know how the Finance Minister has dealt with the Department of Health with regard to these allocations and how they will be adjusted to reflect likely increases in winter pressures, not only this year but into the future.

Given that Transforming Your Care is being implemented against a backdrop of falling resources and that it appears that it is being implemented poorly, does the Minister feel that the financial and human resources available for Transforming Your Care are adequate? Health resources will likely be in user strain for the foreseeable future. These two issues concern essential cross-departmental work. We need to ensure that they are managed, and managed properly.

In education, the Minister recently mentioned that he is considering putting extra money into his reform of school funding so that the vast majority of schools will no longer lose out. I do not think that that has been formalised, and it is not clear where the money is coming from. Schools, governors, teachers and principals need clarity on how this is to ensue to ensure correct budgeting so that all of our children will benefit.

There are also wider points to consider that are not Department-specific. One example is the reallocation of capital funding which we have seen due to the failure of the A5 road scheme this year. Capital reallocation makes it clear



that greater planning is needed to ensure that there are ready-to-run capital projects that are always able to go, so that underspends can be reallocated and capital budgets more effectively managed. This does not always require more money, but it perhaps requires better management across the Executive's funding. What actions is the Minister of Finance taking to ensure that his Executive colleagues are meeting their obligations on these matters?

On European money, the issue is better use of resource rather than need for more resource. The Maze peace centre is an exemplar of politics trumping investment. We need to ensure that every Department is doing its best to draw down the maximum sums of money from European funding. I also argue that competitiveness funds are key here. DFP should provide assistance to make sure that they are used by other Departments and agencies in an innovative manner.

Additionally, it would be worthwhile to call for a benchmarking project to see how our budgets shape up compared to other smaller regions. For example, we have talked in the past about spending more on economic growth and capital funding, although this obviously has to come from somewhere.

I have these direct questions for the Minister: when will the Executive agree an overarching approach for the allocation of the one-year 2015-16 Budget? Will the various Committees be given adequate time to engage with the relevant Departments in that process, given the extension of the Assembly mandate for one further year?

Finally, my party has highlighted in the past the high cost of division, as I am sure the House is well aware. Too many schools, too many riots and too many scared-off investors contribute to a massive problem for the Northern Ireland economy. These are obviously long-term problems. We should begin by undertaking an exercise to calculate them so that Ministers at least know how to go about tackling them in the future, if they have the desire to do so.

**Mr Weir:** I support the Bill. Quite naturally, a number of Members have bombarded the Minister with a list of questions that he will have to answer in his winding-up speech. I am sure that the Minister will be glad to hear that I will not go down that route. There is a slight danger of this being like an old episode of 'Record Breakers', with the Minister performing the role of Norris McWhirter in the chair. I am half expecting somebody to ask him what the fastest land animal is or what the largest tree in

the world is. I will not tax his powers of knowledge on those issues. I will simply address some of the issues that are in front of us.

I welcome the Budget. Our Budget-setting process is a sensible one that is based on sound financial projections. Although there has been some criticism of the fact that this is part of a wider package of a Budget running over a comprehensive spending review (CSR) period, it is a sensible way of doing things.

If you go back far enough, not just in Northern Ireland but across the UK in other jurisdictions, to when Budget Bills and Budget statements were driven by the needs of one particular year, there was a criticism that Budgets were almost like an oscillating rollercoaster — a Chancellor would make an announcement depending on whether the Government wanted to have a year of austerity or a giveaway Budget in the run-up to an election. The end result was that no great certainty was produced in the economy or in Departments.

In recent years, while there has still been flexibility to make adjustments and deal with individual circumstances, the movement towards a much more strategic look at the Budget over a longer period, particularly in Northern Ireland as we are, in many ways, dependent on our block grant and CSR settlements, seems sensible.

This is a Budget based on firm figures. I was not particularly persuaded by the Member on the opposite Benches who had a long list of schemes that could be transferred. They were almost like get-rich-quick schemes. I wonder whether he was expecting the Department of Finance and Personnel to invest in a goldmine in South America as a way of generating additional money. When my colleague questioned him about the cost of a range of things, he said that he did not know and that we should try to find out. To my mind, that is very much like advocating a range of tax-varying powers without having a clue what it would cost. That is very much like approaching someone to buy a car, agreeing to buy the car, signing for the car —

**Mr D Bradley:** Will the Member give way?

**Mr Weir:** I will extend to the Member the same courtesy that he gave to me, so I will not give way. The Member had the opportunity to deal with this point when he was on his feet and refused to give way to me.

The SDLP's approach seems to be to buy the car and find out the cost later. To me, those seem to be the economics of the madhouse. We have something that is based much more on reality.

**Mr D Bradley:** Twice in one day. *[Interruption.]*

**Mr Weir:** Indeed. I look around the Chamber, and I will come to the other issue in a short while. There is no shortage of madhouses around here.

There are two or three issues that I want to touch on in the context of the Budget. First, in local taxation, there is variability on the broad issue of rate increases. I welcome the move made by my party and by many others in local government to try to keep rates to a minimum. In recent days, zero rate rises have been agreed at a local level in Dungannon, Craigavon and Belfast.

**Mr G Robinson:** And in Limavady.

**Mr Weir:** And in Limavady, according to information on my right.

Clearly, that is a good thing as we try to ease the burden on people in tough economic circumstances, but that is valuable only if the approach to minimising rates is also taken at a central level. I am glad that, for one of many years, rises have been kept to a maximum of the rate of inflation, which is sensible.

The end result is that our business rates and non-domestic rates compare extremely favourably with other parts of the United Kingdom: for example, the average business rates bill for 2014-15 in Northern Ireland, excluding reliefs and exemptions — many generous reliefs and exemptions have been built in here — will be £10,819, which compares with an estimated figure of around £15,000 in England. When you consider that the average domestic ratepayer in Northern Ireland pays roughly half what is paid across the water, it shows that the Executive, and the Finance Minister in particular, are very cognisant of the difficult positions in which businesses and families have been put as a result of the recession and have tried to keep that burden to a minimum.

For example, increases to the regional rate have been frozen in real terms for the past seven years as a result of decisions taken by the Executive. Given that, under direct rule, we sometimes saw double-digit increases, that is something to be borne in mind. Set against that

is the fact that, particularly for businesses, we have a range of reliefs in place. For example, on small business rate relief, the reliefs that apply to empty retail units and small business support mean that more than 50% of businesses receive some form of relief.

**4.00 pm**

Obviously, the issue of rates in the Budget will become particularly pertinent as we move towards rates convergence. On that basis, as indicated in the Budget, up to £30 million has been allocated over the next three years to try to smooth the passage for people as they move, in some cases, from areas of lower rates to areas of higher rates. I think that it is right that ratepayers be protected, and, indeed, a quarter of a million ratepayers will have an adjustment in connection with that. It will also help ease the burden for councils, because it is undoubtedly accepted that the initial costs of RPA will be largely focused on the early years. That will allow councils the opportunity to reduce their costs through convergence, but it is a challenge to them to do that. From that point of view, the same commitment that local councils have given in recent weeks to a zero or low-level rates increase has to be matched in the overall fiscal position as we move ahead.

As part of the Budget process on rates, revaluation for non-domestic properties is an issue that will be tackled. It is important to realise that there are expectations to be met. Sometimes, there is a failure to grasp how rates work. Some businesses make an assumption that, because their value has gone down or, indeed, because they are doing less trade than they were six years ago, revaluation will automatically lead to a reduction in their level of rates. The key thing to realise is that it is a comparative realignment, so, consequently, businesses will see a reduction in rates only if they have declined in rateable value at a swifter rate than the average. Therefore, it is an issue that the Assembly has to manage, as far as the challenges that are there are concerned.

As has been mentioned, it is important that the Budget look at delivering services for the best possible value. I remember one of the previous Finance Ministers, who is now the First Minister, highlighting the fact that one of the problems in making an assessment of public sector spend was that, at times, there was almost an assumption in Departments that 99% of what was spent last year would essentially go unchallenged and that the focus would be only on areas in which you were looking at either additionality or small cuts. Therefore, I support the current Finance Minister's

commitment in the Budget process to the public sector reform division, to looking at the ways in which we can tackle public expenditure, and to looking at the ways in which Departments and business areas deliver public services. I say that from not only an economic point of view but a delivery point of view. It is a very important decision that the Minister has taken.

Undoubtedly, we have a sound Budget, and that is true as of this moment. However, it would be remiss of me to suggest that there is not an elephant in the room — one that is becoming bigger and bigger as time moves on — and it is the potential impact of dodging the bullet on welfare reform. As has been indicated, even for 2013-14, the Finance Minister has had to set aside £15 million, potentially for payback for that. The longer that this issue goes unresolved, the higher that figure will escalate. The estimates are that in 2014-15 it will reach £105 million, stretching forward to an annual drain on the Executive's resources of around about £363 million in 2018-19. The cumulative effect over those five years, calculated purely on what is being lost to the block grant, will be over £1 billion.

As I indicated, if we do not reach a swift resolution, the loss in 2014-15 will be £105 million, or, to put it in context, 2,500 teachers or over 2,000 nurses. That is the stark reality. It is not simply a question from a financial point of view of people in the House defending their ground. This will have a real impact on services on the ground, and we have to recognise that this is hitting all our constituents.

However, it also goes beyond that. Some 1,410 jobs are essentially dependent on the outsourced work that local workers do for DWP to provide a service for the whole of the United Kingdom. Quite frankly, if we decide simply to go down our own path or to keep on delaying welfare reform, that will have an impact on those people. There will not be work for them. Why on earth would DWP outsource work to an area that does not follow the remainder of welfare reform?

That will then have an impact on the Budget. If we have a situation where, instead of drawing money into this economy, we add to the numbers of unemployed, that will clearly have a dramatic impact. Similarly, we are facing a crunch with the withdrawal of DWP computer systems, which will mean that, from 2016 onwards, we will start seeing a situation where there is a very real threat to a range of benefits. That money will simply cease, because the computer systems will not be there to process the benefits. If we seek to fill the gap by

providing our own computer systems, in each of those six different areas, the bill could be up to £300 million. That is a frightening and sobering prospect in the context of this Budget.

Yesterday and today, the Minister was right to highlight that issue. Welfare reform is the elephant in the room, and there is a catastrophe potentially coming down the road for all our constituents if the issue is not grasped soon.

On that note, I welcome this Budget Bill. However, the Budget must come with a very severe health warning. If irresponsibility continues in welfare reform, as the year moves on, we will see further pressures and necessary cuts in public services, which will impact on everyone. The gap will grow greater and greater until it is unsustainable. With that warning, I urge Members to support the Budget Bill as it represents what I believe to be a sound Budget presented by the Finance Minister.

**Mr McQuillan:** I welcome the opportunity to speak on the Bill as a member of the Finance and Personnel Committee and as a Member for the constituency of East Londonderry.

The Bill is intended to have a very important outcome, which is Departments' ability to draw down funds for the remainder of this financial year and, from April 2014, for the beginning of the new year. We all know too well the importance of the Bill, as a failure to agree the vote on the budget in the USA late last year left it at a standstill. I therefore trust that we will not find ourselves in such a position.

The economy has come through many a storm in the past seven or so years, and there finally appears to be light at the end of the tunnel, with some evidence of economic growth and movement in the property market. Nevertheless, we need not breathe a sigh of relief just yet, as we continue to see job losses, such as those that were lost at Mivan in Antrim. We therefore need to continue to see investment in training so that we can see young people adopt much-needed trades and those who have lost their jobs or suffered setbacks retrained to re-engage in the economy and grow the private sector.

I also want to see investment in early years education. That is central to our economy on two fronts: it is the keystone of investment in our children; and it gives them the best start in life as they begin their education. Early years education has suffered cutbacks in recent years, and working parents have been unable to secure places for their children. The latter point is serious. If there are few or no spaces, the children suffer as well as the parents. I

want to see more investment in early years for our children, their parents and our economy at present and in future.

I also call on the Education Minister to look at the way in which early years are funded. It is sometimes November before a school knows what funding it is to receive. The sooner that changes, the better for all concerned. A school needs to know much earlier in the year how much money it has for the year ahead.

Investment in our workforce is also needed. I ask the Minister of Finance and Personnel when police support staff, who formed the backbone of the Police Service of Northern Ireland, with many also forming the backbone of the RUC, will see the back pay that they are entitled to. That has been on the cards for some time, and I am as keen as they are to see what they are due being paid to them.

I also ask the Minister for an update on the non-domestic and domestic rate valuations. Valuations of domestic and non-domestic properties have not been carried out for some time. I am therefore keen to ensure that rates valuations are as reflective today as they were in previous years, given the changes in the property market. I know that the process of valuation has begun for non-domestic rates. Can the Minister therefore provide the House with an update on any progress made to date as well as an update on the domestic rates valuation?

The small business rate relief scheme has been extended and continued over the past number of financial years. I am therefore keen to see the scheme continue beyond 2015. That is a small way of helping our small business community in Northern Ireland, especially those on the high street, something that I am keen to preserve. An extension to the scheme as it stands would be welcomed by the small business community in recognition of the importance of small businesses to our economy. I thank Members for listening and commend all that I have said to the House. I support the Bill.

**Mr P Ramsey:** As SDLP spokesperson on employment and learning, I want to focus on some areas of concern to us. The SDLP opposed the 2011-15 Budget for a number of important reasons, many of which my colleagues highlighted yesterday and will continue to highlight today.

One major cause of concern that we flagged up regarding the Budget in 2011 was the fact that the Department for Employment and Learning

was asked to make a resource saving totalling nearly £400 million across the four Budget years. When the Budget was set, we highlighted the danger that it failed to provide clarity on student finance, student fees and the educational maintenance allowance while proposing substantial cuts that would put additional pressure and stress on students, who already face an uphill struggle to gain further and higher education, and would limit their access to learning and training in their preferred field.

Yet in the years since the DUP and Sinn Féin passed the 2011 Budget, we have still not gained clarity on funding for further and higher education. The discussion regarding an increase in student fees is ongoing. That is, of course, close to my heart, as I know the benefit that a rise in the student cap would be to Derry and the north-west. A substantial university campus in Derry is the primary and key investment in the economic regeneration plan that would enable substantial economic and social growth in the entire north-west region of Northern Ireland.

The economic strategy of Northern Ireland, and of developed regions globally, is predicated on knowledge-based industries. Cities and regions with a strong university presence can achieve a sustainable advantage in those industries. However, rather than provide additional funding, it appears that the Executive are content with the continued export of our knowledge-based students.

Investment in the science, technology, engineering and mathematics (STEM) subjects — I know that a number of members of the Employment and Learning Committee see them as vital to the future — and promoting and progressing them consistently is essential for the development of a strong knowledge-based and skilled workforce. We see that continuously, and I am sure that other Members will make reference to it. Without such investment, our young people and students will be disadvantaged and our economic growth will be hindered, precisely when we should be preparing to take advantage of the beginnings of a potential global financial upturn. In that regard, a failure of the Minister to safeguard successful local delivery agents for Steps to Work so that they could deliver the new programme was a strange decision. Again, it is a matter that has caused concern in the Employment and Learning Committee.

**4.15 pm**

The Finance Minister may not be in a position to respond to that, but of the eight bidders who have secured preferred status, seven are UK-based companies. When we have models of success across Northern Ireland through local companies in Steps to Work, it amazes and, frankly, shocks me that they have been excluded from the process. Building a new employment programme by putting those who sought to deliver it locally out of a job is not building any confidence or helping to deliver capacity across all regions in Northern Ireland. Therefore, although it is welcome that the employment Minister recently brought forward Enabling Success, a strategy to reduce economic inactivity, the SDLP will be sure to critically analyse that and respond to the consultation, as will the members of the Employment and Learning Committee.

Despite the major cuts to the DEL budget included in the 2011-15 Budget, which we will discuss today, I trust that adequate funding will be found to tackle the endemic problem of economic inactivity. We have not been given any figures in the strategy, a most welcome strategy from the Minister for Employment and Learning and the Minister with responsibility for economic development, Arlene. It will be interesting to see whether the Minister of Finance has any inkling of what sort of funding streams will be in place to progress that much-needed programme across a number of the regions where there are hotspots of economic inactivity much higher than the Northern Ireland average.

Given the problems that we have experienced around apprenticeships in the past, it is notable that they warrant only two references in the Enabling Success strategy. Questions must be asked about the massive saving, almost £130 million, to be made by DEL in 2014-15 and how that ties in with the priorities of stimulating the economy and creating opportunities. That is a higher saving in the period than in any other Department. The Executive need to ask themselves how seriously they take the functions of the Employment and Learning Department.

We require new thinking and funding for apprenticeships. Training centres of old were fit for purpose and, at that time, in that economy and in their area, provided good, traditional trades. We need to go back to that. We need to be more creative with companies across Northern Ireland as we come out of recession. However, new models must be adequately funded. A new programme is looking at senior, higher levels of apprenticeships, which is most welcome, but we cannot forget that traditional

apprenticeships are the core of small companies and contractors across Northern Ireland.

Although the strategy is referenced in a commitment in the Programme for Government (PFG), it is not referenced in the Budget. That is because the Budget was set beforehand. Given that, over the past 30 years, our economic inactivity levels have never dropped below 25% of the working-age population, it is surprising that the issue was not in the Budget. However, now that the Ministers are set to produce a policy to tackle the issue, it is yet another example of how we cannot rely on a Budget that is clearly years out of date to best manage our finances, provide sound planning and allow for transparency and accountability. It is also an example of how Executive Ministers can work cross-departmentally on issues of importance to our economy. However, given that the Ministers were unable to appear jointly in front of the Enterprise, Trade and Investment Committee to discuss the strategy, it is certainly not something that you would hold up as a shining example. Instead, I again request, on behalf of the SDLP, that we produce a new and better Budget that does much more to stimulate economic activity in Northern Ireland.

I want to reference U4D, the University for Derry campaign in the north-west. A new report, which was, coincidentally, launched today, highlights a number of key areas for students and student movement. U4D is calling for a substantial expansion to the University of Ulster's Magee campus to bring Northern Ireland's higher education provision up to the levels achieved in the rest of the UK. The chair of U4D makes it very clear that the report reveals that Northern Ireland requires an additional 14,400 places at its universities just to match the existing level across Britain and England. The provision in England is increasing by 30,000 places this year precisely because the British Government realise the connection between the skills generated by a university education and the long-term health of the economy. I am mindful of comments made by the Minister before he was in post. He was certainly very supportive of the university base and the importance it plays in the economy. The chairperson of U4D said:

*"It is only by increasing the skill base of the labour market in Derry-Londonderry and the wider North West that we will combat our unacceptably high rate of unemployment. Only the substantial expansion of university provision will turn our economy round."*

My party has said consistently, as have all parties represented in the north-west that — and I say to the Finance Minister — the most important investment ever to take place in Derry will be the expansion of the Magee campus. We have had a limited increase in numbers over recent years. The One Plan for the city, which was accepted and adopted by the Office of the First Minister and deputy First Minister, had, for example, an increase of over 7,000 full-time students at Magee. We do not see that materialising. Perhaps, the Minister would like to comment on that.

Some of the report's key points are as follows. Northern Ireland provides the highest proportion of school leavers going to universities of any of the UK areas. It has the smallest university sector of any of the UK regions. Our increased rate of school leavers going to university has been achieved only by a growing proportion of them going to Britain — not coming to universities here because we do not have the capacity to meet the demands and needs of our young people going forward. The loss of Northern Ireland's students to Britain is seriously damaging our productivity and industry, wealth generation and ability to grow our own businesses and attract inward investment.

I will move on to some Regional Development issues and the impact that the Budget Bill will have on the DRD work programme. I note in the Bill the reallocation of £108 million as a result of the A5 delay. The A5 project is still a major priority for the SDLP, as it is for other parties in the Chamber, and will remain so. It should remain so for the Minister. Perhaps, he will give us some of his thoughts on the way forward. The A5 project is more than just a road that gets people from A to B faster and safer: there is the crucial element of a hub, which will address economic and social deprivation as well as traffic issues. It is an important part of a cross-border project that is designed to address the negative elements of partition. It must remain so.

However, if it transpires that money set aside for that project is in danger of going back to the Treasury, we believe it should be spent on the A6 project. That is of direct benefit to the north-west, which has been starved of infrastructural money for decades. There is an acceptance from all political parties that that is the case. I recall in my earlier years, and the Principal Deputy Speaker will recall, that funding for infrastructural projects in the 1970s and 1980s was based on car ownership. When you had a city with high levels of unemployment and social deprivation such as Derry, that funding

was never going to go there. It is interesting to reflect on that.

Most importantly, we want to see the Dungiven bypass going ahead even if that means decoupling it from the rest of the project. Separate it and let us get it done. Last week, I attended the Committee for Regional Development meeting to discuss my private Member's Bill on 25 mph restrictions in residential areas. I was asked about the issue and what I was going to do about concerns about pollution in Dungiven. It is for the House to address that issue. If Dungiven has the highest levels of pollution, we have a duty of care to its population. I know that Members John Dallat and Cathal Ó hOisín have been raising the issue for some time. It needs to be resolved.

Alongside the lack of investment in the Enterprise service and the failure to make progress on the A5, the political game playing on the Narrow Water Bridge project, which some of our other Members will speak to, is ensuring that yet another North/South infrastructural project, with obvious benefits to transport and tourism, is being frustrated for no benefit.

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

**Mr P Ramsey:** Yes.

**Mr Wells:** You can blame many people for the failure of the Narrow Water Bridge project, but I do not think that Mr Hamilton falls into that category. The reality is that the Narrow Water Bridge project failed because the tender price was grossly underestimated. When the first tender came in, it was 80% higher than the figure that was given to the Special EU Programmes Body (SEUPB). The SEUPB was very quick to pull the offer of funding in December 2013, which did not give time for the shortfall to be made up. The Finance Minister's predecessor, Mr Wilson, provided money from the Northern Ireland block grant to make up our contribution for that. The Regional Development Minister approved the bridge order, and the planning Minister, who was, in fact, Mr Attwood, gave the planning approval and got it through as quickly as possible. So all the Executive Ministers in the Building played their part, but other issues outside the Assembly caused the loss of the project.

**Mr P Ramsey:** I take your point, but it is also the case that, with a bit of creativity and imagination and a wee bit more tolerance from

the Finance Department, we might be in a better place now.

Likewise, it is imperative that Ministers in Dáil Éireann and the Northern Ireland Assembly recognise the need jointly to fund the operation of the Foyle ferry service to ensure its long-term viability. John Dallat, in particular, has been championing and advocating that service for some time. I know that he was in the Dáil recently, along with other Members, addressing the Committee there. It is important that that provision between Magilligan and Greencastle is protected. It greatly enhances the economic value on both sides, North and South, so it is important that we champion it as well. The SDLP is very clearly behind the Foyle ferry service to ensure that it is sustainable.

For so many of these issues, we require a Budget that provides for the reshaping of our transportation infrastructure in a way that is visionary and relative to a modern Europe, providing for our commercial needs, commuters, North/South linkages and tourism development.

**Mrs Overend:** As the Ulster Unionist spokesperson for enterprise, trade and investment, I welcome the opportunity to speak on the Second Stage of the Budget Bill. As was stated by the Minister and other Members, today's debate and vote give legislative effect to the spring Supplementary Estimates and the Vote on Account approved yesterday. In many ways, the real debate on the Estimates will take place in the summer. Nevertheless, I will take this opportunity to raise some questions about the Department of Enterprise, Trade and Investment's spending priorities at the end of this financial year and will look forward to 2014-15.

The Department's strapline and reason for existing is:

*"to promote the growth of a competitive and export-led economy".*

In that regard, prudent government spending on economic development, principally via the agency of Invest Northern Ireland and the development of tourism through the Northern Ireland Tourist Board and Tourism Ireland, is vital. Significant sums continue to be committed to the development of tourism, with a headline figure of £870,000, and to the agencies of the Northern Ireland Tourist Board and Tourism Ireland, with sums of £17.441 million and £14.375 million respectively. What we do not know from the figures presented in the Estimates is the value that we are getting

from that spend or, as some would say, what bang we are getting for our buck.

We had Londonderry as the UK City of Culture in 2013. We also hosted the World Police and Fire Games last summer. This year, we look forward to hosting the Giro d'Italia. I welcome the fact that the Tourist Board has committed £3 million to that and that DETI has committed a further half a million pounds to the Tourist Board to cover some Giro d'Italia-related activities. Again, those sorts of events help to put us on the global tourism map. However, as legislators, we should be careful that we get a return on the investment that we put in to developing our tourism product. With the public investment that has been put in even at a time of recession, we should expect results through increased visitor numbers, increased hotel bed occupancy numbers and increased spend by tourists in Northern Ireland.

On economic development, Invest Northern Ireland is receiving an uplift in its budget from just under £130 million to over £160 million.

An issue that has been discussed with Invest Northern Ireland on many occasions is the move to talking and producing figures for jobs created rather than jobs promoted. Add that to the need for improved assessment of the value of exports from Northern Ireland and I will be a happier MLA. However, I must give credit where credit is due; from information presented to the Committee during earlier monitoring rounds, the £17 million spent on the purchase of the Invest Northern Ireland headquarters, which was previously leased under a PFI contract, should prove to be highly advantageous to the Northern Ireland taxpayer. The Northern Ireland taxpayer should always be in the forefront of our minds when we discuss budgets in the Chamber.

#### 4.30 pm

Indeed, as we look forward to a better economic outlook for Northern Ireland, albeit somewhat slower than the rest of the UK, it is important that an ideal environment is created to enable businesses to access advice and support to grow exports, to innovate and to become world leaders in an increasing number of industries here in Northern Ireland.

As has been said before, access to Horizon 2020 funding for local large enterprises and, more importantly, for small and medium-sized enterprises (SMEs), needs particular focus. In the previous time of framework 7, figures were produced that showed that one university in

Dublin received more finance than the whole of Northern Ireland. Therefore, expert guidance by this Government is necessary.

Everyone in the House should know by now and recognise, as I do, the value of our agrifood sector in Northern Ireland and its potential for future growth for the Northern Ireland economy. Indeed, the agrifood strategy document 'Going for Growth' outlines that very potential. However, we have yet to see any real progress on that. In the January monitoring round, we saw £10 million capital being handed back to be reallocated to the 2014-15 financial year for the agrifood loan scheme. I hope that that scheme is available sooner rather than later.

Mr McQuillan mentioned the small business rate relief scheme. Indeed, this is something that SMEs have mentioned to me, and it should be extended beyond its current end date of 2015. I am heartened to guess that if the DUP called on the Finance Minister to extend it, maybe this one will be delivered.

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

As an Assembly Member for Mid Ulster, I could not leave the subject of finance without mentioning the community safety college planned for Desertcreat outside Cookstown. I should not need to inform the Minister of the need for the college, but my constituents cannot be blamed for being bitterly disappointed at the continual delays and the consequential increased cost to the taxpayer. I wonder whether the Minister can detail the effect that the movement of the timescale on the project will have on his budget.

Mr Deputy Speaker, thank you for the opportunity to voice my concerns. I look forward to the Minister's response.

**Mr McCallister:** Yesterday's debate on the Supplementary Estimates and the Vote on Account and today's Budget Bill debate make up a significant proportion of the Executive's annual budget process. I do not think that anyone in the Chamber would disagree when I say that the budgetary process of the Executive is complex and largely process-driven. The Budget, which is set for four years, supposedly in line with the Programme for Government targets, and the process we engaged in today and yesterday and through monitoring rounds is largely a financial management process.

The link between the strategic direction of the Government and the budgetary process is limited, by comparison with other places. My

colleague Basil McCrea and others touched on that point yesterday. I would like to go into it in slightly more depth today, because I feel that it is vital, especially as the Executive go forward in their attempt to devolve corporation tax.

Scotland, by comparison, holds an annual budget, which is something that I strongly advocate for Northern Ireland. That annual process comprises the publication of a draft budget for the following year in September or October, which sets the Government's detailed spending plans for the following year. The Scottish Parliament and the public are consulted on those plans, and they are debated in December by the Parliament. That is followed by a Budget Bill phase, which begins in January with the Bill setting out the Minister's spending plans for the following year. The Bill goes through full parliamentary and Committee scrutiny, with the Finance Committee taking on considerably more scrutiny responsibilities than the Committee on which I sit.

That phase is followed by a Budget strategy phase, which takes place in the spring prior to the next UK spending review and is intended to allow the Parliament to scrutinise the progress that the Scottish Government are making on delivering their targets. That is largely missing from this place: the Programme for Government is written after the formation of the Government and then largely ignored as a tool to hold this Government to account.

The Scottish Budget process is designed to encourage the participation of the people of Scotland in the debate about how the Budget is spent. If we compare that process with Northern Ireland's budgetary process, we see that the difference is considerable. One lends itself to openness and enhances accountability; the other is often devoid of any meaningful link to the Executive's priorities and the Programme for Government.

I note the Committee for Finance and Personnel's review of the financial process and the recommendations for improving the Budget process in this place. Many of its recommendations reflect the process in Scotland. May I point out that when some of that was happening, and when some of those recommendations were being made, the now Minister was possibly a member of the Finance Committee?

I note that, yesterday, the Finance Minister stated:



*"I am as frustrated as everyone who raised the issue at the lack of progress on the review."*

He went on:

*"I strongly agree that this is an area where we need to see reform of what are outdated processes." [Official Report, Vol 91, No 7, p71, col 2].*

He appeared to lay the blame for the lack of progress with the Minister of Education. I am afraid that that answer and that approach are simply not good enough, for a number of reasons. Improving the Budget process is important now. In fact, with the Executive's commitment to devolving corporation tax, it is vital. That is why the Minister's answer is inadequate.

In light of new fiscal powers contained in the Scotland Act 2012, there is a debate in Scotland, right now, on how further to improve the budgetary process of the Government and the scrutiny powers of the Scottish Parliament, with particular emphasis on the role of a Finance Committee, which already has more extensive duties and powers than ours. The current Scottish Finance Committee scrutinises the financial memorandum of all legislation that the Scottish Government produce.

In the near future, Scotland will have to consider additional tax rates and allowances that will come under its control through the Scotland Act. Those powers might change again in the future, depending on the outworkings of the referendum. There is a complex procedure for the rate of income tax. It involves the consideration of issues and the accuracy of the forecast of tax revenues made by the Office for Budget Responsibility and, indeed, of regional economic data. This will add up to a much greater fiscal risk for Scotland because, if it chooses to vary income tax, its income may no longer be guaranteed.

As a supporter of devolving further powers, I welcome that risk. It is grown-up, accountable politics. It is also grown up and accountable that the Scottish are ahead of Northern Ireland in their financial scrutiny and are prepared to enhance that even further. When we compare that with the approach to financial scrutiny and the devolution of further tax-varying powers to Northern Ireland, the difference is, again, stark. Scotland held a far-reaching commission to examine the issues in their entirety and to make progress on financial scrutiny. However, despite the Executive's unanimous support for devolving corporation tax, what preparations for

enhanced scrutiny have we made in the House and, indeed, in the Finance Committee?

The issues surrounding corporation tax are also significant. Of all the viable taxes that can be devolved, it is the most volatile, meaning that forecasts and tax returns vary considerably year on year. If used, that will increase fiscal risk, making it considerably more difficult to plan spending. On top of that, making the case for devolving corporation tax has proven that Northern Ireland has weak regionalised economic data. It is still unclear as to what the actual corporation tax take is for Northern Ireland. The data needs to improve significantly.

For many of those reasons, NI21 advocates looking at the issues of devolving fiscal powers in a broader manner, examining all the potential taxes and looking at which are best for incentivising economic development, while minimising and limiting the fiscal risk.

The debate surrounding the devolution of corporation tax has not examined the implications for our budgetary process and scrutiny. I believe that that is a major oversight on the part of the Executive, especially the previous Finance Minister, who may not have been just as enthusiastic about devolving corporation tax as the current Minister is.

I note that Sinn Féin raised the issue of devolving more fiscal powers at its ard fheis at the weekend. I must warn that few will take that seriously when one of its Ministers is holding up reform of the budgetary process in Northern Ireland, which I have described previously as being vital to the successful implementation of devolving fiscal powers. Therefore, it is not grown-up politics if you ignore the scrutiny and do not take the tough decisions. We have to get to the stage of having grown-up politics that welcomes scrutiny of a Budget process, that will take the tough decisions and that will explain to our electorate why those tough decisions are having to be taken. At present, Sinn Féin is in government and comfortable in government, but it has the skill for ignoring uncomfortable issues and pretending that they are nothing to do with the party.

I ask the Finance Minister whether he believes the current Budget process and scrutiny provisions to be fit for corporation tax to be devolved into. Indeed, if they are not, will that be an additional stumbling block that he will face? If the Minister says that they are not fit, will Treasury agree with that analysis? Will Treasury even consider devolving the powers to this place if the scrutiny provisions are not fit?

The Minister needs to have those discussions with Treasury. I assume that he has had discussions with Treasury on corporation tax.

The House will be aware that I am in favour of reforming these institutions and that I support the introduction of an opposition. Just as the Finance Minister has stated that he does not want to reform public service delivery on a personal whim, I do not want to introduce an opposition and reform the ability of the House to scrutinise the Government because of personal impulses. The introduction of an opposition would be good for democracy and public engagement, and, ultimately, good for public service delivery and our economy.

**Mr Ross:** We are used to debating and discussing Budgets in fairly gloomy economic periods, and I suppose that what we are dealing with in Northern Ireland at the moment is a hangover from the tough economic times of recent years.

I listened to the contribution from Mr Pat Ramsey earlier, and he talked about many of the difficulties that young people in Northern Ireland are facing, which are issues that we are dealing with on the Committee for Employment and Learning. Many young people find themselves out of work or not in any sort of formal education or training, and that is a real issue that is affecting so many people. We both had the opportunity to go to the European employment conference in Brussels at the end of last year, and it, in many ways, put into context the difficulties that we are facing in Northern Ireland.

We still have far too high a youth unemployment rate; of that there is no doubt. However, when we compare that with the 60% rate of youth unemployment in places such as Greece, the 57% in Spain and the rates in Italy, Portugal and even south of the border, we see that some places face much worse difficulties than Northern Ireland. Nevertheless, it is absolutely right that, in the Budget, public spending is targeted towards schemes that will help young people to get into work.

Mr Ramsey talked about apprentices, and we know that the Minister for Employment and Learning is working on a new approach to apprenticeships. It is important that those are well funded. There is also the potential that we may need to give some financial assistance to some employers to take on some of those apprentices. However, again, I think that this Budget will cover and identify that.

4.45 pm

I listened to Mr Ramsey say that one of the greatest challenges that we face in our local economy is young people going across to GB and not coming back. The way in which we can encourage those young people to come back to Northern Ireland and to contribute to our economy is by ensuring that we have the jobs in place to attract them back. We should keep that in mind when we are discussing economic matters today.

I said that we are used to discussing gloomy economic periods. Perhaps the Finance Minister will be glad that he came into post when he did, because there are definitely positive signs of growth in the economy. Unemployment has fallen for 11 consecutive months in Northern Ireland. We have seen in the region of 1.2% growth in the local economy. That does not sound massive, but, compared with where we have been in the past number of years, it is definitely an encouraging sign.

Many of us who speak to construction companies in our constituencies or across Northern Ireland will know that they are much more positive about the future. I always think that, if the construction sector is more confident, it is a good sign that the economy is heading in the right direction.

Forecasts from Danske Bank's report on consumer confidence show that it is at the highest level in four years, and the Ulster Bank purchasing managers' index again reported an increase in business activity during December, which is the sixth consecutive month that that has happened. So, there is definitely positive news.

There is always a point during Budget debates when Members have to discuss what is going on in their constituencies. In recent weeks, there have been two positive developments in my constituency, East Antrim. First, the Caterpillar plant in Larne has received £5.4 million investment to permanently source axles. Last week, the First Minister, the deputy First Minister and the Minister of Enterprise, Trade and Investment were at the Ryobi plant in Carrickfergus to announce a £32 million investment that will create 100 new jobs and bring the workforce to 385.

Those are examples locally where we are starting to see more encouraging signs in the economy. I think that the Budget process should take note of how we have used public money to help to support some of that job creation. I pay tribute to the Ministers and to Invest Northern Ireland for the work that they have done in going overseas on trade missions

and meeting companies, as well as for the work that they have done locally in attracting companies to come and invest in Northern Ireland.

I think that it is important to say that, even during the difficult global times, Northern Ireland has performed reasonably well in attracting inward investment. It has been said many times before, but it is important that we reiterate today that, outside London, Northern Ireland is the most successful part of the United Kingdom in drawing in inward investment. I think that that is a hugely significant statement, and it is particularly encouraging.

I had the opportunity to speak at a Northern Ireland Council for Voluntary Action (NICVA) conference a fortnight ago that was on how young people today are finding life very difficult in more disadvantageous circumstances than those that previous generations experienced. Although I do not necessarily agree with that sentiment, young people are undoubtedly facing difficulties. However, there are also far more opportunities in Northern Ireland today than there have been for young people before.

I noticed a slide from the economist Richard Ramsey that pointed to many of the firms that are now situated in Northern Ireland and are offering graduates jobs for young people. Those include, to name just a few, the New York Stock Exchange, Liberty, Chicago Mercantile Exchange, Allstate, Oracle, Allen and Overy, and Capita. Of course, we also have HBO situated at the Titanic Quarter, and it is producing the 'Game of Thrones' TV show, which is a massive hit right across the world. Today, I noticed reports in the media about there potentially being a huge contract for Bombardier to build wings and fuselages in Belfast, and that will have a positive knock-on effect.

All that work is the result of Ministers' activities and the work of Invest Northern Ireland in ensuring that we provide support to some companies to create jobs in Northern Ireland. Recent announcements include: 993 jobs in Stream, 650 in Allstate, 416 in Terumo, 263 in Terex, 229 in Almac, 179 in Linden Foods, and 177 in Deloitte. Those are positive announcements that have been made over the past six to 12 months, and they have provided quality employment for people here.

Moreover, 75% of companies that invest in Northern Ireland reinvest here. That is hugely important. It is a tribute to our workforce and to the skills that we are developing among our young people. It is also a tribute to the support

that the Government are giving to companies to ensure that they come here, invest and come back again. That positive result has meant that Northern Ireland is the number-one location in the world for financial technology investment. That is hugely significant, and it should be celebrated right across the Chamber. Of course, as Mr Ramsey said earlier, we need to keep developing the skills of young people and investing financial resources in them to ensure that they have the skills that will help us to attract larger companies to Northern Ireland.

I spoke at the South Eastern Regional College (SERC) in recent weeks. It pointed to the fact that it was able to tailor courses to the requirements of companies. Allen and Overy, which is a huge legal firm that came to Northern Ireland, required a particular set of skills from young people to provide employment. The further education colleges were able to adapt their courses to provide the skills that employers need. That is hugely important. We need a joined-up approach between government and our colleges and universities to ensure that we give young people the skills that will find them employment.

Another important point is that we need to continue to fund the work of Invest Northern Ireland. If we are convinced that the economy is starting to recover, there will be more opportunities to attract major companies to Northern Ireland. It is important that we continue to have that level of funding available to attract jobs as the economy picks up.

We would make a mistake if we think that, because there are positive economic times ahead, there will be more public money to throw at various pet projects. Anybody who believes that should take note of recent comments by the Chancellor of the Exchequer, who said that we are yet to get halfway along the road of austerity. That means that, even if the economy is picking up, there will be further restrictions on public funding in years to come. It is important that we deal with that issue maturely and that we recognise that there will be further challenges in the Budget period ahead as we work to pay off the national debt. We still have not made an impact on the national debt. The deficit has been reduced, but the debt is still growing. We need to make sure that we pay attention to that.

We need to bear in mind four main things during this Budget period: we need to target the spending in the Budget carefully; we need to reduce the wasting of public money; we need to reform in order to be more efficient; and we need to target fiscal powers carefully. Those

issues have been raised by other Members. Potentially, they are the four most important issues that we deal with.

I listened to the comments of Mrs Overend earlier. She is absolutely right: we want to spend money where we get the most bang for our buck and where we get a return on the investment. As I said, when the economy is picking up, we have the opportunity to spend and target public money to attract the sort of jobs that we want to see here. We do not want to miss out on any opportunities, which we might do so if the budget is not in place for Invest Northern Ireland to do its work across the world in attracting such jobs.

It is not the Government that create jobs; we set the right environment for companies to invest and entrepreneurs to flourish. That also means that there will be challenges not only in having the right Budget but in reforming our employment law to make sure that we are more attractive as a region to investors and companies, that we have the right support in place, and that we continue to work on skills. We want Northern Ireland to be the most business-friendly environment anywhere in Europe.

I outlined some of the recent successes in the form of jobs announcements. I perhaps omitted to announce that the economy Minister is in Singapore and was able to announce another success yesterday, with HeartSine Technologies winning a major contract to supply automated external defibrillators to the Singapore Ministry of Defence. That is another positive outcome of the sort of work that our Ministers are involved in.

A Member mentioned the importance of exports and supporting companies to export. That is another example of how we can use public money to give support to local companies, particularly SMEs, in taking the first step in exporting. If we are to grow and transform our economy, we need to encourage more companies to take the risk and export for the first time.

Last week, I was at a dinner in this Building for the NI-NL trade organisation, which is concerned with building links between Northern Ireland and the Netherlands. The Netherlands is a perfect place for companies to export to for the first time because of the cultural similarities, its location in Europe and its size. Public money has been used to provide support to companies to go there for the first time through the Going Dutch programme, and that has been hugely successful.

Mrs Overend talked about the importance of tourism events and ensuring that there is money in the Budget to support some of the major events that we have tried to attract to Northern Ireland in recent years. We have had the MTV Awards, the Irish Open, the City of Culture, the Clipper Round the World Yacht Race, the World Police and Fire Games and the G8, and, later this year, the Giro d'Italia will come to Northern Ireland. Those are all significant events. Mrs Overend is right that the primary purpose of having those tourism-type events is to attract people to Northern Ireland to spend money and time. However, they also have the benefit of changing global perceptions of what Northern Ireland is all about. It is important that money is made available in the Budget to the Tourist Board to continue its work in attracting major events to Northern Ireland and change global perceptions of what this place is capable of doing.

We are working on further events for future years. The Rugby World Cup has been mentioned as an event that we could benefit from, and it is important that that is financed well. We also had the recent announcement of the extension of the Belfast Waterfront. That will allow us to attract large conferences to Northern Ireland and will bring to Belfast many thousands of people who will spend money. That is the type of project where public money is used to the benefit of the Northern Ireland economy, and it is a prime example of how we can get more bang for our buck, as Mrs Overend talked about.

One of the other areas that we have to talk about is reducing waste. If we accept that we will face tighter fiscal circumstances in the years to come, we have to reduce waste. I will not go over the issue of welfare reform again, but I think that my colleague Mr Weir highlighted some of the real difficulties and challenges that we face economically in Northern Ireland if we do not step up the plate and deal with welfare reform.

He mentioned the costs, and we know that some £15 million was set aside in the January monitoring round. We heard figures on the media last night — more frightening figures, perhaps — about the loss to the block grant and to our spending power if we refuse to take somewhat difficult decisions on welfare reform. We also heard about some of the job losses that could be incurred. However, as I said, I will not rehearse the argument; I heard Mr Weir explain it pretty well to the Assembly.

One of the other areas that we need to look at is the reform of the public sector. Again, if we

face tighter fiscal circumstances, we need to ensure that we do not stand still. We need to ensure that our public sector is up to the task and is as efficient as possible. Many times, we hear Members talk about the need and requirement for innovation and collaboration in the business community and the private sector. If it is important to do that in the private sector, it is also important to do it in the public sector. Given the size of Northern Ireland, we should be small enough and flexible enough to ensure that our public sector is as innovative as possible in how it delivers services to our constituents.

### 5.00 pm

Last week, I spoke at the Centre for Competitiveness's quality awards, an event that recognised outstanding work in the public, private and voluntary sectors by those who are striving towards improving business performance. There were representatives present from many public sector organisations that have embraced that change and have looked to change how they do their work so that they can become more efficient. It is important that we continue to do that. Since taking office, the Minister has spoken many times about the importance of reform in the public sector. Perhaps, he will update the House on where we are with some of that reform and what it may look like. Of course, there are benefits to be had from closer collaboration between the public and private sectors, which we would all welcome.

The final point I want to raise is on the issue of fiscal powers for the Assembly. Dominic Bradley said that it was a pretty complicated area, and he is right. We are dealing with many different calculations, and, if we were to devolve all fiscal powers, we would have more uncertain Budgets, which would bring its own challenges. Devolving fiscal powers also comes at huge cost, so we have to be very careful about how we do it.

We need to continue to identify where devolving more fiscal powers would be an advantage to Northern Ireland. An example was the air passenger duty issue. Devolving that fiscal power was to our advantage, because we were at an economic disadvantage compared with the Republic of Ireland. By getting power over APD devolved to the Assembly, we were able to save our continental flight to New York, which is important for our business links with north America. Devolving that power was money well spent, as it had real economic benefit for Northern Ireland. As my colleague Mr Girvan mentioned, we have to use that

power to try to attract further connectivity between Northern Ireland and other key markets across Europe and north America.

**Mr McCallister:** I am grateful to the Member for giving way. I largely agree with his comments about the challenges we face in devolving tax-varying powers. Does he agree that the Executive would have been better taking the approach taken by Scotland or Wales and looking at all taxes in the mix instead of focusing on one or another? That is the point that I have been trying to make. I would value his comments on that.

**Mr Ross:** I listened to the Member's comments very closely. I was worried at one stage that he was going to move to Scotland because he thought that they were doing something so much better than we were.

The difficulty comes when we deal with the cost. There is broad agreement across the House on devolving corporation tax powers. We know that that will come at huge cost, and perhaps some of the parties that are very enthusiastic about it at the moment will recoil a little bit when it comes to identifying where we are going to reduce public spending. I believe that it would be worthwhile. I read the report from independent groups who estimate that we could get in the region of 58,000 new jobs if we could lower corporation tax. However, to have a mature argument about this, we first need to hear from the Member and his party about what he would do with those taxes if he got them devolved. Is he saying that we should devolve the full portfolio of fiscal powers to the Northern Ireland Assembly in order to reduce the tax take from individuals? If so, he has to explain where he would cut public spending. If he is saying that we should get devolved powers to raise taxes, he will have a lot of explaining to do to hard-pressed families. One of the things that we can be proud of is being a low-tax economy with the lowest household bills in the UK.

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

**Mr Ross:** Yes.

**Mr McCallister:** First, it is important to nail the myth that we are a low-tax economy. We have very little responsibility for the taxes we raise. There is very little correlation between those taxes and the levels of spending. So, it is not right to give ourselves the accolade of being a low-tax economy when we are not really facing up to some of the challenges.

I will take on the points that the Member raises. We have said that we should set up a commission, like Scotland and Wales did, to look at how you might devolve the powers. The Member has rightly pointed out that many people have said that they are in favour of lowering corporation tax but no one, including the Member and his party, has said exactly what the cost would be and where they would cut public spending. He has thrown the challenge over to the SDLP and Sinn Féin to say where they would find the money if they were to cut corporation tax, but the Member has not identified where he would find it. The point about varying taxes is that you can do small things around the margins that have a big impact on small businesses. That is the key. Corporation tax is volatile and difficult to predict. The Minister, with the best will in the world, does not have adequate economic data at the moment to predict some of those things.

**Mr Ross:** I am not any clearer about the position of Northern Ireland 21 on devolving fiscal powers to the Assembly. The Member talks about volatility but also says that we should look at bringing all the range of taxes to Northern Ireland. One issue that has to be addressed is the volatility that would come from all the fiscal responsibilities coming to the Northern Ireland Assembly and the difficulty that that would pose for planning. That is one advantage of the current Budget settlement.

Let me address the issue of the challenge to the SDLP. The entire Executive are in agreement on the devolution of corporation tax. Therefore, the responsibility to find the savings within public spending is an Executive priority that they will address collectively. When SDLP Members ask for additional taxes to be devolved to the Assembly, it is their responsibility to say where they would see further public spending reduced. The one fact that we cannot get away from is that, in Northern Ireland, we have more public money to spend than we collect. That is one of the benefits of the Union, and I am sure that the Member would agree with me on that.

**Mr D Bradley:** Will the Member give way?

**Mr Ross:** I will give way in one second. However, we are dealing with a huge subvention — it is in the region of £10.5 billion — to Northern Ireland. To get all the tax take coming from Northern Ireland, we would have to find all that additional money somewhere. You can raise taxes, which makes life more difficult for families who are already struggling, or you can reduce taxes for families. If you do

that, you have to say expressly where you would find those savings.

**Mr D Bradley:** I thank the Member for giving way. I remind the Member that I did not say that we should transfer tax-raising powers willy-nilly. I said that we should do what has been done in Scotland. We should initiate a review that looks at a broad range of taxes and assesses them and the advantages of transferring the taxes that would be most advantageous to us. However, we should do that on the basis of hard information. Surely the Member does not disagree with that.

**Mr Ross:** Hard information was distinctly lacking in the Member's earlier contribution. What we have been doing in the Assembly is targeting the areas where, we think, we can get an advantage, and we have been very successful in that. The Member will know that we had a debate in the House not so long ago, and I think that his party talked about devolving fuel duty to the Assembly. Again, the costs of doing that were absolutely staggering. The Member has not outlined whether it is his intention to devolve fiscal powers and the range of taxes to the Assembly to reduce them or to make them higher. I have not heard that from the Member.

**Mr D Bradley:** I thank the Member for giving way. I did not quite catch the point he was making, but I said that it was worth looking at the range of tax-raising powers and deciding, on the basis of evidence, which of those would be advantageous for us to transfer. I will correct the Member: this party did not bring any motion to the Assembly on fuel duties.

**Mr Ross:** I apologise if that was the case. I distinctly remember the SDLP arguing to support that case, so perhaps we are splitting hairs.

I still did not hear the Member say whether he would seek to make taxes lower or higher for people in Northern Ireland. Parties cannot run away from that point.

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

**Mr Ross:** Yes.

**Mr McCallister:** The Member has failed to say where he would get the money to cut corporation tax. I think that the DUP position is to put it even lower than 12.5%. Where would he take the money from? Which Departments would he cut?

**Mr Ross:** I outlined that it would be a collective decision by the Executive and therefore the Executive will collectively come to that decision. What we are already seeing — *[Interruption.]*

**Mr Deputy Speaker:** Order.

**Mr Ross:** — under way from this and the previous Finance Minister is an attempt to find greater efficiencies in public spending to cut out waste. We also need more imaginative ways to deliver services to constituents. That does not always have to be done in the way that it has been done before. There are greater opportunities there to reduce public spending or look at delivering services differently, but that will be a decision taken collectively by the Executive.

**Mrs D Kelly:** I thank the Member for giving way. I was just going to be helpful by pointing to an area where some costs to this Executive could be reduced. Perhaps his colleague the Finance Minister might refrain from taking his partner the Sinn Féin Agriculture Minister to court and therefore save some legal fees. Also, perhaps the Minister of Health could prevent himself being dragged into the courts because of the other equality measures that he has failed to implement and judgements that have been found in Westminster. A reduction in legal fees strikes me as a very quick, easy and less painful way for the Executive to save money for the Northern Ireland public.

**Mr Ross:** I have found in my time in the Assembly that Mrs Kelly always tries to be helpful in her contributions. Of course, one thing that I would point out is that the action taken by the Finance Minister was found in his favour, so the courts decided that he was right in what he did. Therefore, the action he took was absolutely justified. Many people in the farming and rural communities will be very grateful for the action that the Finance Minister took. Perhaps she could explain to people in her constituency why she opposed that.

This is a well-balanced Budget, and its priorities are right. I look forward to hearing more from the Finance Minister on the work on reforming the public sector in Northern Ireland. I look forward to hearing from him on the difficulties that we will face if we refuse to stand up to the welfare reform issue, and I look forward to a more positive economic outlook in Northern Ireland in years to come.

**Mr I McCrea:** Possibly one of the worst things about being further down the list of DUP Members to speak is that everybody has pretty

much already said everything. Mind you, that has never stopped me before, and it will not today. I do not often follow how the Chair of the Committee does things, but in this case, I will be brief, as he was. I think that, had other Members followed suit, this debate could have been over quite a while ago. However, given the Members who are left to speak, I am sure that we will be here for a period of time yet.

There are many issues that we could deal with, whether about rates and more so the issue of the RPA and whatnot, but as other Members have dealt with those, I will be parochial and deal with issues in my constituency and try my best to get as much of the over £15 billion that the Finance Minister mentioned as I can. I will not ask him to rewrite the Budget, but, if he could do something to reallocate it, the generosity that I know he has will hopefully make that a reality for my constituents in Mid Ulster.

My constituency colleague Sandra Overend referred to the community training college at Desertcreat. While that is an issue for us as a constituency, it will benefit the wider community across Northern Ireland. Although there has been delay after delay and some question over whether it would go ahead or not, I can hopefully take comfort from the fact that we now have a starting date of May or June of this year. Hopefully, there will be no further delays, because there is no doubt that the local economy and many of the businesspeople and constituents who have previously worked in the construction industry are waiting to see whether they can get something out of that. It is important that that happens. Wider industry in mid-Ulster has been severely hit, whether it be construction, engineering or manufacturing, but it is good to see that unemployment figures are going down and people are starting to see some movement.

I want to refer to the Magherafelt bypass.

The Finance Minister's predecessor announced the allocation of money for that. He found some extra money for the scheme. The fact that the £40 million construction project will create around 200 construction jobs is welcome. However, we should not end there. Before I left Cookstown District Council, we had a meeting with the Minister for Regional Development, Danny Kennedy, about the Cookstown bypass, which is a very important scheme for the Cookstown area. I urge the Minister to enter into discussions with the Minister for Regional Development to ensure that money is found for it.

I hope that Members will support the Bill and allow money to be spent in the mid-Ulster area. I recommend it to the House.

**5.15 pm**

**Mr Kinahan:** I am very pleased to speak today. In my role as education spokesperson, that is what I will focus on. Much has been covered, but I hope that I will make different points in a different way. I would like to start by making sure that we remember that, when we talk about education, it is our children's education that we are discussing. That is what the Budget is relevant to. We should always remember the staff, the teachers and all those in the education system. I start by giving them a big thank you for all the work that they do.

When we get the Budget papers, I sometimes wonder whether we really achieve anything in these debates or whether it is a bit pointless. At times, the process does not seem fit for purpose in that too little detail is given. Most of us talk about our areas of responsibility but have very little to go on. I hope that the Northern Ireland Audit Office will look at a way of getting better value for money from it.

Yesterday, we heard Mervyn Storey — I think that we heard this last year, too — describe the document as "difficult to navigate." It is like having a map with just the names of the towns on it but no buildings, no roads, no rivers, no contours — just some general direction. That is what I would like to change. I would like a document that we can all understand and scrutinise in great detail.

Look at what is written under education in the Vote on Account. It says that we should be:

*"Ensuring that all young people, through participation at school, reach the highest possible standards of educational achievement, that will give them a secure foundation for lifelong learning and employment; and develop the values and attitudes appropriate to citizenship in an inclusive society."*

Fantastic. Those are all the right noises, seemingly all in the right order, if I can borrow from Morecambe and Wise. However, there is little sign of it actually working in that way. There seems to be much being done in education but in the wrong order. Hopefully, through today's Budget and the comments that everyone makes, we will get it back into the right order.

The first line refers to "participation at school", but look at the number of schools that have a non-attendance rate of over 20% for 85% of the time. That is a shame. In this Budget, there should be money that allows us to help schools to help themselves to make sure that we can educate all pupils, especially truants and others who do not attend.

There should be more money for the schools themselves. You have heard the statistic before. We want something similar to England, where 81% of funding goes to schools, as opposed to here, where 59% goes to schools. Nothing in today's figures shows that there is any intention of doing that.

In the Committee this week, we will see more on the common funding formula and the appalling idea that we should rob one school to pay another — or, as we put it, rob Peter to pay Paul — as threatened last summer. If you had gone into that in detail, you would have seen — all the answers that I got from schools indicated this — that cuts in 80% of schools would mean a loss of classroom assistants, a loss of special needs assistants, a loss of teachers and more strains on remaining teachers. We really did not want that. It also seemed to be a war on rural schools. Again, we see nothing of it in this Budget.

We would like something in the Budget that encourages schools to work with their communities, local authorities and councils. We would like something that helps Departments to work together, particularly on early years, on which we seem to have been extremely quiet in the two years that I have been on the Committee. There is no sign of this in the Budget.

The Vote on Account talks about "highest possible standards" and focusing on the right things, yet, at the same time, we do not seem to be putting money in the right place. We have seen £16.5 million wasted on the Education and Skills Authority (ESA), which will go on until ESA is stopped or a proper ESA is presented to the House.

However, £60 million more has been allocated in the Budget to the education and library boards, and that is what we want to see. At the moment, the boards are struggling to support all the schools. They need more money, and the more that can happen in that line, the better, until we get a decent ESA on which we can all agree.

Think of all the money that has been wasted on the area planning process in education as we



set our schools into the wrong form of segregation. We need to have a proper Budget in which we can see where the money is being spent, and it should plan for the building of schools. Look at all the schools that are screaming out for repairs, maintenance and new classrooms. There are many such schools in my constituency. Parkhall is waiting for its newbuild, while others are waiting for mobile classrooms. There is no money in the Budget that we can see being planned for schools. There is no detail.

**Mrs D Kelly:** I thank the Member for giving way. He will recall my party colleague Patsy McGlone's contribution, in which he mentioned the Education Minister's announcement last year of some £180 million of capital spend, which failed to materialise. I understand that that was in part because of the vacancy control measures in place in the boards that do not allow some jobs to be filled. That means that business cases cannot be examined. There is a backlog of business cases, because of that logjam and the arguments around the establishment of ESA.

**Mr Kinahan:** I entirely agree, but there is so much that we cannot see in the education budget. We know that the funds are there, but we do not know all the reasons behind everything being held back. The issue that Mrs Kelly has raised is very poignant.

I will return to where I was. I wanted to make the point that we do not seem to have a shovel-ready system for schools. We had all the schools waiting for mobile classrooms and for change, yet, at the end of the year, the Education Minister and the Department were not ready to make use of the savings that had been made in other Departments. We need a system put in place and, as I said it before, much more detail in the Budget.

The Vote on Account also talks about a "foundation for lifelong learning". We have this huge curriculum, yet the funding was taken away from the entitlement framework, and we see nothing of it in the Budget. We want to see our pupils leaving school with life skills. We want them to know how to manage money, create a business, and, most importantly, how to get a job and create more jobs. We do not see any of that in here.

At the excellent DEL and DE shared event last week called STEM is Cool, we saw how excellent Northern Ireland could be and is in the Generation Innovation video. I recommend that everyone watch it. If it does not lift you and show you how good Northern Ireland is and

what the future is for our children, I do not know what will.

We need to see more money for primary schools and STEM subjects. Again, we do not see it in the Budget. We need money for training teachers. If you gave more money to Sentinus, it could double the numbers that are interested in the sciences. There is so much that we need to see through the Budget.

To go back to the point about a foundation for lifelong learning, we also need to train our teachers. We know that they have a number of training days, but we are throwing so much at them that they are not getting the time to think or learn, yet they are the absolute stars in our system. We have to find some way of giving more finance to schools so that they can not only teach better but have the freedom to train themselves.

The Vote on Account goes on to say that we should:

*"develop the values and attitudes appropriate to citizenship in an inclusive society."*

That has to be done through shared education, yet we see little evidence of that, and little of it in the Budget. We have seen it pushed by President Obama and by Westminster, with their £250 million borrowing limits. Everyone else wants us to do it, but do we? Do we want shared education, and do we want to see things getting better here? If you look at the costs of the flag protests and everything else, you will see that we must look to that shared future.

Have the shared campuses started yet? Where is this Together: Building a United Community (T:BUC) that OFMDFM is meant to be producing? The Minister of Education has made a start on shared education, and I congratulate him on that. As we have seen in the documents this week, he intends to set up funding for a shared education future. However, we all need to be there, and we all need to be pushing for it.

We had the excellent North Eastern Education and Library Board and Atlantic Philanthropies primary integrating/enriching education project (PIEE) initiative, but the funding for that has just stopped. We need to see that being carried through, whether it is in the area learning communities, through the community relations, equality and diversity (CRED) programme or in other places. We look forward to seeing it there.

If you look at today's Budget figures, you will see that youth services get £1.6 million in small increases, yet only £263,000 goes to the Youth Council itself. We seem to be giving more money to the bodies that are running it and less to the actual youth themselves. Have we got it the right way round? Also, there is nothing in the Budget about what is happening over Westminster and the free school meals. That should have led to more money coming here to Northern Ireland or to a change in the free school meals system.

Last year, in the Education Committee, the auditors told us that the Education Department was the worst Department at producing budget efficiencies. Yet, at the same time, they said that none of our Departments was good at budget efficiencies. Is the Minister going to put something in place that makes all the Departments better at budget efficiencies?

I will go back to the point that I made at the beginning, which asked whether we will see a document and a system here that lets us really see what is going on and whether something is an efficiency or just a cut. All of us need to be part of that. I will go back to my point, which is: we need to see more detailed figures in a way that means that we can properly scrutinise them. However, the Ulster Unionist Party supports the Budget.

**Mrs McKeivitt:** The SDLP has consistently argued against the way in which the current financial arrangements are being managed. I welcome any opportunity to assess the ways in which we can utilise our culture, arts and leisure sectors to enhance and grow the local economy.

There is significant underspend in the Department of Culture, Arts and Leisure. DCAL has the smallest budget of all Departments, at less than 1% of the overall Budget, yet it has such an important role to play in the provision of and access to our arts, culture, leisure and sports. That underspend is not so much about financial good management but more about bad administration in government.

The most pertinent example of that is the failure to deliver on the Narrow Water bridge. Due to the dithering and downright resistance over the Narrow Water bridge project, the SEUPB withdrew crucial EU funding in November. That withdrawal was directly attributable to the failure of the Northern Ireland Executive, as well as of the Irish Government, to indicate how a shortfall in moneys could be met. The project represented a golden opportunity to unlock the tourism potential of the area and to boost the

island's economic prospects. Once completed, the project will boost the construction sector and provide a vital gateway to the Mourne. We have a unique tourism product that has worldwide appeal. To let this important symbol of how far our society has come fall away would be hugely disappointing.

The Department of Culture, Arts and Leisure underspend is particularly disappointing, given the lack of capital funding for the arts in the Newry area, which is falling behind the rest of the region. My colleague Dominic Bradley and I have highlighted with the Minister of Culture, Arts and Leisure the need for a high-quality arts base in Newry, and we hope that funding for that project can be identified when the Minister raises it with the Finance Department. I am flagging that up to you, Minister, so that you know that there is something coming to you in the future. I am marking your card that the people of Newry would really like your support on it.

### 5.30 pm

A more positive aspect to last year was the hugely successful World Police and Fire Games, which certainly represented value for money. The games featured almost 7,000 retired and current competitors across 56 sports and 41 venues, with thousands of volunteers ensuring that they were described as the friendliest games ever. I received news just today that the East Border Region is to further invest £500,000 in Rostrevor's Kilbroney Park. That shows that the games' legacy is good and still growing.

The games have also left a valuable legacy, in that 45 schools across Northern Ireland benefit from mobile defibrillators that were used during the games. Those defibs have the potential to save a child's life. Given that the health service requires an additional £30 million towards key healthcare pressures in the January monitoring round, the defibs are of great assistance.

I welcome the success of the Small Size, Big Festival, which ended in Newry this week. It certainly put Newry on the map internationally and is something that the Department of Culture, Arts and Leisure invested in. I also welcome the recognition given to C S Lewis at the end of last year, with the unveiling of a statue in east Belfast and an inaugural C S Lewis festival, which took place in November and was funded by Belfast City Council. The exhibition at the Linen Hall Library was also a huge success.

I have consistently spoken about the need for the Department to fight cutbacks in access to libraries. The threats posed by cuts in hours and possible closures have galvanised many communities and led people to re-evaluate the crucial role played by libraries and, more important, the roles that they could play if properly resourced. Books are very important, but libraries are about much more. They are the real cultural hubs of small communities. Their role cannot be measured crudely by counting borrowings and visits. Kilkeel now has an opportunity with its new library to be a showcase for the new roles that libraries can play when they have the public backing that has been demonstrated over the past year.

**Mr Elliott:** I welcome the opportunity to speak on the Budget Bill. I have a number of queries, and I will be interested in the Minister's response to them. I would like to hear from other Ministers in due course about some of those issues when they are raised in Committee.

The first issue has been about for a wee while: the equal pay situation for those employed in the PSNI and the Department of Justice. I would be interested to hear from the Minister whether the money that was earmarked for it is still available and is ring-fenced only for that particular pay settlement. It is a very disturbing situation. I wrote to the Minister of Finance when he first came to office to ask him to hold a review. In fairness, he has looked at it, although I do not think that he has come to any conclusion — unless we hear a big announcement today, which I would welcome. Maybe he will resolve the matter as quickly as possible. The issue has support from all sides of the House and all parties. It would be helpful to resolve the issue in as short a period as possible. It would relieve many of those who believe that they are entitled to that equal pay settlement. I believe that they are so entitled, so I look forward to a positive outcome to that.

In the Department of Justice there is also the voluntary or early exit scheme for prison officers, which allows new recruits to be brought into the Prison Service and prison officers and prison staff to exit their employment. That has hit some financial hold-ups. I am keen that there are opportunities for new recruits to be brought in. I understand that there is a considerable waiting list for new recruits, and we want to deal with that as effectively and efficiently as possible.

The third issue in the Department of Justice is the PSNI budget itself. I know that it is broadly handled by the Policing Board, but, by and

large, it comes back to the Department of Justice in the end. I have concerns that people have been making noises over recent months about the cost of policing the flags dispute and public disorder in relation to parades that were stopped. Those people have not told us the actual costs over many years of policing the many sectarian attacks and terrorist attacks that continue in the Province. We need to put it in some balance. I am concerned that they are using some of those statements to indicate that they need more money for the Police Service. If they need more money for the Police Service, they should be open and upfront and say why they need it. Are there reasonable efficiencies within the service, and is the money that is there being properly utilised? Considerable questions in that respect remain.

I come on to the Department of the Environment. An issue that I continue to raise is the cost of the review of public administration and local government. We have not heard any update on the £118 million costs proposed in the PwC report of a couple of years ago. I have consistently asked if there is any update, but I do not seem to be able to get any figures to tell me and other Members if there are revised figures for that, what the real cost of the review of public administration and local government will be and, indeed, where those efficiencies will come from. We are short on detail on how that money will be recouped. We have heard the suggestion that there will be considerable savings over a 25-year period, but I and many in the House are still to be convinced.

There are two other aspects of a local nature that I want to raise. One is around the development of the Erne Hospital site in Enniskillen in County Fermanagh. There has been an ongoing business case being developed for some time about the purchase of that site from the Department of Health or the Western Health and Social Care Trust. I know that the South West College's Enniskillen campus is keen to relocate to that site. It would be helpful if the Minister of Finance could use his influence to persuade OFMDFM to make progress on that. It is a huge potential development for County Fermanagh, and it would be welcome. It is not just the South West College campus that has an interest in it; other public service agencies have an interest, and we could certainly have a public service hub at that location.

The final issue is around the review of the Northern Ireland Tourist Board. There is huge potential to create more efficiencies in the tourist sector to provide finance in areas where it can be better utilised, in my opinion. I think of

the regional tourist organisations. Fermanagh Lakeland Tourism, for example, could provide a much better marketing strategy and use that money more efficiently in its marketing and tourist advertising than currently happens.

Those are just some of the aspects that I have concerns about.

**Mr A Maginness:** Thank you, Mr Deputy Speaker. Why is this such a dreary debate? Why is it that this process is so utterly boring and uninteresting to the public and, indeed, to our colleagues, who are mostly absent?

**Mr Hamilton (The Minister of Finance and Personnel):** Tom is still sitting here. [*Inaudible.*]

**Mr Deputy Speaker:** Order.

**Mr A Maginness:** Minister, if you would just listen to me, you might hear something about your good self in relation to the issue that I raise. It is because the Budget process is, as Mr McCallister, who is now absent, said, a financial management process. It is not a Budget at all. It is not a Budget in the sense that we have at Westminster or in Scotland, where it is an annual process and, as Mr McCallister rightly said, you have the people participating in the process, because it is a meaningful, imaginative, robust process where ideas are tossed about and some imagination is put into the public sphere of discussion about how we develop our economy and how we use the moneys that we get from Westminster etc. The whole point of devolution is that we do our own thing. However, every time we tried to do so, at least in the SDLP or indeed the Ulster Unionist Party, the previous Minister of Finance said, "You can't do that. You must follow Westminster. You can't be imaginative". So, it comes down to what is, as Mr McCallister said, a financial management process. It is a bookkeeping process.

The new Minister of Finance — a new broom — has an opportunity to abandon being a bookkeeper and become an economic innovator. That is the challenge for him and, indeed, the Executive. The previous occupant, Mr Wilson, whom I like and am very friendly with, was, unfortunately, a bookkeeper and a rather Scrooge-like bookkeeper from time to time. Perhaps that is a bit unkind; nonetheless, he showed no imagination. There were a few flashes here and there, but, by and large, he showed no imagination. That is the problem with our process. We have got to get away from the idea that everything Westminster says is the right way of doing things.

My colleague Mr Bradley was criticised today for daring to say that we can do things differently and introduce a sort of Calman-type commission to probe, look at the way we do things and look at fiscal policy in particular. If you do not have some element of fiscal policy — we have a very restricted one here — you cannot do very much. We have to experiment a bit. We have to be a bit brave. We have to take risks. Risk is the fundamental element of being an entrepreneur. You take risks, you put your money into a business and you hope that somebody starts to buy your goods, come into your shop or trade with you. That is a risk. We, as politicians, have got to take risks on behalf of the people. They have got to be reasonable risks; they cannot be reckless. However, we have got to take risks, and we are not doing so. Risk is necessary in politics, as it is in business and industry; without it, we are doomed to be bookkeepers and processors. I do not think that that is what we should be. We should be better than that. That is the challenge for us.

When we in the SDLP put forward alternatives to the 2011-15 Budget, we were laughed at and derided. We were told that we were fools because we had alternative proposals. They might not have been the best alternative proposals — some were very imaginative and very good — but at least we challenged the orthodoxy of the Department of Finance and Personnel.

I listened carefully to Mr Alastair Ross. He has a reputation for being bright and sparky. He will do good things in the Assembly and, perhaps, in the Executive, when he is appointed Minister for something. However, all I heard from him was conservatism and complacency. I did not hear any sparkiness or imagination. I am sorry he is absent now. If you listened to him carefully, you would think, "Well, there's nothing else we can do". There are other things that we can do. We must look at regenerating or re-energising the Budget process and the Department of Finance and Personnel, because it is keeping us in this vice-like grip of conservatism. We have got to go forward.

In this Budget process, I appeal to the Minister to look more imaginatively at things in the future. He should be vigorous in trying to create a new fiscal context in which we operate. He should look for a Calman-style commission for Northern Ireland. We should learn from what the Scots have done. They are doing things very well and have developed a fine reputation. We should also look at what they are doing south of the border because there are some good initiatives there. Let us do that. Let

us take risks. Let us not be conservative or complacent. Let us not simply "block grant" everything; just slice away at the block grant.  
**5.45 pm**

**Mr Elliott:** I thank the Member for giving way. I acknowledge and accept a number of the issues that he says are wrong and can perhaps be fixed. However, when he mentions the Republic of Ireland, does he also accept that, for a number of years, there was undoubtedly a very poor bookkeeper at the head of its policy unit who did not do a very good job at keeping those books? Maybe we have things to learn from what they got wrong.

**Mr A Maginness:** I accept that. I think that anybody who lives or works in the Republic would, if they were being responsible, say the same thing: "We got it wrong". However, they got in wrong in Britain and in lots of other countries. A huge international crisis overwhelmed everybody. Yes, they got it wrong. Yes, the regulators were soft, as we can see in certain instances now. However, we could not be accused of being in any way imaginative or reckless. The opposite is true: we are just so fundamentally conservative. We must be brave. I do not want to repeat the point.

Mr Weir talked about welfare reform, as he calls it, and referred to it as the elephant in the room. I would refer to it as the wolf in the room, the wolf that will impoverish and devour sections of our population. We have a duty to protect people. Northern Ireland suffers from greater deprivation than other parts of the UK, so we should protect our own people. What is presented to us as welfare reform should be seen as what it actually is: welfare cuts. I am in favour of welfare reform, as is my party, but we are not in favour of disguising welfare cuts as welfare reform. It is important that we defend the rights of ordinary citizens here, and we must take a reasonable approach to that. We have to tell Westminster that it does not fit in Northern Ireland.

We could talk about lots of things. Colleagues spoke about various aspects of government and the economy. What certainly annoys me about justice and security issues — I despair of this — is the way in which we throw money away on policing marches, flag-waving demonstrations and all the rest. It cost an additional £30 million over the summer and until the end of the year. In my constituency of North Belfast, it has cost £7 million to police the Twaddell camp. Ardoyne — Catholic and Protestant Ardoyne — is an area of considerable deprivation. If you had used that

£7 million to enhance living standards, to improve schools and youth clubs and to assist in the general environment, it would have made a huge difference to people's lives.

**Mrs D Kelly:** I thank the Member for giving way. Obviously it is not just the real-term costs but the opportunity costs in catching criminals elsewhere who are engaged in various nefarious activities. The Member will be well acquainted with the residents of Harbour Hill. I think that there are some 53 families there, and there is not a single play area for the children of that area. They have to play on a concrete-covered car park. Is that not a travesty in this day and age?

**Mr A Maginness:** I can only accept what the Member says.

**Mr Deputy Speaker:** Members, we are straying a little bit in our conversations during the debate. I gently urge Members to come back towards the Budget Bill that is before us. Thank you.

**Mr A Maginness:** Certainly, Mr Deputy Speaker.

Again, there are aspects of the Justice budget that I find disturbing. If we take, for example, prison reform, which I fully support, and look at the cost of keeping prisoners here in Northern Ireland, we see that it works out at roughly £78,000 per prisoner per annum. In my view, we have a good programme of reform, but we are not bringing down the cost. In comparison, the costs in Scotland or England are about half that. So, there is work to be done there.

We know about the deafness claims by ex-members of the RUC and the way that those costs were dealt with by the Department of Justice. A total of £135 million was spent to settle claims by 8,000 former officers. Of that, £65 million was for legal fees and medical legal fees and £70 million was for the claims themselves. A plaintiff's solicitor indicated in the media that those costs could have been reduced by half, so we are throwing money away on that.

Again, if we look at legal aid, we see that, although some good work has been done there, one of the main pressures faced by the Department even now is due to legal aid expenditure. It is imperative that access to justice is protected, but value for money also has to be achieved. The cost of legal aid must be brought within the Department's budget. That has to happen, otherwise the impact on

other spending areas will be unsustainable. What encouraged me at the last Justice Committee meeting was the indications from officials that there were ongoing discussions with the legal profession and that they were willing and prepared to compromise and to discuss reform of the legal aid system. That reform must be done in a fair and proportionate manner. I am deeply concerned that, if reform were implemented too hard and too fast, it would put many legal firms under intolerable pressure and reduce access to justice and reduce the quality of our justice system, as has happened in Britain. These are areas of reform that must be addressed. I hope and encourage the Department of Justice and the Department of Finance and Personnel to deal with that process, but it must be done in a fair and proportionate manner.

I end by saying that we need a new approach. I do not sense that we have that new approach. I give the new Minister the benefit of the doubt, and I hope that he rises to the occasion and brings us a new, bright and sparkling budgetary process that we can all cheer and jump up and down about.

**Mr Copeland:** I welcome the opportunity to make a number of uncharacteristically short remarks at this stage of the Budget Bill. I will focus my comments, as one would expect, on the expenditure of the Department for Social Development.

The Finance Minister will, no doubt, be very aware that the Social Development budget was one of the — dare I say it — more interesting ones over the previous 12 months. At over £66 million, the Department has had the highest resource easement from Main to Supplementary Estimates across any of the Departments. Almost £50 million came from the Northern Ireland Housing Executive alone — that is a lot of money. Much of that related to the non-release of money for planned maintenance contracts. I will not say much on that today, apart from noting that, although I am pleased that, seemingly, savings have been made, we should bear it in mind that, while the discussions were going on inside the Department, a large number of glazing firms were experiencing a very difficult time. After being led up the garden path, firms and jobs in those firms were, perhaps unavoidably, exposed to huge risk and uncertainty.

One thing that deeply frustrates me about how DSD spends its money is the attention that it gives to the provision of social housing. Despite endless warnings and reports that Northern Ireland is simply precipitating its social

housing problems, the Department seemingly remains as ignorant and ambivalent about the problem as ever it was. I ask the Minister of Finance and Personnel this question: does he —

**Mr A Maginness:** Will the Member give way on his last point?

**Mr Copeland:** I fear that, if I sit down, I will not get back up, but I will try.

**Mr A Maginness:** The Member referred to the social housing programme. Can the Member indicate why there is such reluctance to be imaginative and robust in developing a programme that will meet the needs of the 40,000 people here who are homeless?

**Mr Copeland:** I think that the Member, in asking me to give an indication, is perhaps speaking to the Minister. However, you made a remark in your intervention that frequently irks me, and I impart no ill will towards you. It is not 40,000 people: it is 40,000 applications, which could be 150,000 people. Until we start seeing these problems as problems of people and stop seeing them as statistics, the problems will remain unaddressed.

I will get back to my plea to the Minister of Finance and Personnel, although I suspect that he already knows the answer. How can anybody who casually runs their eye over the number of newbuilds and sees how little impact it has on the growing housing lists not realise that we are simply not building enough new homes, as opposed to houses, of the right type in the right places? The co-ownership scheme has had another good year, but, with all due respect to it and the positive role that it plays, it runs the danger of being used by the Department and its Minister in pitiful attempts to underwrite their claim that they are doing enough. Indeed, the co-ownership scheme received another £15 million capital, and we must remember that this came in the year after it also received a big financial boost, this time from a — forgive the word — shameful £8 million underspend in the housing development programme. That was not a Minister prioritising affordable housing; it was a Minister trying to cover his failures.

Of course, this year, the sheer insolence of the Department was no different. Were targets reviewed? No. Are we building enough houses of the right type? Again, no. Did the Department ever begin to think about changing future plans in order to build the right number of

houses in the right places at the right time?  
Again, no.

### 6.00 pm

It is a case of a Department holding its hands over its eyes and then, inevitably, expressing its shock and horror when it finds itself in the midst of a housing crisis. For instance, what about the £8.1 million repayment from Helm Housing earlier this year? Why could there not have been an agreement that that capital money could go into the social housing development problem? Was it a mistake? Or was it perhaps a real lack of effort?

Of course, inevitably, that brings me on to welfare reform, referred to as "cuts" by my colleague across the way. The Finance Minister has been saying much on that lately, and, to be fair to him, I concur with much of what he says. However, it is deeply regrettable that we have now seen £15 million set aside to pay for penalties. That is wasted money. It was not £15 million that directly benefited the most vulnerable in society, nor was it £15 million spent wisely. It was £15 million spent while the parties engaged in an exhaustive process of negotiation around the issues.

It is not acceptable that the Welfare Reform Bill is still festering away in the corridors of Stormont Castle. Yes, the Executive subcommittee on welfare reform meets to discuss the issue, seemingly occasionally. We know, however, that the decision to proceed will be taken outside of that, and only when Sinn Féin and the DUP believe that they have clambered towards the necessary deal. My party and I have been pretty open from day one on where we stand. We tabled amendments to the Bill last April, and, I am pleased to see that, at long last, there has been some movement on those. It is the Minister for Social Development who, despite all his previous predictions about doom and gloom, has failed since October 2012 to bring the Bill back to the Assembly. The cause of that delay and subsequent financial penalties, which were mentioned yesterday in the January monitoring round debate, are the responsibility of the Minister, and him alone.

The latest comments from the Finance Minister appear to be erratic. Of course, although they may have made the headlines, the only lasting impact is the possibility that over 1,000 staff are a little more unsure about their jobs. The proposals will most dramatically affect not those in search of unemployment benefit but those low-paid working families — the very people whom we should be supporting. The figure of £1.8 billion is being quoted for a new computer

system. Minister, seriously, we have had enough of sensationalist headlines, massaged figures and false warnings. Political maturity is needed if the Bill is to progress to the next stage.

The Estimates demonstrate that the Social Development Minister has, in my view, failed in his responsibilities thus far, but he does not have to carry on like that. I sincerely hope that I will not be standing here in 12 months' time making exactly the same point. The issues are clear to see, and just because they were not tackled in the past year does not mean that they cannot be tackled in the next.

**Mr Attwood:** I start where Mr Alban Maginness started, by relying on the words of Mr McCallister, when he said that this debate is not about a Budget but about financial management. He is right about that. That is what the character of this debate is.

As Mr Maginness indicated, we should go back to the practice in other jurisdictions of having a full annual Budget process. I have not checked this out recently, but my view is that there is a case, arguably in law, that we are in breach of, I think, the Northern Ireland Act 1998 in failing to have a full annual budgetary process, as is the case in other jurisdictions. I think that our financial planning and budgetary ambition would be better if we were to adopt that approach.

As the Minister returns to the Chamber, which he may live to regret, I acknowledge what Mr Maginness said.

The essential question that Mr Maginness asked of the Minister is a relevant question to ask today, given that this is a light-touch Budget and not a real Budget process. Furthermore, given that this is the Minister's first Budget Bill in his time in office — he will have a couple more before the end of this mandate — and that he is going to be involved in negotiations on all that, never mind on the comprehensive spending review, the question that the Minister has to decide in his own head in the context of this debate and of the direction in which he takes his Department forward is simply this: is he a Sammy, or is he a Swinney? That is the difference between a Minister who knows what it is to be in government and to be in power — John Swinney, the Cabinet Secretary for Finance in Scotland — and one who, although capable, is more about theatre than substance — his predecessor's legacy, in my view. So, this Minister has to decide whether he is going to be a Sammy or a Swinney. The answer to that question will determine whether

he ends up being a thoughtful Minister or a technocrat. What we need is a thoughtful budgetary approach; what we do not need is a technocratic one. If you were to analyse the Minister's speeches and contributions yesterday, you would veer towards the conclusion that the Minister is more technocratic than thoughtful. However, if you were to draw conclusions from the last monitoring returns and the statement that he made to the House on that occasion, you might veer towards the conclusion that he is more thoughtful than technocratic. The jury is out.

**Mr Hamilton:** Who is on the jury?

**Mr Attwood:** Pardon?

**Mr Hamilton:** Who is on the jury?

**Mr Attwood:** The jury, I hope, is the public. They are the only jury that ultimately count. Everybody else is a servant of the public will and the common good. That is what we all are here, that is what the staff in this Building are, that is what all the staff in government are: servants of the public interest. Therefore, the jury in this case has to, and always must, remain the public.

The question is this: is this Minister a Sammy or a Swinney? In that regard, I want to put to him a number of issues that, in my view, will determine whether he veers towards one or the other, subject to the Minister having good health and good authority and, of course, Peter Robinson having the good fortune not to be challenged as leader of the DUP.

So, what are the strategic issues through which the Minister can demonstrate that he is more in the image of John Swinney, who is the best Minister on these islands? Even his predecessor indicated to me privately that he had significant admiration for John Swinney's work as Finance Minister.

**Mr Deputy Speaker:** I urge the Member to come back to the detail of the Bill.

**Mr Attwood:** Yes, I am very much going to come back to the Budget now. The Minister will be aware that, arising from the St Andrews Agreement, a review of the North/South arrangements is going on. It covers a lot of areas of North/South implementation and cooperation and is meant to scope out where the North/South arrangements go in the future. That is essential to the financial planning on this island, to this Budget period, to future Budget periods and to Budgets North and South for

decades to come. So, my first question to the Minister is this: when it comes to issues in this Budget and the future budgetary period, is he going to allow that to be stuck in the mud, as it clearly is at the moment, or is he going to try to shape that in a different way than is currently the case?

This week, it was announced and confirmed that, for the first time ever, economy Ministers from Dublin, Belfast and London are to go on a joint trade mission. So, my questions to the Minister are as follows: does that not give a green light to doing stuff on the island of Ireland when it comes to finance and budgets in Belfast and Dublin? Does that not give a green light that those issues can be managed differently in future? The Minister has to ask himself that question and answer it, I hope, in the affirmative when it comes to the work that he might do on budgets with Michael Noonan in the South and his own office in the North. What might that look like? Should the Minister, as a new Minister who wants, I trust, to aspire to the ambition and character of John Swinney, not now put in place a task force to look at issues of all-Ireland procurement to interrogate the finances and adjust budgets to ensure that, in future, procurement is done in a more joined-up and shared way?

His colleague Mr Ross, whom I will comment on shortly, spoke about the opportunities for shared services. The single biggest opportunity for shared services is on the island of Ireland, not least on health — 40% of the entire budget of the island of Ireland is spent on health. Should he not now set up a task force to interrogate the opportunities for procurement that are all over the Budget Bill and all over Budget Bills North and South into the future? Should he not establish a task force to interrogate what could be done to break free from how things have been done in the past?

Could I ask him this: will he agree to meet the Centre for Cross Border Studies, which, as he is aware, publishes reports every year? In a report that, I think, came out 18 months ago, there were submissions on where the opportunities for all-Ireland procurement might arise. In that way, he could demonstrate that he will not be a hostage to the failure of politics, especially on the Northern side, to shape up and move forward the North/South review that has been stuck in the mud since 2007. It has not been published, implemented or concluded, and, at the time of the last report to the Chamber following the North/South Ministerial Council (NSMC) meeting in November, it was still a matter for discussion between Ministers and their officials. Question number one is this:



can the Minister answer in the affirmative whether he is prepared to work on that project to demonstrate that he is different in his approach from his predecessor?

**Mr Deputy Speaker:** Could I ask Members to make sure that everyone links their comments to the Bill and the finance for next year?

**Mr Attwood:** I must have mentioned the Budget Bill more than anybody in the Chamber so far. I was trying to weave those comments into the debate on Budget legislation.

Mr Ross had a curious exchange with Mr Bradley when he asked him to explain whether, if more fiscal powers were to be devolved to the North, he would increase or reduce taxes and how things would get paid for. When Mr McCallister or Mr Maginness threw the question back to Mr Ross, which was the question that he had asked Mr Bradley, his answer was to hide behind whatever the Executive might decide.

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

**Mr Attwood:** I will in a second. That was the answer; that is what Hansard will record. It is not very good debating for a Member to ask another Member a question and then, in his reply, retreat to the cover of an Executive decision that has not yet been taken. I will give way.

**Mr Ross:** The two powers that I identified as positive things to devolve to the Assembly were corporation tax and APD. We were very clear that we want to reduce them because it would take away economic disadvantage. I asked Mr Bradley whether he envisages us reducing the additional fiscal powers that he wants — not that I want — and reducing the tax burden on people. It is a perfectly reasonable question.

**Mr Attwood:** That is different. That is an answer that you must have thought up in the past hour because that is not the answer that you gave an hour ago. However, if that is how you think now, I welcome the fact that your thinking is beginning to mature.

**6.15 pm**

I point out two things. Let us hear what Mr Ross has just said, which was that you would look for opportunities to reduce the tax burden. Let us note that that was what you said. Let us match that with the comments that the Minister of Finance and Personnel made in his

contribution yesterday: he said that he saw more opportunities for cuts and cutbacks. I will come back to the words precisely later in my speech. Here we have the party on the far side slashing taxes on the one hand and having more cutbacks on the other. That is the message coming out about the wider politics of the DUP.

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

**Mr Attwood:** I will give way in a second, absolutely.

To answer the question about what we would do, I refer you to various publications by the SDLP. They are as relevant today as they were three, four or five years ago. The curious thing about the —

**Mr Hamilton:** Are you going to give way?

**Mr Attwood:** I will give way. *[Interruption.]*

**Mr Deputy Speaker:** Order. We shall have one Member controlling the Floor at one time.

**Mr Attwood:** I will give way in a second, but I am going to finish the point to your colleague before I deal with the point from you. This is the point: if you look at measures that have been adopted by the Executive or that are now being processed through the Budget review group process, you see that they are piggybacking on proposals that were first put on the table five years ago in 2009. Other things that are actually getting done in changing the profile of public spend in the North were proposed at that time by the SDLP. Let me give you examples.

**Mr Hamilton:** Will you give way?

**Mr Attwood:** Let me give you examples: selling selected DRD car parks as attractive investment opportunities was what we proposed in 2009. At a dinner that the Minister was at on Friday, I happened to run into somebody who has knowledge of the Strategic Investment Board (SIB) and its work. They confirmed to me that the assets plan concerning potential disposals to maximise income without prejudicing public services has matured. I welcome that, five years after the SDLP said that we should sell selected DRD car parks as attractive investment opportunities, and so on and so forth.

A lot of the things that we proposed have not matured. Why have we not reduced the

Executive's three economic policy units to one? We continue to have the bizarre situation in which DFP, DETI and OFMDFM have three economic policy units. You wonder why there is not good economic policy planning in the North when there are three fingers in the pie. As we know, when OFMDFM puts its finger in pies that it is best left out of, things do not work out very well. Look at the legacy so far of the social investment fund.

I give way to the Minister.

**Mr Hamilton:** The moment has almost passed. I want to take task with the Member; he said that I said yesterday that I wanted to cut. I ask him to look at the Hansard report carefully and point out exactly where I encouraged or suggested that there were opportunities — I think that that was his word — for cuts. When he fails to find me encouraging cuts in yesterday's debate, I hope that he retracts the comments that he has just made.

**Mr Attwood:** You are quite right to ask me. I will find the reference in my later comments. I confirm —

**Mr Hamilton:** I would appreciate it if you —

**Mr Deputy Speaker:** Order.

**Mr Attwood:** I confirm that you said that there were a number of areas in which you thought that there were opportunities for further cuts.

**Mr Hamilton:** Find it precisely now.

**Mr Attwood:** I will give you the precise reference later in the contribution. If you have just a moment's patience, you will be read the words, and then you —

**Mr Deputy Speaker:** Order. All —

**Mr Hamilton:** You just throw these things out, but you have nothing —

**Mr Deputy Speaker:** Order, Members.

**Mr Attwood:** You will be given the words, and you can eat your words at that time.

**Mr Hamilton:** We will see.

**Mr Attwood:** We will see what the record says —

**Mr Hamilton:** I know exactly what I said.

**Mr Deputy Speaker:** Order, Members.

**Mr Attwood:** — when I read it into the record shortly.

**Mr Deputy Speaker:** Order, Members. We shall have one person on the Floor at one time. If a Member wishes to intervene, they should indicate, but it is up to the Member who has the Floor to decide whether they wish to allow that person to make a comment.

**Mr Attwood:** In that moment's intervention, I found the place. This is what you said, Mr Hamilton, at around 6.30 pm yesterday in the Chamber. You were talking about the Northern Ireland Budget and you said:

*"There are some areas where there are obvious cuts and reductions that could be made." — [Official Report, Vol 91, No 7, p 77, col 1].*

That is what you said. You made that comment in response to what the SDLP has been warning about over the past two or three years, which is that London is far from finished with what they refer to as their austerity agenda. Indeed, the Chancellor of the Exchequer confirmed recently that he is not even halfway down the road of his austerity agenda.

In response to that issue and what the Chancellor said about another half a billion pounds worth of cuts, you said:

*"The Barnett consequences of that for Northern Ireland will be around half a billion pounds." — [Official Report, Vol 91, No 7, p 77, col 1].*

The "that" is that we are not even halfway down the road to austerity. In the next paragraph, you said:

*"There are some areas where there are obvious cuts and reductions that could be made."*

If you want to intervene now I would welcome it.

**Mr Hamilton:** Do you want to read on to the next sentence, in which I referred to the "ugly scaffolding"? Who used that phrase? Of course, it was the Member's colleague, the former leader of the SDLP. I stand over my view that there are obvious cuts to be made in that ugly scaffolding. However, the inference that the Member made and the way he tied it to

Mr Ross's comments was that I thought that there were wholesale cuts to be made across health, education, housing and other areas. I ask him to qualify what he said to the House.

**Mr Attwood:** I did not try to imply anything. I said that you referred to cuts.

**Mr Hamilton:** You most certainly did.

**Mr Attwood:** I did not, and the Hansard report will show that I did not. Let the Hansard —

**Mr Hamilton:** You do not read all of the Hansard report.

**Mr Deputy Speaker:** Order. Could Members make all remarks through the Chair, please?

**Mr Attwood:** Let the Hansard record stand and the record stand as: — *[Interruption.]*

*"obvious cuts and reductions that can be made."*

You then gave one example. There must be other examples because you used the words "obvious cuts and reductions". You cannot undo what you said and, as a consequence, I suggest that you are eating your words.

Let us get back to the substance of the debate. I have put it to the Minister that, in respect of future budgetary proposals, there are opportunities with the stillborn North/South review that could be taken forward generally and particularly by his Department.

For my second question to the Minister on the Budget, I will piggyback on the comments made by my colleague Pat Ramsey about Derry. Given that we do not have a Budget process in the image of what they have in every other jurisdiction in these islands, I believe that it is very important that the new incoming Minister considers, in a strategic way, whether there are strategic opportunities to do things differently. That is the point of the questions that I am putting to him.

Mr Ramsey rightly mentioned the One Plan in Derry, which, if I recall rightly, suggested that there was an opportunity for 7,000 extra students at the University of Ulster site at Magee. I met the chamber of commerce in Derry a couple of weeks ago and its members made a point that is crystal clear, succinct and very relevant to the Budget Bill and the comments about the work of the Minister for Employment and Learning and the Committee for Employment and Learning. The point was

that there are now indications coming from INI that it would endorse a subregional strategy. As everybody knows, the current INI regional strategy means that most of the money goes into a corridor from Queen's University to the Titanic Quarter, and everybody else has to live with the outworkings of that policy. I trust that these were not more meaningless phrases and that there is a solid intention to have a subregional strategy, but when it comes to a subregional strategy for the north-west, the view of the chamber of commerce, which is advocating the expansion of the university site, is that the university is the subregional strategy. Out of the university — and they are talking about 9,200 extra places — you will grow the skills base and when you have the skills base in the north-west, the jobs will follow. The current situation is one in which, as people know, there is a skills deficit in some key sectors in the North.

That is the chamber of commerce's outworking of the One Plan strategy: it will be subregional, with the university at the heart of it, there will be skills because of the graduate pool and, consequently, jobs. For all the wonder of its heritage and year of culture, which will grow and sustain itself over the coming decades, the parallel strategy has to be subregional and based on the university and skills.

The Minister will now have conversations on the year-to-year Budgets that we have before us and will have over the next couple of years, but, arguably, he will also be the central figure in conversations with London on the comprehensive spending review and in preparation for the next mandate. If he is to put his fingerprints all over the budgetary processes, including the one that we are discussing, one measure has to be what Mr Ramsey outlined: the subregional, university and skills strategy of the University of Ulster at Magee in the north-west.

Given the amount of effort that was put into the One Plan, given that it was launched by OFMDFM, me and others and given that it seemed to have unanimous endorsement, will that endorsement now be translated into the Finance Minister recognising what INI may now say is a subregional strategy and its particular character in the north-west? Will he put his shoulder to the wheel and put money on the table to see what happens with the Magee development?

I do not want to put words into the Minister's mouth, and I am sure that he is tempted to jump up and throw the issue of ministerial responsibility at me. I think that he crossed the

line with pillar 1 and pillar 2 and the judicial review a couple of weeks ago. However, if he is the Finance Minister who is going to be in the image of Swinney rather than Sammy, one test of that is for him to put his fingerprints, as best he can, on policy that is strategic and requires specific budget lines. So Derry, the One Plan and the development of Magee will be very important.

The Minister came to the Chamber during the monitoring rounds and confirmed that the loan that was being directed to the University of Ulster for the development at Yorkgate was being managed through the Strategic Investment Board. Will he also confirm whether the Government in Northern Ireland are underwriting the loan, as I understand it, that is being drawn down by the University of Ulster to co-fund the university site development at Yorkgate? There is speculation that the Government may be underwriting that wider borrowing from the European Investment Bank (EIB). It would be useful to know whether the Government are underwriting that beyond the channelling of the £25 million. If I am in error, I will withdraw that remark and stand corrected.

In passing, I say to the University of Ulster that it gets close to a breach of faith that it challenged my decision not to grant planning permission for a car park adjacent to the newbuild at Yorkgate. That is relevant, given what happened last week at the Planning Appeals Commission, which overturned that decision. Given my previous role, I am far from happy about the university's approach to that planning decision, although I fully endorse the wider decision about the university moving to the north of the city and the potential for that to be a catalyst in the development of the area and because of other opportunities at the Royal Exchange, the underpass and the Cathedral Quarter.

### 6.30 pm

My third question to the Minister is on welfare. I know the Minister and, while we may have had a bit of a disagreement earlier, I know that he is thoughtful, because if nothing else, and there is a lot else, he came to this Chamber on behalf of his party arguing for heritage-led development and delivered a heritage-led development fund for DOE. That is very welcome, but I have to say that I was disappointed by the character of his remarks yesterday in respect of the welfare issue. Given his financial responsibility, he has to give best advice to the Executive, to the Assembly and to the wider community about what he believes the consequences of welfare

reform will be. However, it lacks something, Mr Deputy Speaker.

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

In his contributions yesterday, and in other contributions from the DUP today, including that from Mr Weir, everything was about the cost consequences to the Budget if welfare reform is not done in the image of what London is imposing. Very little was said about the damage that will be caused to families, communities and individuals because of what London will impose. There is something lacking, in my view when, on one hand, we are warned if not threatened about the consequences of not doing welfare reform without fully, at the same time, acknowledging what the consequences are going to be for families and individuals.

Mr Weir said earlier that there was:

*"a catastrophe ... coming down the road",*

He was referring to the conduct of the Treasury. There is a catastrophe coming down the road. It is a catastrophe for those on incapacity benefit, those who will suffer the consequences of the bedroom tax, and so on and so forth.

This time I will not be able to find the reference, because I could not find it before the debate, but yesterday the Finance Minister complimented the Minister for Social Development on the Trojan work, or words to that effect, that he had done in negotiations with the Treasury —

**Mr Hamilton:** I did not use that word. It definitely was not that one.

**Mr Attwood:** You did not use that word, but they were words of that character. I will find them and give them to you later. Essentially, you acknowledged the very significant and great contribution — I think that the word might actually have been "great" — that was made by the Social Development Minister.

Now, I differ, because I do not think that there has been much of a negotiation with DWP for months and months. It is my view that DWP has long had the measure of DSD and the DUP when it comes to what they want to do with welfare. My sense is — I am not party to these conversations any more — that for months, and certainly since before the summer, DWP has given not an inch to DSD in what it might have been asked. There may have been some issues on the table beforehand that were useful

and technical and that would have an impact on people managing their money, but my sense is that there has not been much coming from DWP for months.

One reason why I say that is that Lord Freud came here to meet the welfare reform subcommittee of the Executive before the summer, and, before the meeting began, he came to me in the corridor and said — these are his words, not mine:

*"Alex, it's all over to you"*

I asked what he meant by that and he did not give me much of an answer, but he said:

*"It's all over to you, and you know what I mean"*

as if I was somehow going to deliver the Executive on the welfare reform programme. That suggests to me that, by that stage, DWP was not looking very closely at DSD and the arguments that it was putting up around welfare reform.

I have a point that I would like to put to the Minister about the role that I think he can play in respect of welfare reform. Let us remember that the threats to the Budget in the North were confirmed yesterday by the Finance Minister. The Finance Ministers — this one and the previous one — have been messengers for Treasury when it comes to the threat of welfare. Why do they not go back to London and say the following? "The IT that you used in the roll-out of universal credit in Britain is not working. You have slowed down the roll-out of universal credit, mostly to beyond the next election. The evidence is that the single biggest impact of the welfare reform piloted to date is on the poorest. While you wave to us this letter of threat about the impact on our Budget, you have moved the goalposts over in England in respect of your IT not working, the slowdown of the roll-out and the impact on the poorest. We want you to withdraw that letter because you have changed how you are delivering it in London, the south-east and other parts of Britain. Take the pressure off Northern Ireland."

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

**Mr Attwood:** I will.

**Mr Copeland:** Will the Member join me in describing as astonishing reports that expenditure on the introduction of universal credit by DWP stands at £225,000 per claimant, that being the money invested divided by the

number of claimants? Even more astonishing is that £10.5 million was spent by DSD preparing for the introduction of universal credit here in the absence of any legislation being passed in the Chamber.

**Mr Attwood:** I was not aware of that information, but I accept it at face value. I think that it confirms the point.

Rather than the Executive just saying, "We are going to take our medicine", the politics of this require the Executive to say to London, "Your medicine has not worked over there" — there is no surprise in that — so change the prescription and withdraw the threat."

There is something that I do not understand about the welfare reform negotiation. When it comes to corporation tax, it is the First and deputy First Minister, the Minister of Enterprise, Trade and Investment and the Finance Minister who make the argument. When it came to the £275 million secured for the Presbyterian Mutual Society requirement, the argument was made by the Minister of Enterprise, Trade and Investment, the First Minister, the deputy First Minister and the Finance Minister. When it came to the so-called pact that was outlined pre-G8, that was negotiated by the Minister of Enterprise, Trade and Investment, the First and deputy First Minister and the Finance Minister. Yet, when it comes to welfare reform, it is left to DSD.

My question to the Minister is this: if the arguments about corporation tax, the Presbyterian Mutual Society and the economic pact require the attention and work of four Ministers and others to try to get them over the line, is it not time that you did the same in trying to get the welfare reform argument over the line? If DWP has the measure of DSD, is it not time to change the rules of the game by bringing into the game all the other voices of authority in the Executive rather than just casually saying, "That is the way it is going to be because that is what DWP has told Nelson McCausland"? I put it to the Minister that that is the strategy that should now be deployed. Escalate this around the Executive table rather than certain voices around that table going quiet.

To be fair to Lord Freud, he has forever said that he accepts that there are different circumstances in the North. He has an understanding of this place because he spent time here in other capacities before he became a Minister. He said that he understood that the segregated housing in this city and other parts of Northern Ireland meant that the bedroom tax

issue was of a different character here than elsewhere. I do not want to put words into his mouth, but he accepted that the profile of incapacity here, with 120,000 people on incapacity benefit, and the legacy of the conflict in the form of physical and emotional disability made this place different.

**Mr Maskey:** I thank the Member for giving way. It is also helpful to be aware that, in a number of meetings that the Minister for Social Development and I had with David Freud, he was very clear — I do not have the precise words — that he accepted that the situation here was more grave than elsewhere but not to the extent that we were claiming. I want to make that very clear.

Subsequent to that, he has made precious little of the flexibility that he mentioned, as did Owen Paterson, the then British Secretary of State, when he made public statements that all the exceptions would be granted. They have done precious little of that.

**Mr Attwood:** The Chair of the Committee is absolutely right. The conclusion that I draw from that is that this is not getting sorted at DSD and DWP level. Anybody who thinks that, if you park it there, it will be sorted is — albeit not deliberately — misleading people and damaging the public interest and those who are on benefits.

I put it the Minister that Lord Freud, although he is wrong on much of his welfare reform, is a man of good intention but cannot deliver. He cannot deliver because Treasury blocks him and he has a dogmatic leader in Iain Duncan Smith. You have to go around them. If you can go around a London Government on corporation tax, the Presbyterian Mutual Society and the economic pact and you move the argument to somewhere else, why are we not doing that when it comes to welfare, other than because we have to roll over because £5 million a month — according to DUP speeches, it will become £1 billion — will be coming from us? The DUP does not even mention those who will be the real victims of welfare reform on the far side of what that party is now threatening? I do not understand any and all of that.

The third question that I want to put to the Minister is —

**Mr Hamilton:** It is your fourth question.

**Mr Attwood:** It is the fourth, is it? I got two maths O levels, but it does not show.

**Mr Hamilton:** That is why I am here.

**Mr Attwood:** Thank you. It suggests, as Mr Maginness suggested, that you are a bookkeeper rather than a Minister, but I will not draw conclusions. The jury is still out.

**Mr A Maginness:** The bean counter.

**Mr Attwood:** The bean counter.

In any case, my third or fourth point concerns Together: Building a United Community. A curious letter has come to the Committee for the Office of the First Minister and deputy First Minister. It is curious because we actually got a letter from OFMDFM, given that there is all this backlog. The letter refers to T:BUC, so that is now OFMDFM's flagship programme for a shared future. Again, I will put it on the record that, when that was being voted through, a number of Executive Ministers said that it was a start and a moderate proposal with much to be moderate about but, nonetheless, it should be given a fair wind. I presume that the Minister is aware of the letter to the Committee. It talks about shared education opportunities and campuses — the 10 new shared education campuses, which is a great concept and one that is bigger than Lisanelly in Omagh. There are multiple opportunities, and it is arguably the biggest proposal to come out of T:BUC. If we can educate in a more shared way — that may not mean integration, but it does mean sharing — we can all live with the benefits. To live with the benefits, however, you have to have the funding. My question to the Minister is this: how would he respond to what has now been sent by OFMDFM on the shared education campuses?

The letter states:

*"funding will be critical to delivery of many of our ambitious targets as set out in Together: Building a United Community. Funding will not be all new money. It will be made up of existing resources being targeted and spent differently and by additional funds being bid for in the usual way."*

It adds:

*"The Department of Education and OFMDFM are considering how the development of campuses and associated funding would sit alongside ongoing/proposed initiatives. All funding options will be considered."*

Several questions arise from all of that. What is the Minister's view of the statement that the funding will not be all new money? What is his view on resources being targeted and spent differently? What is his understanding of additional funds being bid for in the usual way? Is that just monitoring or is it more? What is his understanding of the statement that all funding options will be considered?

If T:BUC is meant to be the flagship programme, we need to know whether there will be funding to meet the ambition for 10 new shared education campuses, which is arguably the element of the programme with the biggest flagship potential. Is it moving funding away from traditional school models into shared campuses? Is the statement that all funding options will be considered a hint, which we should have the opportunity to interrogate, that some private initiatives are coming our way? Might there be a bit of top-up money from monitoring rounds every quarter going into a project, the scale of which is 10 shared education campuses?

**6.45 pm**

I am nearly finished now, Mr Deputy Speaker. I will put a couple of points from yesterday's debate to the Minister that he may want to think about. First, further to a question that one of his colleagues raised about the Education Minister, the Minister said:

*"I share the Member's frustration that the Education Minister failed to participate in the Executive's process to monitor savings ... plans. That takes away from the Executive's savings delivery plans monitoring process and forces me to present an incomplete picture to the Assembly."*

Then he added:

*"Transparency in the Executive's finances is vital in engendering confidence among the electorate."*

He concluded:

*"Non-cooperation in the provision of information, as demonstrated by the Education Minister, damages the Executive as a whole." — [Official Report, Vol 91, No 7, p73, col 2].*

Although I think that the Education Minister has fought a very robust case on this, I can say that, when I was a Minister, I complied and agreed with the processes that were being introduced.

However, my question is not about the Education Minister; it is this: does the Finance Minister live up to the standards that he articulated yesterday? Those standards mean that the Assembly is not placed in the position of having an incomplete picture, that transparency is vital and that non-cooperation in the provision of information damages the Executive. I ask that because I subsequently asked the Minister about how the Committee for the Office of the First Minister and deputy First Minister was being treated. I have brought into the Chamber a list of matters that should be of real concern to the Minister. They are very much about financial issues on which OFMDFM has not shared relevant information with the Committee. In the week that is in it, it includes a request for a timeline on consideration of the performance and efficiency delivery unit (PEDU) report on the 2012 flooding, a request for a response to a research paper on EU competitive funding, a request for a timeline for the publication of a consultation on sexual orientation and information on the Department's EU priorities for 2014. All those are outstanding. So, how does the Minister then consider transparency and the flow of information?

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

**Mr Attwood:** I will in a second.

How does he consider transparency, non-cooperation and having an incomplete picture? I ask that, given that the Committee for the Office of the First Minister and deputy First Minister, which has a lot of finance-related responsibilities, does not have transparency, cooperation and the complete picture. Yet, when the Minister replied to me yesterday, he said that he was not going to get involved in the matter. Now there is a difference. He is an Executive Minister, and he was talking about an Executive colleague. However, why would he not make comment on Executive colleagues who, using the standards against which he judges his fellow Minister, are, in my view, failing to cooperate and to give the complete picture to a Committee?

**Mr G Robinson:** I thank the Member for giving way. As a member of the Committee for the Office of the First Minister and deputy First Minister, I assure the Member that those outstanding issues will be sorted out very shortly. We had meetings today, and I assure you that the matters will be sorted out very shortly.

**Mr Attwood:** I always welcome good news, if good news is coming, and I see that there has been some speeding up with the correspondence coming to the Committee in this week's papers. I was just asking the Minister to reconcile the standards that he applies to an Executive Minister when dealing with the Executive with his comments — his silence — about the same standards when they are applied to an Executive Minister dealing with the Committee. People should be protective of both Executive and Committee authority, and the Minister should apply the same principles to both rather than avoiding the question.

My questions to the Minister are as follows: are you Sammy, or are you Swinney? Will you be assertive on North/South and on the university in Derry? Will you change the argument on welfare? There are also the other issues that I raised.

**Mrs Dobson:** I also welcome the opportunity to speak on this stage of the Budget Bill. There can be little doubt that some officials may begrudge the debates on the Estimates and the Budget Bill. All I will say is that, with the guarded, backhanded manner in which budgetary decisions are often taken by some Departments, every opportunity for at least some debate on the facts is welcome. Indeed, it is not as if the Assembly is overburdened with legislation. With few exceptions — DRD, for example, which has already introduced and completed a number of Bills — Ministers appear more interested in involving themselves in political games with one another over major Bills rather than legislating for the good of Northern Ireland.

Nevertheless, in relation to the debate, I wish to make a number of points on the DARD Estimates and the Budget Bill. Unusually, I have to say that I pay some credit to the Department for appearing to have at least spent most of the money that it was given. That was reflected in the monitoring rounds during the year. How wisely it was spent is entirely another matter. Farmers may take an even harsher line on that issue, but I could not comment.

Too many Departments hand money back, sometimes as a result of mismanaging their budgets. In the June 2013 monitoring round, I was pleased to see the Executive recognise the need for a hardship scheme, which was allocated £4 million. It would be easy to look back at the fairly positive summer and autumn months, weatherwise and pricewise, and forget the horror that so many people in the agri

sector were going through last spring. The heaviest snowfall in memory and the ensuing fodder crisis brought many to their knees, so the scheme was welcome news. I visited many farmers affected by the extreme weather conditions and know that for them and their families it was a time that brought many of them to their lowest point. We debated mental health in farming communities in the House last week. I know from my visits to farmers that the hardship scheme eased their financial pressures at that time. We can be in little doubt that the scheme also relieved mental pressures. Of course, like any proposal in DARD, the idea is always better than the actual administration. We all know that there are protocols to follow, but there were totally avoidable delays. I was also disappointed that the Department did not use its full allocation for the scheme as widely or as wisely as it could have done. Indeed, charging farmers to have their dead animals lifted left a bitter taste in the mouths of many.

A further £3 million was allocated for the land parcel identification system in the same monitoring round. Considering that we are coming up to four years since the new mapping system was announced, it is disheartening that we are still picking up the tab for it. Around that time, the Executive also agreed that they would reallocate much of the capital funding, following the changes to major projects such as the A5 road scheme. DARD got another £19.9 million via that, much of which went to the rural development programme. It was surprising, however, that only £2 million was made available for the then recently announced Going for Growth action plan. I was disappointed at the time, but I did not expect DARD and DETI to go on as poorly as they had started. Both Departments and their Ministers point favourably to the potential for growth in the agrifood sector. However, when they have to put resources up front, they are nowhere to be seen. I call on them to put their money where their mouth is and, when you consider that supporting our economy is meant to be the Executive's number one priority, I fear for other areas of growth that might not be as obvious as our food sector. Until the strategy is supported, it will remain only words on a sheet of paper, nothing more. Is it any wonder that frustration has been growing across the industry over the lack of real commitment to it? I ask the Finance Minister to give his assessment of why DETI and DARD have adopted an apathetic approach to securing funds for it over the last year. It is not as if they bid but did not get any: they often just did not bid at all.

In the October round, DARD received a further £6.3 million resource. The bulk of that — £5



million — went towards TB compensation, and a further £1.6 million went towards the hardship scheme. On the issue of compensation, it deeply frustrates me that, for so long, respective Agriculture Ministers adopted a head-in-the-sand approach. They literally hoped that, by doing nothing, the problem would go away. Unfortunately, other areas of public service have had to pay for that ineptitude — for instance, £5 million in the round.

Of course, compensation only partially covers the cost of a positive TB reading. Farms are closed, businesses are affected and the quality of herds can often be hit, some even decimated. At last, the Department has begun, albeit slowly and rigidly, to consider measures to tackle the reservoir of TB in wildlife. Nevertheless, I am sure that I will be standing here in a year's time talking about the same issue in the reconciliation of the DARD Main Estimates of the 2013-14 spring Supplementary Estimates. Previous intransigence has ensured that the necessity for compensation will carry on.

Most recently, in the January monitoring round, there was a £3 million allocation of resources to DARD. We have been told that that is to address a pressure that arose as a result of the expenditure disallowed under the common agricultural policy. DARD also bid for and received £3.3 million capital for the Northern Ireland rural development programme (NIRDP). This is an opportune point to raise what the Finance Minister no doubt considers a real source of exasperation. I have absolutely no sympathy for him, though; he must recognise that he is jointly to blame.

I know that today and yesterday's debates should be strictly on the Vote on Account and what has been spent, rather than what will be spent in the Estimates. However, Minister, where do you think we will be in a few months' time when presenting the Main Estimates? I bring my remarks to a close by asking the Finance Minister if he believes that it is now inevitable that he will have to make available additional significant allocations to the next rural development programme. Maybe you could use tonight's debate to provide some clarity.

**Mrs D Kelly:** At this stage of the evening and after two days of debate, one wonders what one could add to the debate. Perhaps I can start on a happy note and wish David McIlveen a very happy birthday today. I am sure that this is not how he planned to spend it, but no doubt the Finance Minister will have a surprise in

store for him later on. He might not be quite the Scrooge that others take him for.

As we all know, the Budget is tied to the Programme for Government, which set out to aspire to tackle deprivation and poverty and to build a more inclusive society. It is with regret that I note the failure of the Social Development Minister to build sufficient housing and the fact that he had to return such a large amount of money, as outlined by the Committee Chairman, Mr Maskey, in his contribution yesterday. I hope that the Finance Minister will not take that into account when looking at the resource allocation for social housing in the next financial year. The Social Development Minister tried to explain away his failure by referring to planning and land acquisition difficulties. I accept that they were contributory factors, but we all know that there are high waiting lists in Derry, Strabane, north Belfast and, indeed, my constituency, where land is available. Indeed, to the best of my knowledge, the Department owns 31 sites across rural Northern Ireland.

I am happy to report that, after much lobbying, I have a meeting tomorrow night on the building of six new houses on my patch at Derrymore.

### 7.00 pm

A business case was presented to the Finance Minister for £10 million for a buy-back scheme. That business case failed because they looked purely at the financial figures that would be lost from the private sector by way of the housing association's contribution to buy-back in areas of high demand. The Minister should acknowledge health inequalities and the association between poor housing and poor health outcomes and take that into consideration when making a judgement against a business case for housing. I think that the Minister will acknowledge that poor housing can indeed lead to poor outcomes for so many people.

I note that many Members acknowledged the recent fall in unemployment, which we are all very happy about. However, what some Members failed to acknowledge was that it represents only 25% of the jobs lost during the recession. So, we can be far from complacent about falling unemployment levels.

As the Minister well knows, many of the jobs that have been created are in the low-paid sector. Indeed, we are now hearing about jobs being offered under zero-hours contracts. These are worrying trends. The SDLP has

always stood with the trade unions and acknowledges the work of many people over centuries in fighting for the rights of those who labour. We must be vigilant in seeking to assert workers' rights and protect the rights that have been hard won over many years.

I trust that the Minister will acknowledge that we are a low-wage economy with a high cost of living. Therefore, when Members talk about welfare reform and put forward very real concerns on behalf of their constituents, they are not talking about those who the Tories in particular would seek to deride as scroungers. We can all acknowledge that many people do not have the opportunity to find employment. The Minister will know that many benefits actually go to the working poor. Those are the people we should protect. Unfortunately, because child benefit and working tax credits are non-devolved matters, some cuts are already kicking in, hitting hard-pressed families who are struggling and trying to do the right thing and be role models for their children and others by trying to pay their way in society.

As my colleague Mr Attwood pointed out, the Executive fought much more strenuously on behalf of the likes of the Presbyterian Mutual Society to seek funding to right a wrong. Surely, we should be trying to right the wrong that the proposed welfare cuts will have on the most vulnerable.

The Executive set themselves a challenge of delivering social change and tackling deprivation. It was with some relief and gratitude that I learned that £1.3 million was to be spent, in part in my constituency, through the social investment fund. Over 50% of that money is still to be spent. I do not think that we got an answer from the First Minister yesterday as to whether that four-year programme will be condensed into a two-year programme. Perhaps the Finance Minister might be better able to answer that question for us.

The unfortunate thing is that, when I sought out the projects that were successful, I discovered that none were in neighbourhood renewal areas, which represent the 10% most deprived wards across Northern Ireland. I will read out some of the projects that have been successful. If the Finance Minister is not able to answer the question, I ask him to challenge those in the Executive who made the decision about how these projects are going to address social deprivation and poverty. They are Gilford community centre; Brownstown campus, Portadown; Richmount Playgroup, Portadown; Happy Days Playgroup, Coalisland; Mount Zion energy project, Lurgan; the Underground

project, Lurgan; Silverbridge track and car park; Clogher Orange hall; Corcrair Orange hall; Corcrair shops redevelopment; Banbridge Orange hall; Holy Trinity Church, Banbridge; Pearse Óg Gaelic Football Club's minor works, Armagh; and Dromore Orange hall.

I have to add to Mr Attwood's concerns about the failure of OFMDFM to respond. In a debate earlier today, Mr Bell made much play about the social investment fund being "ground up". Drumcree Community Trust was founded in 1991. One of my former party colleagues, the late Councillor Ignatius Fox, was indeed a founding member. It is a ground-based organisation that manages a community centre and the Mayfair Business Centre, which has several businesses, gives employment and encourages entrepreneurship in a neighbourhood renewal area. It wrote to OFMDFM when the criteria for the social investment fund were announced on 3 December 2012. The closing date for applications was 5 December. The criteria called on all applicants to have full planning applications and feasibility studies completed. However, there was no technical aid for those organisations to do that. For one application to be successful, it could cost around £20,000 to £30,000 — money that they just did not have. I think that pro bono work is all but gone in this recession.

The Drumcree Community Trust raised equality considerations and asked questions about the assessment and eligibility criteria. It got a reply, I believe, by email — a response to say that its letter was acknowledged — on 3 December 2012. It has not heard a word from OFMDFM since. I ask the Finance Minister whether that is the way in which the Executive should set their objectives in, as some people say, building an Ireland of equals and creating a fair society? The fundamental question is this: how have the Executive delivered on their vision to create a more fair and just society that tackles poverty and social deprivation? I think that many people are keeping their heads down because they cannot look me in the eye and say that they have delivered.

I suggest that the Finance Minister gets to grips with what the Budget and the Programme for Government sought to do two years ago. Let us see whether we will build a shared future rather than a shared-out future, which is what the social investment fund seems to have delivered to date.

**Mr Hamilton:** Unlike some Members, I do not intend to detain the House for long. I was asked what time I might be able to finish. I

want to point out that Mr McIlveen and I have our table booked for dinner to celebrate his birthday at 10.00 pm, so I have until around 9.55 pm to detain you.

I thank Members who contributed to the Second Stage debate on the Budget Bill. I acknowledge the Chair's very brief comments at the start of the debate; if only others had followed his example. I place on record my thanks to the Committee for Finance and Personnel for ensuring accelerated passage so that the legislative timetable could be adhered to at this critical and time-bound point of the financial cycle.

Many issues were covered today. Some Members clearly heard my opening remarks about keeping their speeches focused on the Budget Bill. I think that it is safe to say that some Members may have strayed somewhat beyond the specifics of the Bill. I do, however, agree with those who said that it is vital that Members have the opportunity to debate this important legislation. I appreciate the time that Members have given to the Bill, and I will do my best to respond to as many of the issues raised as possible. This is perhaps the lot of the Finance Minister, and it is something that I have learnt very quickly, this being my first Budget process, but I seem to end up answering for everyone else's Department, and I am not asked at all about my Department. I think that it is worth noting that. I was asked latterly by Mr Attwood whether I am a Sammy or a Swinney. It would appear that I am, if nothing else, at least the agony aunt of many Members of the House, if the quantity of problems brought from other Departments are anything to go by.

Let me try in a chronological order — forgive me if I skip about a bit, but I will do my best to tie it together coherently — to address the points that Members raised.

Mr Girvan raised the issue of air passenger duty. I can report that my Department, along with the Department of Enterprise, is currently undertaking an air connectivity study to consider what more can be done by the Executive to improve our air connectivity. That includes considering air passenger duty and, indeed, non-air-passenger-duty measures. The first stage of that work, which was a scoping study, is now complete. DETI has now procured specialist aviation consultancy support to assist in the completion of the work, and I look forward to seeing the outcome.

In considering any outcome, I think that we as an Assembly need to be mindful, first and foremost, of the cost. That does not preclude

me or the Executive from considering the issue. I think that we should give it our careful consideration, and we have committed to doing that. However, we should be mindful of the cost, which was estimated at the outset to be £60 million and rose very quickly to £90 million. We have to balance expending that amount of money at a time when expenditure is under pressure, which is a point that I will come back to again, against the probability that it will not lower air fares and the decision about whether or not lower APD for other bands would include all flights. I think that I have made the point, perhaps to you, Mr Deputy Speaker, in another guise, that there are some flights that it would be nice to be able attract within bands A, B and C and that there are others that, although useful to have, are not as economically beneficial. Attracting a flight from Frankfurt is one thing, but attracting one from Fuerteventura is entirely different. Those are some issues that we will need to consider as we progress the matter.

Mr Bradley, who I am glad to see is still here, raised issues about revenue-raising in the Budget. He has raised that in every single Budget Bill debate since the start of this whole Budget process. The fact that he raises it perhaps means that he has not had a satisfactory answer — or, maybe it is better put, an answer to his satisfaction. To give him some, I hope, positive news, of the £370 million in revenue-raising measures that were built into the Budget for 2011-12 and 2012-13 — so, for years that have been completed to date — the Executive have realised some £369 million. So, we were £1 million shy of what we should have over that period. That is despite, I am sure you would agree, not yet realising value from Belfast port, which I mentioned yesterday, and which we are still trying to make progress on.

The Member should or must realise that the public expenditure environment has changed since the Budget was set in 2011. We have seen constrained resource departmental expenditure limit and increased capital departmental expenditure limit allocations, which we will see increase in the future. In the past, we might have earmarked capital assets for disposal, such as, for example, some of the car parks that Mr Attwood mentioned in his commentary, because that was seen as a good thing to do when we got a capital receipt and capital budgets were under pressure. However, now that that has flipped and changed to a situation where the resource budget is under pressure, it is actually good for the Department for Regional Development to have those revenue-raising assets at its disposal. Some of those car parks are a very good example of that. So, some of the assets that we had

wanted to sell and explicitly earmarked to sell should now be retained, as they generate resource income.

Mr Bradley also mentioned, as did, I think, Mr Weir and some others, issues about budgeting, and I will come on to the issues about the process. Our Budget process is a four-yearly one. Certainly, the one that we are in the middle of is a four-yearly one rather than an annual one. Various merits and demerits were put forward for that. I will just point out that, in 2015-16, there will be a one-year Budget, because a one-year Budget and one-year spending round will be coming forward from Treasury. Perhaps we will judge the merits of a one-year Budget process after we have gone through that experience and know whether we want to repeat it annually. My view is that it will not be as easy an experience as Members might think.

### 7.15 pm

What we do is not massively different from the rest of Great Britain. They have the same CSR framework, but they choose a different process and, in some cases, go for an annual rather than a four-year process. I think that one of the merits of the four-year process is that it allows Departments to plan better, particularly their capital expenditure, and it allows them to see a longer-term picture of what they have at their disposal. Therefore, they can plan much better. Instead of having some uncertainty about whether money will come forward next year or whether there will be a hit to budgets, as there might be, as there will be, as there has been —

**Mrs D Kelly:** I thank the Minister for giving way. That would be fine and somewhat logical if we saw the outworking of that. However, over £180 million was not spent by the Education Minister and a further £50 million was not spent by the Social Development Minister. Taking those two Departments alone suggests that there are more reasons behind the underspend than simply allowing for four-year planning.

**Mr Hamilton:** The Member raised the DSD issue, as did other Members. Some people complain that we have such a rigid and inflexible Budget, which was set back in 2010-11 and takes us up to 2015, that it cannot change. Take the DSD example: the Minister identified reduced requirements and was able to relinquish them early on and have them redistributed to other Departments. That shows that we have a flexible Budget; it is not rigid and it can respond to reduced requirements and pressures.

Yesterday, most of us were in here gripped by the Supply resolutions debate. However, Ed Miliband — I nearly said David Miliband — made a speech yesterday about public sector reform. He made an interesting point when he said that he thought that there was an argument for moving to three- to five-year budgets for certain areas of public expenditure. He was not exactly talking about the overall picture that we are talking about, but it was an interesting commentary on giving people in health or education more certainty than they currently have with the one-year Budget processes that are the norm across the water, particularly in Scotland, which was much lauded by many during the debate. There are aspects of a one-year Budget process that may seem appealing, but on balance, being able to plan better over a four-year period is far better.

Mr Bradley also mentioned DSD's reduced requirements specifically, and I have addressed that. I am disappointed that the money was not spent where it had been earmarked for expenditure at the outset of the Budget, and, obviously, people suffer as a result of that — I accept and acknowledge that, and it was a point that I made to my colleague the Social Development Minister. However, I would rather that the Minister got better value for money in the contracts, did not waste money and did not spend it unnecessarily so that we have more money to spend in the longer term on other projects that will help the needy and vulnerable and our economy.

There was a bit of toing and froing throughout the debate about the devolution of taxation. Mr Bradley indicated his desire — at least I think that he indicated his desire, but we qualified that a little later — for the devolution of various tax-raising powers to the Executive. However, he was silent on the cost of devolving such powers. It is an important question.

The Executive and I are open to considering the devolution of tax-varying powers where there is a clear economic benefit to Northern Ireland. The devolution of air passenger duty and the efforts to devolve corporation tax are clear examples of that. The economic pact tasked my Department to examine the issue and produce a paper. First and foremost, we remain committed to pursuing corporation tax. I think that it would be a strategic weakness if we were distracted from our number-one objective in tax devolution, which is corporation tax, by talking about other taxes, which, I am sure we would all agree, would have a less significant impact on the local economy.

**Mr D Bradley:** Thank you very much for giving way, Minister. During the debate, I said that it would be useful to have a Calman-type review and to look at the various tax-varying powers that are open to us, of which I mentioned a few. I also said that it would be useful to look at the evidence on a cost-benefit basis and then decide which powers we should devolve.

The Minister makes much of the devolution of air passenger duty. That was not a choice made by the Executive; it was forced on the Executive by the fact that an airline was going to stop its transatlantic flight from Belfast International Airport to Newark. Had that not been the case, the duty would not have been devolved.

**Mr Hamilton:** The Member is right: it was not that the Executive pursued the devolution of air passenger duty. The objective, as he is absolutely right to point out, was to retain that key and critical flight into Newark. The device by which we could retain that was the devolution of APD for long-haul flights. It was not an ideological pursuit of the devolution of that tax and that band of that tax but a measure to secure a wider economic objective. That is the point that I would like to stress.

I have a simple approach to this. I am open to the devolution of more taxes to the Assembly and the Executive but on two broad conditions: one, that they are affordable; and, two, that they bring economic benefit to Northern Ireland. In some cases, the hurdles to overcome will be fairly high, but I think that they are reasonable hurdles for us as an Executive. In the fiscal position that we are in, they are reasonable. I think that affordability and having economic benefit are reasonable tests for us to have.

**Mr McKay:** Thank you for giving way. Unfortunately, I think that the Minister has been open to APD, for example, for a long, long time. That is what some members of the Committee find particularly frustrating, because, at the moment — this has been publicised in the press — airports in the North are feeling the strain because of distortions in the market on the island. Dublin is clearly well ahead of both airports in Belfast, which are feeling the strain.

Does the Minister agree that we have to take into account issues other than cost? I thought there was a bit of political tennis going on, with the cost of corporation tax on one side and air passenger duty on the other. Of course, cost is a primary factor, but the fact of the matter is that many people in the business community — particularly the airports — want to see the

Executive respond to market signals such as those that we see very strongly with APD.

**Mr Hamilton:** I hope that the Member will accept that significant work has been undertaken by my Department and the Department of Enterprise, Trade and Investment to scope out the issues surrounding the further devolution of APD. I mentioned issues around costs and other things at the minute. I accept that there are issues and that our airports feel that they are in a difficult position. However, I thought it interesting that, when the ROI Government announced their recent elimination of their equivalent of air passenger duty from around €3 to nothing, Belfast City Airport said in a statement that it did not think that that would result in a huge influx of passengers from Northern Ireland into the Republic of Ireland and out of Dublin Airport. I tend to agree with that. I do not think that that reduction would bring about the impact that some people think it would.

Let us not think that the only actors in this play are the Government and, by extension, taxpayers and those who use the services that we provide. The airports are in a position to do things themselves to attract long-haul and short-haul flights. I argue that we have given them the perfect device to attract further long-haul flights by eliminating APD for such flights. That happened over a year ago, and we have yet to have a single additional long-haul route for an airline out of Belfast International Airport. There are questions for the airport to answer about what it has been doing to ensure that more flights are attracted. Of course, they have options, since they are a business. They have commercial things that they can do and levers that they can pull to attract in airlines. Therefore, I do not accept that it is entirely the responsibility of us in government to give away £60 million of taxpayers' money that could be spent on other public services or, indeed, other areas of transportation, when there are things that the airports could and should do as well.

Finally, I am open to further tax devolution, but it must be affordable and of economic benefit to Northern Ireland. I am open to looking at some of the areas that have been considered. One of the reasons why I do not think that we need a highfalutin commission to look at this is that we can benefit from some of the work that Calman, Silk and others have already done elsewhere. I do not think that the issues that they raised in Scotland or Wales would be massively different here or would require us to have our own commission that would report over a long time. I think that we can learn from them, and that is

exactly what my Department intends to do with this.

I have raised this with officials and am seeking to address it, but one of the things that is missing is that we do not have the macroeconomic model in place to know what the overall effect will be on the whole Northern Ireland economy if we get this tax and reduce it or increase it. Previously, we were able to design a model for corporation tax, but that was in isolation and on its own. We need to do likewise for all taxation so that we can see what happens with the economy if we go up and down in various taxes.

Leslie Cree spoke about the savings delivery plans, as, I think, did other Members. I recently provided to the Executive and the Committee for Finance and Personnel my update on the implementation of departmental savings delivery plans as at 30 September 2013. I am encouraged that the majority of Departments have indicated that they are on course to deliver on their savings commitment, with 98.2% of savings expected to be achieved this year and over 99% next year.

The Department of Justice has indicated potential difficulties in the delivery of its savings targets. Those difficulties are due mainly to higher than anticipated costs associated with the Prison Service staff exit scheme. However, I am assured that the scheme will deliver value for money over the longer term. I remain extremely disappointed that the Education Minister has decided not to participate in the savings delivery monitoring process.

Mr Cree also raised issues about the use of financial transactions capital and partnering more closely with the private sector. I very much support that. My statement on January monitoring updated the Assembly on the position on FTC, and the Executive have now allocated £40.9 million in this financial year, with a further allocation of £38 million for the next financial year. Schemes that have benefited to date include the University of Ulster's greater Belfast development scheme, housing schemes and the agrifood loan scheme, as well as loans to GPs and dentists to upgrade their facilities. I agree with the Member that, moving forward, the Executive need to work closely with the private sector to ensure that that funding is used to benefit our economy. I hope that the loan to the University of Ulster is our first major expenditure on FTC on a big capital project that will leverage in lots of other finance and point to the way ahead. I am actively pursuing other projects with Executive colleagues, including the Member's

colleague the Minister for Regional Development.

Mr Cree also raised issues about consultancy or, more pertinently, the cost of consultancy. I am sure that he will be pleased to hear that I recently cleared for publication the 2012-13 compliance report on external consultancy. It was published on my Department's website on 6 February. The expenditure on the use of external consultants by Departments, their non-departmental public bodies and other arm's-length bodies fell to £7.65 million in 2012-13, a decrease of 18% on the previous year. That represents an overall reduction of 77% since annual reporting was introduced in 2007-08.

Mr Dickson raised some queries about the 2015-16 Budget-setting process. I will shortly bring a paper outlining the 2015-16 process to the Executive for agreement. I am confident that Committees will have sufficient time to engage with Departments on the 2015-16 position. Indeed, I will call on Committees to begin that process as soon as the Executive agree the overall approach. Departments should now begin to identify the pressures and issues that 2015-16 will bring and should already be planning for a more constrained resource position. Early engagement with officials will facilitate Committees' effectiveness in assisting in that 2015-16 Budget process.

Mr Dickson raised other issues, including concerns about capital funding. He asked about better planning for capital funding, citing, I think, the A5 as an example. I agree with him. That is why I created a subgroup under the procurement board, which I chair, to look at that very issue. I think that there are valid criticisms about our management of major capital projects. I have asked it to look at a range of issues, including the scope for greater centralisation and, indeed, the prioritisation of projects. Mr Kinahan used the awful phrase "shovel-ready projects". I hope that it is the last time that I hear that phrase in the House; I might do something with a shovel if I hear it again. If I do not agree with the language that he used, at least I agree with the sentiment that we need a better pipeline of projects ready to go should schemes not move. One that affects his constituency and which we have warned up, to use a phrase, is the part of the A6 project between Randalstown and Castledawson, which has been given £1 million to take it to various stages should money become available at a later point to let that go. That is an example of what we can do. It is not quite shovel-ready; "procurement-ready" is probably a better phrase. However, at least I understand where the Member was coming from.

### 7.30 pm

Mr Dickson also raised queries about local government reform, as did some other Members. In February 2013, the Executive agreed a funding package of £47.8 million for local government reform. Over the next two financial years, £13.8 million from the package is available to cover transition elements of the programme. The Executive have also committed up to £4 million to cover the cost of council borrowing in relation to ICT costs and systems convergence for the next two financial years. There is also a further commitment of £30 million for rates convergence following the creation of the 11 new councils in April 2015. Essentially, that will be used to protect ratepayers whose rates bills may have experienced a significant increase as a result of merging with councils with higher rates. I hope to update the House on that in more detail via a statement in the not too distant future. To be clear, I expect local councils to cover any remaining costs of local government because they are expected to make huge savings in the years ahead if they utilise the benefits that come from reorganisation.

Adrian McQuillan made some general points about the economy. He started off by mentioning the USA's Budget. He is right: for all the maligned of our Budget in Northern Ireland and even if our process is boring, which some criticised it for being, I have yet to see us get to the 59th minute of the 11th hour without agreement on spending money. Our Government have yet to close down in Northern Ireland. So when we are lectured by Americans about what we should do in this country, there is sometimes a message and a lesson for them as well. He made a number of key points about the economy. Members acknowledged — some more grudgingly than others — that the economy was moving in the right direction. Even today, we see yet another of our local companies winning contracts around the world in international markets, with HeartSine, which Mr Ross referenced, providing defibrillators to Singapore's defence Ministry. I want to see more local firms competing and winning business in the world market. There has been very positive news on unemployment. It is still too high in many respects, and youth unemployment is still too high, but, in the past year, the claimant count has come down by more than half a per cent.

Mr McQuillan mentioned Mivan, which is an unfortunate recent victim of the downturn. Even though things are getting better, there will still be many victims, particularly in sectors that have struggled and continue to struggle.

However, we welcome the news from the Royal Institution of Chartered Surveyors that the construction sector is, in its view, exiting recession. The Northern Ireland composite economic index showed an increase from September 2012 to September 2013 of 1.2% in our economy. The Ulster Bank PMI yesterday confirmed that all sectors were continuing to grow and that the manufacturing sector in Northern Ireland was growing at a higher rate than anywhere else in the United Kingdom or, indeed, anywhere else that the RBS Group measured.

Mr McQuillan also mentioned rates and domestic and non-domestic revaluation in particular. He asked for an update on the potential for a domestic revaluation for the purpose of calculating rates bills. The Executive have no plans to carry out a domestic capital value revaluation during the current spending review period and the life of the current Assembly. Furthermore, carrying one out would be difficult at the moment, as the evidence required to establish the values is not sufficiently reliable, given the continued volatility in the housing market. However, a non-domestic revaluation, which I know the Member will be aware of, is planned for 2015, and, to reiterate the point that Mr Weir made, it will be as much about managing expectations. There will, of course, be winners and losers, and many will stay more or less the same.

Mr Weir talked extensively about rates. I am proud to have inherited the record on rates that I was bequeathed by my predecessors. We have the lowest household taxes in the United Kingdom. The Member is right to point out that the average household in Northern Ireland pays household taxes that are half the average in England. That good news on rates is not restricted to the domestic sector; it extends into the non-domestic sector. He was right to point out that we are in our seventh year of a freeze in real terms in business rates. I am proud that half of all business in Northern Ireland now get at least a 20% relief on their rates bills and that over £300 million through industrial derating has been kept in the pockets of local manufacturing businesses.

**Mrs D Kelly:** I thank the Minister for giving way. Will he join me in congratulating Craigavon Borough Council and other councils that have returned a zero-rate increase for the next financial year in their local authorities?

**Mr Hamilton:** I congratulate any council, particularly councils with large DUP representations — I understand that Craigavon has — that follow the example of other DUP-led

councils across Northern Ireland and have done their best to keep the rate low. I hope that the message has finally got down to some in local government. In this place, I think, we all agreed — I cannot remember much dissent around the House — to having zero increases of our own here and then freezing it in real terms in the past number of years. Unfortunately, in many cases, that was not translated into similarly low increases or freezes at local government level. Some councils took advantage of the low level of increase that we had here. Then, of course, the ratepayer did not see any real benefit. I hope that the message has now gone right down to local government level and that we can all prudently and sensibly manage our budgets with the requirement for as low an increase in rates as possible while still, obviously, trying to provide the best services.

Mrs Overend mentioned the small business rate relief scheme and her desire to see it extended beyond its current period, which is due to run out next year. I have commissioned an evaluation of the policy. It was, as Members will recall, a measure that was brought in to specifically deal with the recession. Now that the recession is over, it is right, as we come to the end of the legislative cover for it, that we assess whether the project has worked and where it has or has not worked, whether there are any tweaks and changes that can be made to improve it and whether, in fact, we need it at all. The revaluation will obviously play into the requirement for such a scheme. I very much enter into the evaluation with an open mind about what we do in the future.

Mrs Overend mentioned the agrifood loan scheme.

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

**Mr Hamilton:** I will give way on the agrifood loan scheme.

**Mr Attwood:** Given that the Minister has just said that he believes that the recession is over, does he still stand by his comments in yesterday's debate? He said:

*"Just because the economy is booming — we will see the British economy ... starting to take off this year, with the Northern Ireland economy following that and doing equally well". — [Official Report, Vol 91, No 7, p76, col 2].*

Are you saying that, later this year, to use your words, the Northern Ireland economy will be booming?

**Mr Hamilton:** It is not for me to say. I look at the facts and report them. Compare where the Northern Ireland economy is now with where it was. The most recent figures for the entirety of the Northern Ireland economy, which were published recently through the composite economic index, show that, from September 2012 to September 2013, which is almost six months ago, the economy in Northern Ireland grew by 1.2%. The estimates coming from others, including PricewaterhouseCoopers, show that, in this year, the economy will grow by close to 2% in Northern Ireland. For me, in comparison with where we were, that is booming. It will lag behind where the United Kingdom economy as a whole is, as is usually the case. However, given where we have been and given the need for sensible, manageable and sustainable growth over the long term, I will settle for close to 2% this year and in future years.

I thought that the Member was going to intervene with a specific question about the agrifood loan scheme, as I had moved onto it, but I thought that that might have been a push for an MLA from West Belfast.

As the Member will know, the scheme is a joint initiative between my Department, DETI, Invest Northern Ireland and a number of local banks. Our cooperation with the banks shows that we are listening to, and acting on, industry concerns and is an example of the Executive working together to support local businesses.

The detailed negotiations with the banks and their advisers on the legal agreements that formed part of the first phase of the scheme have drawn to a close. Although the legal agreements have taken slightly longer to conclude than originally expected, we have taken time to address a number of potential issues up front that may have arisen and delayed the application process. Ultimately, this may lead to a smoother application process for poultry producers than might otherwise have been the case.

Looking to the wider issue of utilising FTC, I hope that Invest Northern Ireland will be able to make greater use of this in its engagements with the private sector.

I now want to address Mr Ramsey's comments and will deal first with his comments about the University of Ulster's campus at Magee College. He and Mr Attwood raised the issue of increasing the number of university places in the north-west. This, of course, is primarily an issue for the Department for Employment and Learning. I understand that, in principle, it is



supportive of the University of Ulster's aim to increase undergraduate numbers at Magee College by 1,000, but that must be set against its overall budget and the priorities in that budget.

In 2011, the Executive made funding available for the creation of 700 additional undergraduate places over the period of 2012-13 to 2014-15 and, as a result of their economy and jobs initiative, the Executive met a DEL bid for an additional 500 additional undergraduate places to be funded from 2013-14 to 2015-16. The University of Ulster has stated that all its 652 additional places will go to Magee College, against a target of an additional 1,000 full-time undergraduate places there by 2015.

Mr Ramsey also discussed the strategic framework to address economic inactivity. He asked whether I could enlighten him on any additional funding that could be made available to address economic inactivity, particularly in his area. As he is no doubt aware, the Executive agreed to consult on a draft strategic framework to address economic inactivity late last year and the public consultation process is under way. I understand that the Minister for Employment and Learning and the Minister for Enterprise, Trade and Investment will seek to bring a further draft strategy to the Executive after the period of public consultation ends, perhaps in May or June. At that point, I expect that we will hear whether there are any additional resourcing consequences and what they are.

Mr Ramsey also talked about colleges. I do not think that he was critical of our colleges, but I want to put it on record that I think that they are doing an increasingly exceptional job. Mr Ross mentioned his experience of the South Eastern Regional College, which covers my constituency, and its work with Allen and Overy — I think that that was the firm he cited — and its specific training needs. At probably a lower level, I know of a firm in my constituency that works in the waste management sector, and I was incredibly impressed by the way SERC was able to respond very rapidly to its needs and put a training package in place.

Mr Ramsey also mentioned that our Budget document is years out of date. Although that chimes with the theme that constantly came from that corner of the Chamber, I do not think that it is accurate. Our Budget and the Budget Bill before us reflect changes including additional Treasury allocations and the changes that we have made in the monitoring rounds.

During the debate, Members from the SDLP made repeated calls for more money ad infinitum. If this is an out of date document, then that was all that I heard. I heard calls for more money here and there, for the A5, the A6, the university in the north-west, Narrow Water Bridge, ferry services and so on and so forth. What I did not hear was any reference to any commensurate reductions. It is easy to call for more money. We are all very good at that. It is easy and instinctive, and is so instinctive that it is the sort of behaviour that my children engage in when it gets to Christmas time and they want this, that and the other thing. However, they do not tell Mummy or Daddy where they should get the money from to pay for it.

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

**Mr Hamilton:** Yes.

**Mr Attwood:** Almost on a point of order; I think that any reference to an adult as a child in the Chamber is inappropriate, and you may want to think about that. If you had not referred to children I would not have done so. *[Interruption.]* It is a relevant matter, because we do not use language like that about you. We may call you a technocrat but we do not call you a child, and you should not visit the same language on anybody else.

**7.45 pm**

In any case, you are wrong, you are wrong, you are wrong. And the reason that you are wrong is because the SDLP is alone among the parties in the Chamber to have published alternative Budgets. At the heart of those alternative Budgets are proposals to secure other sources of funding, reduce costs and protect services. I named some of them earlier and will not name the rest now, save to say that what we said in 2009 was adopted by your predecessor and the Budget review group, and you have taken it forward.

**Mr Hamilton:** Perhaps describing the Member as a child was inappropriate given his performance as a lecturing schoolteacher for the past minute or so. "We are looking for innovative proposals" was one of the cries from the SDLP corner today. Its alternative Budget document contained the innovative, revolutionary and, in fact, illegal proposal that we should sell City of Derry Airport, which, of course, we do not own. That was the wonderful piece of SDLP budgeting.

**Mr Attwood:** On a point of order, Mr Principal Deputy Speaker. Will the Member give way?

**Mr Hamilton:** Is it a point of order, or do you want me to give way? I will give way.

**Mr Attwood:** That is a curious argument about City of Derry Airport. We do not own the harbour, yet part of your Budget strategy is to get money from the harbour.

**Mr Hamilton:** At least there is value in the harbour.

**Mr Attwood:** There is also value in the airport, but the point is — *[Interruption.]*

**Mr Principal Deputy Speaker:** All remarks must be made through the Chair.

**Mr Attwood:** The Member's point is contradictory because he says that we cannot sell what we do not own, but we can get money from what we do not own in the harbour. You and others are failing abysmally to deal with the problem that that presents in money coming back to the state.

**Mr Hamilton:** We are continuing to attempt to extract value from the port, as the Member knows from his experience on the Executive. I would be interested to know how we extract value from City of Derry Airport, which, to my knowledge — I stand to be corrected — has never posted a profit, unlike Belfast harbour, which continues to post a profit. Perhaps there are other ways in which we could get value from that site, but ultimately we do not own it to extract value in those ways.

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

**Mr Principal Deputy Speaker:** If I can just intervene again. We have had the debate, and the Minister is responding. At this time of the evening, I certainly have no intention of allowing the debate to be reopened. Members had their opportunity to make their points. If the Minister would continue to respond to the debate, it would help us all.

**Mr Hamilton:** Thank you. I will take your direction, Mr Principal Deputy Speaker.

**Mr Attwood:** On a point of order, Mr Principal Deputy Speaker. The Minister gave way, so I think that I am entitled to ask the question.

**Mr Principal Deputy Speaker:** I will not take that as a challenge to the Speaker. I think that he did respond.

**Mr Attwood:** It is only a point. Are you not going to give way?

**Mr Hamilton:** I was given a direction by the Chair to move on, so I will respect him and not challenge him as others might.

Mr Ramsey put forward the A5 versus the A6 argument. I acknowledge that both are hugely important infrastructure schemes not just for the north-west but for the whole of Northern Ireland. However, they are also hugely expensive. As the Member, and indeed the House, will know, there is still a commitment to the A5, which means that we cannot commit fully to the A6.

Mrs McKeivitt mentioned the Narrow Water bridge project and criticised me and my Department for not being creative enough and showing enough tolerance. Mr Wells, in an intervention, succinctly highlighted the problem with the Narrow Water bridge project, which was a huge cost overrun. My Department brought forward over £3 million in funding, which unlocked a huge amount of European funding, was creative and showed tolerance. The reference to tolerance was perhaps about the letter of offer being rescinded. As the Member knows, that is a matter for the SEUPB as the managing authority for that fund. Although regrettable, it rightly withdrew the letter of offer. Lots of people were talking, but there was no hard cash on the table. I think that it took the right decision to withdraw that letter of offer so that we might employ that money elsewhere. Indeed, I look forward to announcements in the not too distant future about other projects on which that money might be wisely spent.

Mr McCallister spoke extensively about the Budget process in Scotland, so much so that I thought that he was going to move there. I thought that he was going to leave. I am due in Scotland next week: perhaps he could stow away in my luggage and we could leave him there. I wonder how long it would be until he was missed. We will not go there.

The Member raised the issue of producing an annual Budget. I hope that I have addressed some of those points, in that I think that, while there may be an attraction to annual Budgets, some might say that there are other downsides, not least in the system that we have. Members who raised issues with that may have short memories.

When we set our Budget in 2011, we set it for four years, and we were lauded for that in other parts of these islands. Scotland was unable to agree a four-year Budget, even though, I think,

there was an attempt to do so. It has an annual Budget simply because it could not deliver what this Executive delivered, which was a settled Budget position that provided certainty in the medium term. However, we have adjusted that Budget when necessary, and routinely update it three times a year through the monitoring rounds. I do not think that the Member or any other Members give us enough credit for that.

He went on to ask whether our Budget process was fit for purpose to accommodate corporation tax. We will have to deal with a lot of issues if and when the Prime Minister makes a — hopefully, positive — decision about corporation tax. However, I think that there is a failure to grasp the key issue here. The key point is that we need a mechanism to manage the volatility of corporation tax, and that is not anything to do with the general Budget process.

Before moving off that subject, while the Member lauds and applauds Scotland, it has one advantage over our Executive in that it is a one-party Government. I think that it would be immeasurably easier for me or whoever was Finance Minister to agree annual Budgets in a one-party Government than it is in our system of a five-party mandatory coalition.

Mr McCallister and others mentioned the review of the financial process. He raised concerns over the lack of progress on the review and unfortunately sought to place the blame with me rather than with the Education Minister. I assure the Member that my predecessor made every effort to progress these much-needed reforms but was met with significant resistance from the Education Minister. I am happy, as I mentioned yesterday, to engage again with the Education Minister in order to progress the review, but given the size of the Education budget and the need to get legislation to underpin the review, I need broader Executive agreement.

**Mr McCallister:** I am grateful to the Minister for giving way, and for his response and his recognition of the volatility around corporation tax. Accepting that he is in a five-party coalition, how does he expect to get some Ministers on this Executive to agree with him on devolving corporation tax while still blocking the necessary reforms to the scrutiny process that he and this Assembly would like to bring forward? Surely the Minister will not want that to be the one blockage that Treasury puts in place, while almost hoping for a successful decision on this?

**Mr Hamilton:** I do not think that that is a relevant issue. It is certainly not something that has ever been raised with me. I cannot speak

for my predecessor, but I am sure that it was never raised with him as a reason not to devolve corporation tax. I suppose that, as far as Treasury is concerned, our Budget process is perfectly fine, given that it is the process that direct rule Ministers operated for many years in Northern Ireland. It is content with our process as it is, and obviously if we change it, then everybody will have to buy into it because we will need legislation to underpin it.

I accept that dealing with the reductions in public spending that will come with devolving corporation tax will be a huge challenge, but I seek solace and hope about that difficult conversation that will happen around the Executive table in the fact that everyone around that table is supportive of devolving corporation tax. While they are, on the one hand, supportive of the many positives that would come from devolving corporation tax, not least attracting additional foreign direct investment, increasing jobs and encouraging indigenous firms to grow, they are also mindful that there is a price to pay and that that price will have to be taken from public spending.

Mrs Kelly raised the successful court action that I took against the Agriculture Minister over her decision not to consult the Executive on the transfer of funds from the single farm payment to the rural development programme. I would have preferred the Executive themselves to agree the Northern Ireland position on this important issue. Unfortunately, court action was the only method available, within the time frame, to set aside a decision that I believe should have been taken by the Executive. The court obviously agreed with me on that.

I am not surprised that the SDLP criticises that, given that it was as much a defence of the constitutional changes enshrined in the Northern Ireland (St Andrews Agreement) Act as anything else. I know that the SDLP was happy for Ministers to do whatever they wanted in their Department and treat it like a personal fiefdom. The DUP did not believe that that was right or should be the case. That is why we negotiated those changes in the St Andrews Agreement. I am glad that the court upheld the changes that were made in legislation.

Alastair Ross talked about the better economic picture, which is right. The facts show that there is a better economic picture. That is not to underplay the problems that still exist in the economy. We still have a long way to go, but we are starting to see our economy take off. After five or six years of nothing but doom and gloom, which I am sure satisfied some in the

House, we are starting to see positive news about the Northern Ireland economy.

He was right to point out how good we are at attracting foreign direct investment. He mentioned some of the brand names — HBO, the New York Stock Exchange, the Chicago Mercantile Exchange, Citi, Fujitsu and others — which, a number of years ago, would not have entertained the notion of investing in Northern Ireland. He was right to point out that we often understate the good things that are done in the Northern Ireland economy. A number of weeks ago, I was in B/E Aerospace and I was impressed, not just by what it does and the customers that it serves but by the fact that it is producing around 30% of all of the world's aircraft seats in Kilkeel in County Down.

He was, however, also right to point out that, although our economy is moving in a positive direction, the world economy is growing and the UK economy as a whole is improving, that will not necessarily — in the short term, it absolutely will not — lead to any increase in public spending. That is why I have prioritised reform on my agenda as Minister.

The economic importance of reforming our public sector is sometimes misunderstood. However, I have noticed, and I think it worth exploring, that states with dynamic, innovative and export-orientated economies — the likes of Singapore, where our colleague the Minister of Enterprise is this week — also have dynamic and innovative Governments. It is no coincidence that reform-orientated Governments also have very dynamic and innovative economies.

He asked for an update on the work of the public sector reform division, the establishment of which was one of the first things that I announced in post. Work is ongoing, principally on creating what I describe as the architecture of reform, namely developing a strategy and a vision; reviewing what we do already on reform; and pointing out where improvements could be made. It is also about new innovations such as creating government policy laboratories, which are schemes that will involve staff producing and developing ideas. I am a great believer that front line staff probably have the best ideas about reforming our public sector and, as you might expect from a DFP perspective, in using funds and financial incentives to encourage and embed reform right across the public sector.

My colleague Ian McCrea raised the topic of the Magherafelt and Cookstown bypasses. He rightly acknowledged that, in an announcement, £15 million was allocated to the development of

the Magherafelt bypass project to allow construction work to commence in 2014-15. He mentioned other projects including a Cookstown bypass.

Members will be aware of the slippage of the A5 project. I have said previously that we need to be careful not to commit contractually to other large road projects until we have certainty about the A5 situation. The Executive have an excellent track record of investment in our roads infrastructure, both in maintenance of the existing roads and new schemes. If the Minister for Regional Development has proposals for any other schemes, such as the Cookstown bypass that the Member mentioned, those can be considered as part of future monitoring rounds or Budget processes.

Karen McKevitt, as well as raising the issue of the Narrow Water bridge, which I have addressed, talked about arts and cultural space for Newry. She implored me to find the money to invest in that — another request for money.

I have to say that I am a big supporter of investing in arts and culture, not because of arts and culture per se but because of their economic impact. I am also a fan of the Newry area. I was in Newry a week and a half ago at a lunch organised by its chamber of commerce at which quite a few other priorities were put to me to finance. Mrs McKevitt mentioned libraries as well, and I am very open to discussions with Executive colleagues about their priorities for future capital investment, given the improving capital position.

## 8.00 pm

Mr Elliott raised several issues, one of which he described as "equal pay". I am slightly frustrated, in that I addressed this issue yesterday in the House. I appreciate that perhaps the Member was not present; indeed, he is not here now either. It is frustrating to deal with issues one day and then have to reopen them the next day as if they are brand new. Mr Elliott asked whether the money for equal pay was ring-fenced. As far as I am concerned, as I pointed out yesterday and as I pointed out in response to a question from Mr Givan — I think that I have a question for oral answer about it next week — there is no equal pay issue. The matter was established in the courts, and those to whom Mr Elliott referred are not, to use his phrase, "duly entitled". However, I think that there is a moral argument for re-examining the issue, and that is why I took the step early in my tenure of doing that. The latest position, which I updated the House

on yesterday, is that, following discussions with the Minister of Justice, his Department and mine are examining how the issue can be resolved and some recognition given. Of course, although the Minister of Justice and I might come to an agreement, we will definitely require Executive support and some finance.

Mr Elliott mentioned the Prison Service exit scheme. Although it has taken some time to get the full benefit from it and some outstanding cases remain, I am supportive of the scheme because it is a genuine reform-orientated bid for funds. Headroom has been built into the budget to allow for expenditure on the scheme, should money become available through reduced requirements between now and year end.

The Member mentioned the police budget, which, again, was something that I addressed yesterday in response to Mr Givan. Having listened to the Minister of Justice and the Chief Constable talk about the pressures that their budgets are under, I have agreed to meet them to discuss pressures that they may face in future years and opportunities that may exist to realise further efficiencies.

Mr Elliott also talked about RPA and his disbelief about the savings. I think that it stands to reason that savings will be made through RPA. Of course, it requires councils to seize the opportunities that reorganisation and reform present, and one such area is the use of shared services. I have extended an invitation to local government to discuss shared services, and my departmental officials have followed up on that. I hope that the expertise and experience that we have developed in the Department of Finance and Personnel in delivering an extensive and effective shared services programme can benefit local government in Northern Ireland and realise some of those savings.

Mr Maginness criticised the lack of excitement in the debate, and I am not sure whether my contribution has helped or hindered. I take on board several points that he raised and will try to address at least a few of them. I do not think that it is fair to say that we slavishly follow what happens in Westminster. While Mr Maginness was speaking, I noted down three examples in the Department of Finance and Personnel alone where we have not slavishly followed what has happened in Westminster. Rather, we have been innovative and creative and have used the benefits of devolution to do our own thing to suit the circumstances in Northern Ireland as and when they arise. I cannot speak for the other Ministers, but I am sure that, if they

were here, they could think of two, three or, I hope, more examples in their Department of where they have stepped outside the norm and not taken the orthodox London view as the only way to move forward.

The first example of the three that I can think of is procurement. We are the first part of the United Kingdom to introduce project bank accounts to deal with the problem of money not going to subcontractors in large procurements. That is something on which we have innovated in Northern Ireland, with others looking on closely with a view to following. Therefore, we are actually leading and innovating. The second example is that, last week, I was with representatives of the electrical contracting industry in Northern Ireland who had devised a proposal for a licence-to-practise scheme called SparkSafe. I was very enthusiastic about that, and officials in CPD have engaged with representatives of the industry and have brought forward a pilot scheme, which has been in operation from the start of this month and will run for the next six months. I hope that it will be so successful that we will be able to embed it in Northern Ireland. That, again, is something that we are leading the way in. Nobody else has seen fit to embed those high standards in public sector contracts and use the public sector to raise standards overall in the construction industry. The final example is empty premises relief. I am sure that the Member will remember that, a few years ago, in response to increasing vacancies on our high streets and in our town centres, my colleague came forward with the policy of extending the 50% rates relief that there was for empty properties into the first year of occupation for new businesses. We have seen close to 200 businesses now open as a result of that, employing hundreds of people across Northern Ireland. Although I would never accept that a couple of hundred additional shops has solved the problems of vacancies in town centres and high streets, it has, at least, gone some way, and some areas have benefited substantially from it. That is a policy that, first, Wales and, then, Scotland copied, and then the Chancellor of the Exchequer announced an identical scheme in the autumn statement back in December. So, there are three examples of where we do not slavishly follow what happens in Westminster but lead the way for the whole of the United Kingdom. We can be innovative and creative as well as anyone else can.

The Member talked extensively about taking risks, and he is absolutely right. I talk about reform and dealing with the problems of reducing public spending in the years ahead, and I think that there are lots of impediments to

reform. One of them is the culture of not being innovative in the public sector, and we can correct that in part through creating an architecture. However, one thing that we cannot build around is that issue of risk. That will take all of us to have a change of our own culture and our own mindset. We have all done this to some extent — some of us more than others, I have to say. Some of the Member's party colleagues have been exceptionally guilty of not seeing that taking risks, as, he rightly said, we should do, means that, to an extent, we are permitting failure. I do not think that there is an understanding of that among some. I will not name Members, but there are Members who seem to think that "risk" is a bad word and that we should not take risks. They think that every single thing about a project should be locked down, that there should be no risk and that there should be no danger of anything going wrong. That just does not happen in real life. I know that a higher standard should be employed to the expenditure of the public pound than of any other pound, but risks are inherent in anything that we do. Things go wrong from time to time, and, if we get things seriously wrong and criticism is valid, we are right to criticise government, but, where we take risks in trying to do something innovative and creative that could perhaps have reaped a higher dividend than it did, I do not think that we should be criticised as roundly as we sometimes are. I hope that, as we try to de-risk in the public sector, he will stand with me and encourage risk and innovation, not to the extent that we are frivolous or reckless, and permit some degree of failure in the public sector as well.

He and other Members encouraged me to look at others, and, since taking office, I have looked at the apparent Utopia that is Scotland. I have been in Wales and have examined things that they have done there. I have even been down South. Why do I say that I have "even been down South" to look at the Republic of Ireland? I have done that. I have gone to the Organisation for Economic Co-operation and Development in Paris. I have spoken to the European Commission, and I have been to Denmark and Estonia, looking at best practice around Europe. That makes me sound a bit like a Judith Chalmers-type character going around Europe, but I am happy to go anywhere and speak to anybody about doing things better because we do not have a monopoly on wisdom in this part of the world. One of the reasons why we can laud some of the things that Scotland is doing — apart from the fact that it has a one-party Government, which kind of helps — is that it has been at this for a lot longer than we have. I think that Scotland has

a better grip and a better sense of what devolution is about than perhaps we have, and we have not entirely realised the full potential of devolution yet. I am more than happy to go to Scotland, and, in fact, I am scheduled to be there next Wednesday. I will go anywhere to learn from what others do.

Just as I am happy to learn, I am happy to share with others some of the things that we do well. As I said before, we have one of the best systems of shared services in this part of the world, if not indeed the whole world, and, when I talk to my counterparts south of the border, they are clear that they accept that they are not as advanced as we are. There are things that they can learn from us, every bit as much as we can learn from others. I am not closed to going anywhere or to talking to anybody about things that will improve the lives of citizens in Northern Ireland.

Mr Copeland talked about social housing. He was asked by Mr Maginness about imaginative solutions, and one such solution could be the proposed reform of the Housing Executive. It would, of course, result in a radical change in its structure to realise value from its £3 billion worth of assets. I hope that Mr Maginness is equally innovative and encouraging when the Minister comes forward with his proposals for reform of the Housing Executive.

Mr Copeland referred to Co-ownership and used words like "shameful" and "pitiful". Although those words were not used directly to describe the scheme itself, I do not think that they can be applied to Co-ownership. We have doubled the budget and put more than £25 million worth of funding annually into Co-ownership. We have seen 500 affordable homes bought by people who needed them and have saved those people, in the process, a significant amount of money in what they were paying for private rental. That is a good and positive thing that should be welcomed.

I turn to Mr Attwood's series of questions. I am sorry that I missed the start of Mr Attwood's speech. It was a big mistake by me; I should have missed it all. *[Laughter.]* However, when I was outside the Chamber — I unfortunately had to leave momentarily — one of Mr Attwood's colleagues accosted me in the corridor and asked whether I was running away before Alex's speech. I am not going to name and shame that Member, but it is worth noting that that Member has not returned to the Chamber to hear her party colleague speaking. *[Laughter.]* Mr Attwood asked me a series of questions. I am sure that, no matter what I say, my answers will not be exactly to his satisfaction, but I will do my best to address

them. He asked me about North/South cooperation. I just briefly mentioned being open. I do not think that we should be narrow about North/South or even east-west cooperation. We should see Northern Ireland in its rightful place as a part of Europe and of the world and look to examples all around the world. I am happy to work with and learn from anyone to improve this place; that is what anybody in my position should do. I hope that I have been clear in the past and that I can be clear in the future that I take a practical approach to the issue of North/South cooperation. I welcome the joint trade mission that my colleague Arlene Foster is on this week. I hope that it brings benefits to our economy primarily, but I will not begrudge anyone else on the trip the benefits from the joint trade mission.

Probably the area where I, as a Minister with the responsibility that I have, can perhaps have best cooperation with the Irish Republic is on reform. At the risk of sounding like a stuck record, it is an area that I am passionate about and that Brendan Howlin, my counterpart in the South who has responsibility for this area, is equally passionate about. He and I have already had some very productive discussions — I hope to follow those up — about how we can learn from each other in respect of reform. There are many areas where we are further advanced than they are in reform. I think that some of the reforms that they have brought in are less about reforming government and more about dealing with the budget crisis that they have faced over the last number of years. So I think that, in some ways, we are further advanced, and I am more than happy to work with him on whatever basis to develop that relationship. I have a positive relationship with my colleague Michael Noonan, principally on the National Asset Management Agency (NAMA) and banking issues. I have regular conversations with him about those matters.

The Member mentioned procurement as one example of where we could have better cross-border cooperation. Let me add a note of caution. At the risk of being called a technocrat again or, worse, a child, I think that there are risks in going bigger. This is one of the tensions that we have over procurement when we have debates in the House. If you were to go for a bigger volume of tendering — the Member suggests an all-Ireland basis — that might equate to better value for money, which, in some ways, as a Finance Minister, I am happy to see, but it puts pressure on in letting contracts go to small and medium-sized enterprises, which is not, of course, something that we can distort our procurement system to favour, but we have been able to protect that

sector successfully, in my view, in Northern Ireland.

I think one of the reasons why we have such a comparatively high volume of SMEs tendering for and getting work in Northern Ireland is that, although some of the tenders are big in a Northern Ireland context, they are small in a European context and do not elicit the interest of some of the larger firms. If we wanted to get bigger procurement tenders put forward, we could all just work within the UK's procurement framework and then we would receive even bigger benefits than we would on an all-Ireland basis.

#### 8.15 pm

The second question was about the One Plan and the university for Derry. That is an issue primarily for other Ministers, but I am happy to have conversations with other Ministers to help them to develop the detail. He mentioned the University of Ulster. I think the use of financial transactions capital for the University of Ulster is an innovative thing for us to do.

The Member mentioned £25 million. It was actually a £35 million loan of £25 million last year and £10 million this year. That loan is in addition to the proposed European Investment Bank loan, which is not actually finalised yet. We are not underwriting its loan in any way. I have had conversations with the European Investment Bank about that project and, although it did not require us to underpin any of its loans, it did make it clear that government support exhibited by the Assembly and Executive would assist in unlocking the EIB support. That is something that I have been personally involved in and I hope that we see positive progress in the not-too-distant future.

He mentioned welfare reform, which was a constant theme through most speeches, so I want to come to it towards the end. It was his view that DWP had the measure of DSD. Without wishing to speak for the Minister for Social Development, I think it is fair to say that he is trying to make devolution work. He is trying to wring as many concessions as he possibly can and get ameliorative measures in place to dampen down the worst impact of welfare reform. I think those that are already publicly known will be greatly beneficial to people in Northern Ireland and those that are not in the public domain will be even more beneficial to the people in Northern Ireland.

Although I do not agree that DWP has the measure of DSD, it does still have a large

measure of control in the process. He alluded to it himself. An even greater control is exerted by Her Majesty's Treasury, not least in the huge subvention that it gives us to pay the welfare bill in Northern Ireland, as well as the IT support that it provides. He asked what my involvement in the process was. Although I am not directly negotiating with the Department for Work and Pensions, I regularly meet the Chief Secretary to the Treasury — I am due to meet him next week — and he makes the large measure of control that they exhibit perfectly clear. That is why he wrote to my predecessor and said that he would dock our Budget by £5 million per month from last month.

My view is that the flexibilities that we already have in place are the envy of our Scots and Welsh counterparts. I know that from speaking to them and listening to them. For all of the lauding of the Scots today, they have not achieved anywhere near what we have in welfare reform. I suggest that they will go absolutely spare when they find out what other measures the Minister for Social Development has negotiated. We have pushed them far, but I recognise what Mr Attwood mentioned about the ideological approach of the Prime Minister, the Chancellor and the Minister for Work and Pensions. The distance that we have pushed them is, in the face of an ideological approach to welfare reform, pretty impressive on the part of the Minister for Social Development. I do not believe that there is much more that the Minister for Social Development can do, but what we have is more than we might have expected.

The Member's fourth and final question — it seemed like more than four, but I think there were only four — was around funding for Together: Building a United Community, or T:BUC, as it is now affectionately known. Forgive me if I picked some of it up wrong, because he talked quite rapidly, but he talked about redirecting existing resources and targeting resources differently in funding T:BUC. I think he was talking specifically about the funding of shared school campuses. I will come on to the general principle of redirecting and targeting resources differently in a second, but our capital position, as the Member will be aware, is improving. We can see that we will be in a better capital position in 2015-16, and we expect to see that beyond 2016-17 and the next spending round. He will be familiar, too, with the success in the negotiations on the economic pact, where the First Minister and deputy First Minister brought back the power to borrow a further £100 million for their RRI initiative as long as it was targeted towards shared housing and shared education projects.

So there is an improving capital position and, through the facility that we have in RRI, the ability to fund a substantial number of shared education campuses.

In a tone that would almost suggest that this is a bad thing and is something that we should not do, the Member discussed the broad principle of redirecting existing resources and targeting resources differently. I am all for redirecting existing resources and targeting resources differently, if the places to which we have targeted them previously have not worked or produced outcomes. It is a challenge to all Ministers that we carefully consider what we are already spending our money on. I heard it said a lot today, as I am sure happens in every Budget debate, that Members want more money spent here, there and everywhere. However, sometimes the answer to the question of where we get the money from is where we are already spending money. I do not think that our job is to continue to fund projects that have not worked; it is to fund projects that do work so that we can achieve the objectives and outcomes that we all share and want to have in Northern Ireland.

Jo-Anne Dobson asked me several questions and then left immediately afterwards, so I hope that she will pick up the answers from the Hansard report. She began by criticising the Executive for inaction and then welcomed their decision to offer £4 million in hardship funding for farmers who were adversely affected by the bad weather last spring. So I am not sure whether we got good marks or bad marks for that. She talked sensibly about the Going for Growth plan, which is something that I am supportive of. The latest updated position on that is that DETI and DARD will respond on the report to the Executive for our consideration. It is already on public record that I will not be found wanting in respect of good bids that are made to capitalise on the growth potential in the agrifood sector. However, the resourcing of the strategy will be very much an issue for the Budget process moving forward. She then curiously expressed the view that she had no sympathy with me for various failings in not funding this, that or the other. She said that I am jointly to blame because I am part of the Executive. I will point this out to Mrs Dobson: so is Danny Kennedy.

Mrs Kelly, in her actual contribution rather than her intervention, talked about the social housing development programme and was critical of what the Social Development Minister has been doing. However, the Budget contains £83.9 million for 1,275 new and affordable homes. I will point out to Mrs Kelly that DSD is reporting



that it is still on target to exceed the PFG target of 8,000 new and affordable homes. She acknowledged the good news that there has been on employment, but she was right to point out that there is still more to do. Our unemployment rate has fallen for 11 consecutive months, but it remains too high, and we have underlying problems with youth unemployment. I think that she and others should, and do, acknowledge that progress is being made economically.

Mrs Kelly also made some comments about SIF funding. Unfortunately, given the lateness of her contribution, I have not had time to respond fully to it. If there are any issues that I miss out, I am sure that I can come back to her. I think that there was a glimpse of gratitude for the release of SIF funding that the First Minister and deputy First Minister announced yesterday. I may have picked her up wrong, but I think that she asked me to justify how the very long list of schemes that she read out would benefit people. I have to say that some of the projects that she named sounded very positive to me. She complained that they are not located in neighbourhood renewal areas. However, I think that there is a valid point to be made that people who are deprived and live in neighbourhood renewal areas do not always have to use facilities that are located in deprived areas. She concluded with her customary criticism of the Executive and what they are doing and not doing. Like Mrs Dobson, I remind Mrs Kelly that her party is, of course, represented on the Executive.

Before I conclude, I want to touch on a theme that I touched on yesterday and that has been constant throughout today's proceedings. It was raised by Mr Girvan, Mr Cree, Mr Dickson, Mr Weir, Mr Attwood, Mrs Kelly and various others in different ways.

A number of Members have, once again, expressed concern about the impact on our public services of further delays to the Welfare Reform Bill. As I have detailed to the Assembly, the penalties next year are forecast at £105 million and will increase to over £300 million by 2018-19. That will require substantial cuts to departmental budgets and will have a significant detrimental impact on public services, all at a time when public spending is falling and we are, as Members highlighted, still pursuing the devolution of corporation tax.

I am also extremely concerned about the potential impact on claimants when we reach the point in the not-too-distant future of being unable to process payments to hundreds of thousands of the most vulnerable because we

can no longer use the Department for Work and Pensions IT systems. I have also referred to the potential loss of over 1,400 jobs at local service centres in Belfast and Lisahally in Londonderry, which causes me grave concern. Stewart Dickson referred to the need to work constructively to get the Bill agreed. The Minister for Social Development and I have been doing that, and I just wish that others would do the same.

I take exception — great exception, in fact — to Mr Copeland's comment that it was the DUP that was delaying welfare reform. The Member well knows or should well know that the delay is being caused not by the DUP but by other parties represented in the Executive. I think that that much is pretty clear; it should, at least, have been pretty clear in the past 24 hours. I see the Member nodding in agreement. Perhaps he will reflect on his earlier comments. If he is prepared to accept that Nelson McCausland has been fighting for concessions and has not been holding up progress, I may refrain from reminding him that his party was once allied to the Tories, whose reforms these are.

Mr Maskey was almost ever-present in the debate, although he did not make a contribution. I was half expecting him to do so. Today, he has accused me of employing scare tactics about welfare reform. I assure him that I am not employing scare tactics, although I agree that the figures are scary and will be scary for many people. It is a matter for the party opposite and, indeed, others to justify —

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

**Mr Hamilton:** I will give way, yes.

**Mr Maskey:** Does the Minister not accept, when I refer to his use of scare tactics, that, when he suggests that, if there is no welfare reform by 2016, the whole system will grind to a halt and it will us cost £1 billion for non-implementation, all of that is silly? I said that I accepted that you were a man of some intelligence and that that made it even more disappointing that you had adopted the approach that you had. I made my position very clear and do so again on behalf of my party tonight: I believe and am confident that we can secure greater changes to the Welfare Reform Bill, if your party and the rest of us knuckle down and talk directly to the British Government in a manner that seeks to represent the best interests of the people whom we all represent. I believe that we can get more changes to the Welfare Reform Bill, if we make

that effort and do not simply respond to British Government threats to fine us, surcharge us, take money out of the block grant and pay off 1,300 workers who currently run the IT system.

**Mr Hamilton:** Whether I was being silly or scary, I like to think that I was being sensible. Being sensible means pointing out the facts, which are those that I have outlined. It is for others to justify the reality that £15 million has gone from the Budget this year. Perhaps £15 million does not sound like a lot of money in the context of the Budget that we are agreeing today, but it rises rapidly to £105 million next year, which will necessitate serious cuts right across the board. It will go then from £300 million by 2018-19 to a total of £1 billion in the next five years. That is bad enough, and it is scary enough. It is absolutely sensible, not silly, to point out the reality of not moving forward with welfare reform and of not doing so, as the Member knows, on the basis of the package of measures that the Social Development Minister has negotiated, which will ameliorate some of the worst impacts of welfare reform in Northern Ireland. It would be irresponsible not to proceed on that basis.

It is bad enough that we face those reductions to the block grant, which will severely affect all budgets in the Executive, including the Education Minister's budget, mine and others, but we also face the prospect of 1,400 jobs being lost, the estimated cost of £1.8 billion for a new IT system and very real pain. We talk about people who are vulnerable, needy and in poverty suffering as a result of welfare reform: how much more will they suffer when we get to 2016, if the benefit system that we use now no longer operates and they are unable to receive the benefits to which they are entitled?

They are scary prospects for people in Northern Ireland. I hope that, even at this late stage, people see the sense in progressing with welfare reform.

### 8.30 pm

To conclude, the Budget Bill brings to a close the 2013-14 financial year and makes provision for the early months of 2014-15. It is easy to underestimate the work of the Assembly in the formation of the Bill. The figure work that it contains is a result of the Assembly's agreement to Budget 2011-15 and the associated Main Estimates voted for back in June last year. As well as the Executive's work in revising those allocations in the June, October and January monitoring rounds, many hours have been spent revising the Budget

plans to ensure the best possible outcome for the citizens of Northern Ireland. Many hours have been spent debating those plans, and not just today. I commend the Assembly for the role that it has played and will continue to play in that very important process. On that note, I ask the Assembly to support the Bill.

**Mr Principal Deputy Speaker:** Before we move to the Question, I advise Members that, as this is a Budget Bill, the motion will require cross-community support.

*Question put and agreed to.*

*Resolved (with cross-community support):*

*That the Second Stage of the Budget Bill [NIA 32/11-15] be agreed.*

*Motion made:*

*That the Assembly do now adjourn. — [Mr Principal Deputy Speaker.]*

## Adjournment

### Education: Post-primary Provision in South and East Belfast

**Mr Principal Deputy Speaker:** The proposer of the topic will have 15 minutes, and all other Members who wish to speak will have approximately four minutes. I must advise Members that, although taking interventions is a matter for their own discretion, I will be unable to award the customary one minute of extra time if they give way.

**Mr Spratt:** With your permission, Mr Principal Deputy Speaker, given that my South Belfast colleague Michael McGimpsey has just come back to the Chamber today, I would like, on behalf of my party, to offer my sincere condolences to Michael and the McGimpsey family on the recent death of his mother and to assure him that he and the family are very much in our thoughts and prayers at this time.

I am pleased to be able to bring this Adjournment debate to the House tonight. Post-primary education in South Belfast and East Belfast has been a subject of debate in the House before. As an MLA for South Belfast, I remain concerned about future provision and the impact that that might have on local children in the area. I do not think that any of us should be playing politics with this issue. I think that that would send out the wrong message to

parents and pupils alike. It would be much more helpful if everyone considered all the issues around both schools and put the education of pupils in those schools first and foremost.

I have to say at the outset that it is somewhat unhelpful that a number of leaflets have been circulating in one particular school in relation to a meeting that is to be held on Wednesday 26 February in Newtownbreda. The leaflets appear almost like election leaflets. Having spoken to Anna Lo earlier, I know that she told the school that it could have a quote but not a leaflet. Those leaflets are being put into children's school bags and sent home to parents. I agree with many of the sentiments in the leaflet, in the case of Ms Lo and, indeed, in the case of Michael McGimpsey. Some of the issues —

**Ms Lo:** I am grateful to the Member for giving way. I want to clarify that the leaflet was not produced by me. I agreed that, if they were producing a leaflet inviting parents to come to the public meeting, they could use a quote that I made during a meeting with the school. I understand that the leaflet was produced by a member of the parents' group without me ever seeing it. I made a complaint to the school, and it stopped circulation of the leaflets.

**Mr Spratt:** I already accepted that. I can agree with much of the content of Mr McGimpsey's leaflet with regard to the Newtownbreda site etc. However, there have been quotes to suggest that the South Eastern Education and Library Board (SEELB) has proposed to close Newtownbreda and Knockbreda schools to create a newly amalgamated school, despite strong opposition from local MLAs and parents.

We have to be very responsible about what is happening to this school. To refer to Knockbreda as a failing school and to call for its closure is potentially very damaging to both schools. If parents think that Knockbreda is likely to close, they are more likely to take their children out of the school or not send them there in the first place. All of that could mean that the new school would have lower numbers and could well face problems, and that is not the way to protect post-primary education in South Belfast and East Belfast.

I, along with party colleagues in East Belfast, have held a number of meetings with stakeholders, including the South Eastern Education and Library Board. I welcome the opportunity to hear a wide range of views, and meetings have been proposed for tomorrow and the coming days. Following the closure of

Deramore High School, Dunmurry High School and Balmoral High School, it is fair to say that Newtownbreda is the last controlled post-primary school in South Belfast. As I have said many times, it has been closure after closure in that area for post-primary education at secondary level. Of course, I want to see the Newtownbreda site remain and flourish as a school, but we must all face the reality that many of the children who will be affected come from the east of the city, including Newtownbreda and Knockbreda. We have to be aware of that, whether we like it or not.

It is essential that everyone supports the amalgamation or merger — call it what you will. My understanding is that the Minister has made a decision, which, I do not want to misquote him, "cannot be overturned". I thank the Minister for being in the House for the debate. Perhaps he will clarify the exact position when he speaks a little later. However, with regard to this site, our focus must be on getting the very best outcome for teachers and pupils.

I know that there is a very strong lobby at Newtownbreda to keep the school as it is. I have spoken at length to Rev Adrian Green, and my office and other offices have had numerous emails from Newtownbreda and Knockbreda parents. In contrast to Newtownbreda, Knockbreda staff and parents have been less vocal on the issue and have been actively trying to keep up the morale of the school and the pupils, given that the school got a fairly severe battering from the press in the past.

I said before in the House that parents whose children attend Knockbreda have told me that they are content with the education that their children receive. I had a meeting recently with the principal and some of the governors and teachers of the school. They have had a very positive open night that, hopefully, will keep the numbers up. The numbers in both those schools will lead to the opportunity for a very viable school in the future.

In meetings with the South Eastern Education and Library Board in the past number of days, we have been advised that an interim board of governors is being set up. According to the SEELB, it will be drawn from both schools. That may be something that the Minister will choose to clarify this evening. Other important steps will include the appointment of a new principal. I do not know who that will be, but it will be a matter for the new board of governors. My understanding is that the board will argue that there are a number of ways in which to improve relations between the two schools while the amalgamation is taking place.

Together, the new board of governors will, and should, be able to agree the ethos and values of the new school, agree the budget, develop a communications strategy for pupils and staff, and provide newsletters detailing those areas.

In his statement to the House, the Minister said that the school will initially operate on a split site. In the meeting that I mentioned, the board referred to a split site for a period, with the possibility of a junior school on one site and a senior school on the other to allow the for the newbuild, which should be on the Newtownbreda site, given the size of that site. I am not convinced that a split site will be attractive to parents. The issue needs to be very seriously managed by the Department and the board. Serious work needs to be done on exactly what is proposed or what is going to happen, because split sites have never really worked in the past. That is a big danger.

I know that there has been a very strong lobby from Rev Green on behalf of Newtownbreda parents. At the beginning of this month, I saw a number of communications about the amalgamation with Knockbreda, and I am concerned that the paper refers to questions that will require answers before a decision is taken by the Education Minister. Well, folks, the Education Minister made a statement to the House. At this stage, perhaps he needs to make clear to the lobby group whether there is any wriggle room or any possibility of changes. I am very hopeful that the Department, the Minister and the board will take very seriously the concerns of all parents and pupils from both sites and try to manage the situation in the best way possible. If that is not done, there is a real possibility that we could face a situation of dear knows what in the future. Possible legal challenges and all sorts of other things are already being mooted. Therefore, I think very serious work needs to be done at the two sites.

A very clear and positive message needs to be sent out that the new site — new school, new name, whatever — will be on the Newtownbreda site. A positive message will be sent out to South Belfast, including Belvoir, the wider Four Winds area and the area around the Newtownbreda site, that there will be a sustainable school with the possibility of — I am not misquoting what the Minister said previously to the House — around 1,000 pupils in the future. So there is a lot of positivity around that.

I plead with Members in this House tonight not to try to politicise this thing. That is why I said that at the outset of my remarks. Let us not try to lead parents and pupils in a direction in which they believe that something can be done

to save the school and to save this, that and the other. Let us do what is best for the pupils, the parents and the very dedicated teaching staff in Newtownbreda. I have had meetings with the Knockbreda staff as well, and there are a lot of very good, dedicated staff there, too.

#### 8.45 pm

Let us face it, the exam results at Knockbreda have improved dramatically. There are very dedicated staff in Newtownbreda school as well, and they need to be dealt with positively and sympathetically in the days ahead. So let us all try to get our shoulders to the wheel to do what is best for kids right across the board. I hope that colleagues in the Chamber tonight, from whatever party and whatever area, whether South Belfast or East Belfast, do what is best for everyone. It might be easy to go down the route of a protest or something like that, but that is not a route that I intend to go down. I will not be at the meeting on 26 February, and I have already made that clear to the school. Unfortunately, I have medical tests on that particular evening, which have been rescheduled to allow me to do my business in the House. That is the reason why I will not be there, and I have already made that very clear. Let us all try to be very positive in all this.

**Mr Principal Deputy Speaker:** I remind Members that they will have four minutes in which to speak. There will be no extra time if you accept an intervention.

**Mr Maskey:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. First, I thank Jimmy Spratt for bringing this matter to the House again. It is the second time that the Member has brought an Adjournment debate on the issue, and I think that it is important to continue to highlight the issues. I am particularly grateful to the Member for the manner in which he rightly raised a number of concerns that have been expressed by teachers, parents, boards of governors and others around what the future might hold for Knockbreda and Newtownbreda high schools. It is important that those concerns are firmly placed on the record. I also think that it is regrettable that, all too often, when we hear debates around schools, particularly if there is an argument around school closures, amalgamations or mergers, we get people who, in my view, unfortunately, take up what I can only describe as opportunistic and populist positions. Hopefully, that will not occur this evening.

It is of paramount for us, as representatives of South and East Belfast, that we need to

recognise that these times and these decisions are very challenging, particularly for parents who have pupils at the schools. I speak from the point of view of having a brother who is a principal of a school, and his future at this time is uncertain. I can say very safely that he is the principal of that school, and the teachers, parents and boards of governors are equally committed to making sure that they do the best for that school and, particularly, for their pupils.

That is what is most commendable about the vast majority of the teaching profession that we know and those who are involved in the education estate. We all need to remain mindful of what we are all about, which is about making sure that our young people get the best opportunity to move into the future that we can possibly give them. Therefore, when Jimmy Spratt asked Members to treat this sensitively and sensibly, that was a very important call to make, and I hope and expect that all Members will respond to that.

As I said, there is no doubt that these matters are very challenging to people, and I know that the Minister will respond later. I was under the impression that the decision has been made that the schools will amalgamate or merge, or whatever the description may be, but a lot more work has yet to be done on the schools, parents and boards of governors working with the South Eastern Education and Library Board and others on what precisely will happen in the future. I have no doubt that, if those schools amalgamate, you will be looking at a school for probably a 1000-plus pupils. The modern schools estate, where new schools have been built and opened, is marvellous. People who have been in those premises in recent years cannot help but marvel at the facilities that are now available to young people who go to school today, and that is as it should be.

I hope that the decisions and deliberations in the time ahead and the discussions that will rightly take place among parents and people involved in making the final decisions have the absolute singular focus of making sure that we have the best school and the best educational opportunities available to young people from the areas who will go to the new school, wherever it may be located. That is a matter for others to decide, not me. I wish them well in their deliberations, and, more important, I wish the young people who will attend the new school, wherever it may be located, well for the future, because those young people will have a wonderful opportunity and a great education. As we all know, life is difficult and challenging enough, and the best thing that we can do for our young people is give them the best

education possible to allow them to go forward with two feet forward.

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

**Dr McDonnell:** I welcome the opportunity to contribute to this important debate on the provision of post-primary education in South Belfast and East Belfast. There is much overlap between the two constituencies. Many children from South Belfast attend schools in East Belfast, and many children from East Belfast attend schools in South Belfast. It is vital that children who live in the overall area have access to a high standard of post-primary education, and our objective must always be to ensure quality educational outcomes.

We could indulge in a debate about selection, but it would not be helpful in this case. This debate hinges on providing the right atmosphere and the right conditions for learning for a large number of young people in South Belfast and East Belfast. We have the potential to create a very powerful comprehensive school in the controlled system for young Protestants in that area, and Mr Spratt rightly said that a number of secondary schools in South Belfast have closed and that has restricted access. Large sections of the community need those schools, and it is unreasonable to expect children in their early years, or even at 11 or 12 years of age, to travel a long distance.

In my experience, Newtownbreda High School is just the type of school that we should seek to emulate in many other areas of Belfast and across the North. I am not as familiar with Knockbreda, although I know that it is there and I have visited it. However, Newtownbreda High School is an asset to post-primary education and provides an excellent environment for educating young people in the Belvoir and Milltown areas. The recent decision, as was rightly outlined earlier, on the amalgamation of Newtownbreda and Knockbreda has created concern, but that is normal in such cases and, as Mr Spratt said earlier, it must be handled sensitively.

It is worth putting on the record that, in recent years, Newtownbreda has gone from strength to strength, with the highest GCSE performance of all co-education controlled post-primary schools in South Belfast and East Belfast. GCSE results are well above the Northern Ireland average, and that is testament to the hard work of staff, pupils and their parents. The school receives very high commendations from inspections, Education and Training

Inspectorate (ETI) grading and in various other assessments.

If the amalgamation goes ahead, which it no doubt will, there should be minimum disruption to pupils and staff. I know that there is a debate about the naming of the place, and that has to be dealt with sensitively. I have no doubt that the school should remain on the Newtownbreda site. Enrolment figures at Newtownbreda are very high, and that reflects how popular the school is and the quality of education there. I was familiar not just with the current principal but with previous principals, and the quality of education that they produce there is high.

The school has the potential to grow further and to develop over coming years. It can adapt and work with parents and others. I urge the Minister to work sensitively and to recognise the sensitivities, needs and anxieties of many of the parents, teachers and pupils.

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

**Mr Copeland:** I think that it is fair to say that the overall educational performance in East Belfast could be described as patchy at best. The educational inequalities are more apparent in East Belfast than practically anywhere else in the city. Testament to that is the fact that we have the lowest proportion of school leavers gaining at least five GCSEs at grades A\* to C. East Belfast has four of the wealthiest wards and four of the poorest wards sitting almost side by side. In some cases, they are separated by the width of a main road. If you are born in one postcode, your future is assured for all the right reasons, but, if you are born in another, your future is assured for almost all the wrong reasons. Some of the best-performing schools in Northern Ireland function cheek by jowl, in some cases, with some of the most challenged.

I could talk all night about education in its widest sense and about the well-documented problems of underachievement in the working-class districts of our constituency. I will, however, try to concentrate on the current proposals to reconfigure secondary school provision in the area. A central feature of the aim was the 2006 Bain report, which was the proposal for area-based planning and a new strategic approach to planning schools estates to provide a system of strong, sustainable educational facilities. That is a very laudable and fine sentiment. It led to education and library boards carrying out viability studies, which, in turn, led to area plans that were published a year ago. Now, the Belfast and South Eastern boards have published six

development proposals that affect seven post-primary schools in the east of the city and Holywood. The Minister made pronouncements on his proposals in the House on 14 January.

What is instructive in all that is that now, in February 2014, the South and East Belfast focus appears to be on post-primary secondary schools in the state-controlled sector. We seem, almost accidentally perhaps, to have wandered far away from the vision of Bain in 2006. One might ask about what happened to the cross-sectoral working, the sharing of resources and facilities, and, forgive me, the ministerial rhetoric that said that no sector would stand apart from the rest. That vision seems to have been lost somewhere in the area-planning process. Why was the all-encompassing vision allowed to lapse? Why was one sector allowed or able to rationalise its schools estates completely independently of the rest? Where is the building of relationships and the sharing of classes to deliver the entitlement curriculum between the grammar and the non-selective sectors, that is, the maintained, controlled and integrated? It may not be politically correct to say it, but I truly believe in a single education system for Northern Ireland. It may be a long-term pipe dream, but I am quite happy to place on record my belief that the state should provide one system.

Back in the here and now, the board has proposed the amalgamation of Newtownbreda and Knockbreda high schools, the closure of Orangefield and Dundonald high schools and an increase in the size of Ashfield Girls' High School, Ashfield Boy's High School and Priory Integrated College in Holywood. Moreover, in his development proposals, the Minister has given a very welcome reprieve to Dundonald High School. However, he has not found it possible to accede to an increase in the number of pupils in Ashfield. The most controversial proposal is to amalgamate Newtownbreda and Knockbreda into a single school of 1,000 pupils to operate initially on a split campus, with the possibility of a new school in the future. It is fair to say, Minister, that there is much unease about that. I do not like the fact that the two schools have, in actuality, been pitched against each other.

Often in politics, perception is all important. There is a widespread perception in East Belfast, although I am not saying that it is a reality, that the Minister is targeting the state-controlled —

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

**Mr Copeland:** — sector for particular attention. Perhaps, in summing up, the Minister could address those concerns.

**Ms Lo:** First, I offer my condolences to Mr McGimpsey on his recent bereavement.

I will focus on the amalgamation of the Newtownbreda and Knockbreda high schools.

I spoke at the Adjournment debate on the proposal last year and I wrote to the area-planning team to highlight my concerns.

### 9.00 pm

I have recently received about two dozen emails from concerned parents and pupils who are very distressed about the Minister's decision to amalgamate the two schools. The parents feel that there is no clear rationale for doing so and that they have not received an assurance that the future of their children's education is secure. Last week, I met with senior officials in the SEELB who explained in more detail the reasons and plans for implementing the amalgamation. I was assured by the imminent formation of the interim board of governors and recruitment of a principal designate to oversee the process.

I do not believe that it is ideal for the combined school to be based on two sites, even if they are 1.5 miles apart. I hope that this separation will not last any longer than two years, which was the expected time frame that was given to me by officials. Given the recent capital development at Newtownbreda High School, I strongly support the new school being on that site. There has been speculation as to whether the amalgamated school might be moved to the Orangefield site in five or six years' time. However, as it is the only controlled school in South Belfast, I would be strongly opposed to that proposal.

It is clear that there is a need for a well-managed transition that must be properly communicated to the schools and parents to avoid uncertainty and speculation. My support for the parents and teachers of Newtownbreda remains strong. I want the Department to do all that it can to ensure that the transition is as smooth as possible.

It is essential that there is proper post-primary planning across all sectors in South and East Belfast to ensure appropriate levels of social and physical connectivity between schools and communities. As an Alliance Member, it would be remiss of me not to highlight the demand

from parents for the provision of integrated education, which makes up only 7% of post-primary provision. That is despite OFMDFM's good relations indicators update showing that 70% of people are in favour of mixed schools. In the South Belfast constituency, we have Lagan College, an integrated school that is consistently oversubscribed and that achieves excellent results at GCSE and A level. Decisions taken by the Minister should take the demand for more integrated education on board.

**Mr Newton:** I thank Mr Spratt for securing the debate and the Minister for being here. Minister, the last time that we debated East Belfast, the statement you made was perceived to be bittersweet. It was not as well received by those associated with Knockbreda and Newtownbreda high schools, as it was by those who are associated with Dundonald High School.

In the time that is available to me, I want to underline a few points on the principles behind making decisions on education. I assume that everyone in the House wants long-term, high-quality provision of education in East Belfast and South Belfast. A number of factors underpin the decision, and paramount among them is the need for parents to have confidence that their children will receive the very best possible education, with committed teachers and appropriate facilities to deliver it. Under the proposals, the parents of pupils at either school do not see that taking place and there is some dissention.

Minister, I welcome the decision that you took a short time ago to democratise, once again, the Belfast Education and Library Board through the appointment, albeit three years late, of councillors to represent parents. However, this decision is being taken by a South Eastern Education and Library Board that has no parental representatives. Indeed, the board is run by three commissioners, a situation that has existed for much longer than the Belfast Education and Library Board. So it is a decision taken by three commissioners when they were appointed more than three years ago. The board has no elected representatives and, therefore, no parental representation or input into the workings of the South Eastern Education and Library Board.

You recognised, Minister, in your statement to the House a few weeks ago that there was a situation that you found unacceptable:

*"I believe that an opportunity was missed when all publicly funded post-primary schools were not brought into the equation and subsequent planning process." — [Official Report, Vol 90, No 6, p 11, col 1].*

You were dissatisfied with that decision, Minister, and you made that quite clear. You will understand why parents are now asking, "If the Minister was dissatisfied with the planning process, why is he continuing with a decision made prior to his recent statement?"

The parents need to be convinced, particularly those in Newtownbreda, who put forward a proposal, 'Area Planning: The Way Forward', and they wanted to support two alternative proposals within that. In addition, Newtownbreda already has a good track record of integrating pupils from other schools such as Lisnasharragh, Dundonald and Dunmurry high schools, yet the decision to continue with a split site remains.

Let me say one thing about education investment: there is a need —

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

**Mr Newton:** — to look at what is best for young people, and we —

**Mr Principal Deputy Speaker:** I am sorry, the Member's time is up. I have to be fair to others.

**Mr Newton:** — and parents need to understand what that investment will be.

**Mr Douglas:** I thank the Minister for attending and my colleague Jimmy Spratt for securing the debate. I also thank Mervyn Storey, Chair of the Education Committee.

This decision by the Minister has raised concerns among pupils, staff, politicians, churches and, indeed, many within the greater East Belfast area. That is no surprise because for many of the parents, teachers and children, there is the insecurity of change and what that means for the future. Anna Lo mentioned the transition period, and it is key that that is managed well. There has to be communication, and parents, staff and others need to have a sense of ownership and involvement in this major decision, which affects all their lives.

As my colleague Jimmy Spratt said, this is not about politics. It is not about East Belfast versus South Belfast, as some would have it,

and it is not about Knockbreda High School versus Newtownbreda High School. It is a debate about the future of the children, the quality of the education, the future of the staff and how people are appointed. This must be about the slogan, "United we stand, divided we fall." An us-and-them situation would cause more discontent and insecurity and more problems within the area in trying to get the very best for our children.

Let me quote a young man who has been on placement with me for the past couple of days: He is Nicholas Hunter, a former pupil of Knockbreda High School:

*"There is nothing I could probably say about the school that is bad or misleading. My brothers and sisters went to the same school years ago and it didn't do any harm to them. They said to me on the first day of school that Knockbreda is a fantastic school with excellent teaching staff".*

Those are the sorts of quotes and that is the sort of passion and commitment that we are talking about. People want the best, not just for him, but for his sisters at that school as well.

From a parent, Lucinda:

*"as the parent of a son who is currently in year 11 at Knockbreda High School and a daughter who left in 2012, I would like to share with you why Knockbreda High School is a good school. It is not a failing school. The last ETI report was classed as satisfactory improvement and continuing to improve. Knockbreda has embraced the changing population in the area and continues to have pupils from all races and creeds, developing into a multicultural school."*

I think that that is a tremendous vision and future for the children of the school.

This is an amalgamation that we are talking about. It is a bringing together, and we need to manage that in the best possible way. My father was a former shipyard worker; he was a red leader at the shipyard. I was down at the Titanic Quarter recently, which has the motto "Building the future from the past". For me, that is what this amalgamation is all about. It is about bringing the two schools together while building a future for all of us.

**Mr McKinney:** This is an important debate for east and south Belfast. Given the location of Knockbreda and Newtownbreda in south



Belfast, I wish to confine my remarks to these two schools, the characteristics and qualities of which Members have reflected on.

Part of the Minister's vision is that every school should be a good school. I have raised this issue directly with him on two occasions in this Chamber, reflecting on the harm that parents, pupils and staff feel his proposals are doing to their valuable establishment. On the first occasion, the Minister said that he did not care about the institutions, only about the output, but this is their good school.

On the second occasion that I raised the issue with him, I did so because I am acutely aware of the concerns of parents, pupils and staff. I suggested that the Minister might like to lay to rest the concerns that some people have had about the school being relocated, particularly on the Orangefield site. However, the Minister chose to rebuff the request and say that he did not care about postcodes. How is that consistent with valuing that good school? It is 34 years since I left a school that I deeply value as a quality school. It was situated in a good town with great staff and brilliant outcomes and valued by parents, pupils, staff and the local community. It had ambitions to be better than good, and, in my view, achieved excellence. Newtownbreda, too, is situated in a community that values its output, its staff and its pupils, and it is endeavouring to improve and be the best that it can be. Those staff and pupils value its name, value the institution and value the location, so to simply dismiss those views, whatever the Minister's overall ambition and plan, can be harmful to the school and the community's view of it. This may be acceptable at a political level, but it causes much disquiet at classroom and pupil level and in the wider community.

We should, when making adjustments, make equitable and values-based decisions. If numbers are falling in a school, it is reasonable that, if they fall substantially below a certain level, decisions can be made around that. However, when both the quality and the numbers are improved at a school, you can understand why proposals such as this cause the disquiet that they do. To leave people hanging about the school name and site dismisses concerns and rejects the values that those pupils, parents and teachers place in their institution.

I ask the Minister to reflect on it in through the very human story that I am telling: people value their school. As I said last week, all MLAs in South Belfast, as has been confirmed here

tonight, are getting emails and letters reflecting those concerns.

It is not just an institution in that sense; its location and values are hugely important to people who share in an education way and in a community way. It is important also, not just to look back at a school, but to look to its future. Given the improvement that Newtownbreda has experienced and the increased numbers and prospect of greater numbers, I urge the Minister to think again about his amalgamation proposal and the closure impact of it.

### 9.15 pm

**Mr McGimpsey:** I thank Jimmy Spratt for bringing forward the debate. I also thank colleagues for their kind words initially. This is a discussion about integration or amalgamation. We have two schools: Newtownbreda and Knockbreda. Newtownbreda is doing well. It is succeeding. It has shown a 30% improvement in its academic achievement over the last three years. Pupil numbers are rising. Its academic standards are going up. It is a popular school. Knockbreda is doing less well. Nevertheless, it gets a reasonably good rating as far as education standards are concerned.

The question is this: integration or amalgamation? With integration, the stronger school would carry on and the weaker school would eventually integrate into the stronger school. As Robin Newton said, there have been examples of that recently, particularly around Newtownbreda.

Amalgamation, on the other hand, would be to formally shut both schools and form a new school. The new school would be formed on a split site on either side of the busiest traffic junction in Northern Ireland. Anybody who is familiar with the Forestside junction will know the nightmare that pupils and staff would face if there were a split site.

To formally close Newtownbreda, a school that is doing well, is succeeding and has the support of the full school family — parents, pupils and staff — would, to put it mildly, be highly unpopular. I was at a public meeting in the school a number of months ago. The opinions expressed there were as strong as I have heard at a public meeting. It was in a packed school hall. The strong view was not about Newtownbreda versus Knockbreda. It was about Newtownbreda, which is succeeding and doing well: reinforce it, support it, invest in it.

What we have is a proposal that takes an ivory tower approach. Commissioners in the South

Eastern Education and Library Board are saying, "We are not listening to any of that. All the parents, all the pupils, all the staff put together — it does not matter what they are saying. We are going to do it a different way. We know best." That is most unfortunate. To say that there is a public relations disaster brewing is to put it very mildly.

I was not aware of the leaflet that Jimmy Spratt referred to; I have not seen it. However, where my sympathies lie is not about leaflets. It is about the pupils in these schools. It is about the children in Newtownbreda and Knockbreda getting the best education that we can give them. Our sympathies have to be with those schools and their school populations.

What is proposed is a rushed process. A rushed process is likely to be a botched process. There is a rush to get a new headmaster. As I understand, he will not be based on either campus. He will be based in the South Eastern Board and not even at the school. How do pupils, staff and parents relate to that? There is also a target date of around June 2014. It is a rush. Even if you think that this is the way forward, it cannot be made to work in practical terms.

There are a number of reasons why this should not happen, but the key reason is this: amalgamations have a detrimental impact on quality of education. It is well-documented that, in 68% of amalgamations, the schools affected see a drop in their academic achievement; 51% of those never regain that position.

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

**Mr McGimpsey:** I remind colleagues that there is a meeting in Room 277 at 1.00 pm tomorrow. I invite everybody to come along to meet some of the parents.

**Mr Lyttle:** I, too, thank Mr Spratt for securing the debate. This topic is a good use of an Adjournment debate. To be honest, there are more elephants in the room on this issue than there are at Belfast Zoo. As regards why we see a reduction in pupil numbers in secondary schools, two of those elephants are called inequality and segregation. Another one is called a fragmented area-based planning process —

**Mr O'Dowd (The Minister of Education):** Academic selection.

**Mr Lyttle:** That as well; yes. The area-based planning process is turning into a sector-based planning process.

The Education Minister made a significant statement to the House on 14 January, in which he said:

*"At the centre of the process must be decision-making in the best educational interests of children and solutions that can be implemented in a manageable manner."*  
— [Official Report, Vol 90, No 6, p8, col 1].

He also said that recognition on everyone's part that change is necessary is needed to deliver high-quality education and that the best solution for pupils on an area basis will require a high level of collaboration and coordination.

MLAs need to be very honest in the debate. We need to think outside the box and put the needs of areas and every child before lines on maps. We need to channel all the energy and passion that we have for the education of our children and young people into area-based planning. We need to engage in fully participative processes that include parents, staff, children and young people and that, although taking account of sensitivities, ultimately prioritise quality education for all.

How does that apply to the proposed amalgamation of Newtownbreda High School and Knockbreda High School? Undoubtedly, there are concerns, caused perhaps by a lack of clarity. As MLAs, we have heard from parents that they have requested meetings with the Minister. Some of the parents remain to be convinced that the proposal is in the best interests of all children and young people in the area. Indeed, they have asked for clarity on issues such as naming, the principal, leaderships teams, which sites will be used, and so on. I hope that the Minister can add some clarity to those issues tonight.

There is a responsibility on MLAs and parents to be clear and accurate in their information and communications. The most recent ETI reports show two schools that are making significant improvements and moving in the right direction in providing quality education for our children and young people. We have testimonies from pupils at both schools on the positive impact that education in the area is having on our children and young people. It is essential that we have good, accurate and clear communications on the process to ensure that continued improvement is at the heart of what is achieved.

I understand that letters have been sent to parents to outline the process. I would say, however, that those seem to be quite bureaucratic. It is incumbent on the Minister and his officials to set out a vision and plan for children in the Newtownbreda and Knockbreda areas in more detail and in more human terms. We could have parent information evenings that would give an opportunity for that type of vision and plan to be put forward, because I think that there is a positive vision for education in the area.

We need to look at whether more innovative solutions can be brought about through integration —

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

**Mr Lyttle:** — all-ability co-education and utilising appropriate information for academic progress.

**Mr Storey:** I thank my colleague Mr Spratt for tabling tonight's Adjournment topic. I also express my condolences to Mr McGimpsey on the passing of his mother.

I welcome the opportunity to speak. I have a particular interest, not only as Chair of the Education Committee but as the DUP's education spokesperson. When the Minister announced the decision on the six development proposals issued by the Belfast Education and Library Board and the South Eastern Education and Library Board, he admitted that, in the light of this exercise, the Department had learned a number of lessons.

I know that many Members will share the view that the process initiated by the two boards was neither strategic nor well planned. The fact that the Minister disagreed with or amended five of the six proposals says much about the process that was adopted. Furthermore, the fact that, in communicating his decision to the House, he admitted that more work needed to be undertaken on sixth-form provision in the area shows that we do not have any semblance of an area plan for young people, which is the point that my colleague Mr Newton was making.

The Education Committee has expressed its grave disquiet at the handling of the Orangefield situation. Over the past number of months, since the publication of the development proposals, I have endeavoured to be actively involved with the boards of governors of Newtownbreda and Knockbreda. I met with the senior management team in

Dundonald and with representatives of Orangefield. On behalf of the party, I presented the two boards with a paper on a strategic way forward for post-primary provision in the area, which regrettably they have chosen to ignore.

As a result of this, I trust that I know and understand the feelings and concerns that have been expressed by many Members this evening. The current decisions have clarified a number of situations. Orangefield will close, Dundonald is to stay open and the Ashfields are not being permitted to increase their enrolments. I know that there is still disquiet in regard to the Breda schools.

The decision by the Minister in clarifying the situation creates a number of challenges for us. For example, Dundonald is to stay open, but we know that this, in itself, does not generate nor guarantee a successful school in the future. This will only come about with community support, the active and positive support of the boards and a high-quality teaching and learning environment created for all pupils. Similarly, in regard to the Breda schools, the reality is that, with no capital build on the horizon any time in the near future, the SEELB is faced with operating the arrangement of a new school in a less-than-favourable situation.

I concur with Mr McGimpsey's comments, and I make the plea to the Minister to seriously have a conversation with the two boards because not only is the proposal to be on the basis of a split site but it is my understanding that it will be on the basis of a junior and a senior school. If the Minister has rejected in his constituency the Dickson plan, albeit for different reasons, I doubt whether we should be going down the road of bringing a different form of education into east Belfast.

**Mr O'Dowd:** Thank you, a Phríomh-LeasCheann Comhairle. In January, I made a detailed statement to the Assembly about the reshaping of post-primary provision in the greater east Belfast area, which encompasses the parliamentary constituencies of South Belfast and East Belfast. Details of my decisions and my rationale in each case are also clearly documented on my Department's website.

To clarify and confirm for Mr Spratt: I have made a decision on the amalgamation of Newtownbreda and Knockbreda. It is no longer a proposal; it is a decision.

Today's debate will give me an opportunity to update you on developments since my statement and to reassure Members of my

resolve to ensure that the pupils in this area have access to the high standard of education they deserve. I also want to affirm that the area planning process, which the education and library boards are leading on, must account for the needs of all sectors and plan for the needs of all pupils in a given area.

The six greater east Belfast development proposals that I recently decided upon are a first phase in reshaping post-primary provision in this area. It was evident, however, that more work is needed, and a number of Members referred to that. However, the fact that work needs to be continued will not have affected my decision on the amalgamation of these two schools.

Not only is further work required to ensure the provision of adequate places for pupils at years 8 to 12 and at sixth form but the final area solution that has been reached encompasses the needs of all school sectors. Further engagement with those sectors is required, and my officials will be working closely with the Belfast and South Eastern Education and Library Boards over the coming months to ensure that this happens. At the centre of the process must be decision-making in the best educational interests of the children plus solutions that can be implemented in a manageable manner. I will accept nothing less.

Before I outline developments since my statement of 14 January, I want to clarify a couple of matters that have arisen in the interim. There appears to have been some confusion and concern about who will lead in effecting the changes that I announced. With regard to the amalgamation of Knockbreda and Newtownbreda, it is the South Eastern Education and Library Board, not my Department, that is responsible for all operational and management arrangements required to effect this amalgamation. Similarly, the Belfast Education and Library Board is responsible for all operational and management arrangements required to close Orangefield High School.

I turn to developments since 14 January. I expect the board to carry out the task of amalgamating these schools in an effective and timely manner. The South Eastern Education and Library Board's plan was to amalgamate Knockbreda and Newtownbreda from September 2014. However, since my decision, the board has considered the implementation timetable. It has indicated that, for practical reasons and taking account of the best interests of the pupils concerned, the 2014 school year will be a transitional one, with full amalgamation

being achieved in September 2015. The SEELB has given its assurance that it will work with staff and parents to ensure that the transition is as smooth as possible.

### 9.30 pm

The board will consult all those directly involved in the transition process, and I will take a particular interest in how it consults and communicates with the schools, teachers, boards of governors, parents and pupils on the matter; because, sometimes, we can be too clinical in our approach, in how we write to people and in how we inform them of those matters. We can be too functionary at times rather than ensure that parents receive the information that they require.

Part of the process will be to bring forward an interim board of governors that will have a very important task. It will answer a number of the questions that have been raised. The idea that a new school principal will be stationed in board headquarters sounds ridiculous to me. If that is the plan, I will be using my authority to ensure that it is changed. The schools' staffing and management structures are matters for the new interim board of governors.

As with all other schools, my Department will set the budgets; however, how those budgets are spent in the schools is a matter for the interim board of governors. The curriculum will have to meet the entitlement framework, but how the curriculum is made up is a matter for the interim board of governors. Other matters for the interim board of governors include post-16 and special education provision; school name and uniform; as well as year admissions criteria and other school policies.

Therefore the interim board of governors — as with the board of governors of any school — will have to be representative of the school and the community that it serves, and it will have to have a skills base that will ensure that it delivers an effective and efficient education system in the school. That is important with respect to why there will be an amalgamation, rather than allowing one school to close, end or "wither on the vine", as the case was put.

I am disappointed that some MLAs concentrated only on Newtownbreda High School. There are more than 300 pupils still attending Knockbreda who deserve a future, representation and a voice. Their needs should also be represented in this debate. I could not allow myself as Education Minister to leave a school of 300 pupils to wither on the vine. If I were to do that, I would be in dereliction of my

duty. Some Members have done the maths and considered that 800 or 900 pupils are represented in that school, so there are more parents involved; therefore they have decided to concentrate on the needs of that school and forget about the other. Any Member who does that is in dereliction of their duty as a local MLA.

The amalgamation is the best way forward for the entire school community in that area. If we were not to take decisions now, neither of the two schools could confidently stride into the future. We have now made a decision that allows for the provision of post-primary education in the area for generations to come. I am confident that, if we approach this properly as MLAs in a leadership position, as the South Eastern Education and Library Board, my Department, and I as Minister —

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

**Mr O'Dowd:** Just give me one second. If we approach this properly, and I am confident that we can, we will develop a school that is not just satisfactory or good but very good and excellent. It will deliver education for generations to come in that area. I give way to the Member.

**Mr Newton:** Minister, underpinning that work has to be the confidence of parents. There is not that confidence, and it will not be there until parents see, in their words, a different plan and an investment in the schools to assure them of their future. There is no investment in the schools at this stage.

**Mr O'Dowd:** I can give confidence to the parents that I, as Education Minister, will take a very close interest in how those plans develop. In my opinion, the South Eastern Education and Library Board has taken the right decision: to delay the amalgamation for a year. However, anyone who is using their energy to overturn that decision is wasting it; they are wasting an opportunity to build on this and move forward.

In relation to investment in the schools, bricks and mortar alone do not make good schools. You can have the most modern, up-to-date school, but if you do not have the proper leadership team, staffing and board of governors in it, you are wasting your time. So let us get the leadership and board of governors right in the school and make sure that the teaching staff have the proper leadership to move forward. Then we will invest in an amalgamation and a newbuild.

So let us not get ahead of ourselves. Let us use our energies constructively in the months ahead.

I have no basis on which to overturn my decision. I have no inclination to overturn my decision, so I advise anyone who is preparing to launch the campaign that they are perfectly entitled to do so in any democratic society. However, I will say this to them: use your energies more effectively and more efficiently elsewhere and start building a new school for all the pupils in that area.

I see that Mr McKinney and the SDLP have employed their selective quotations editor again, who snips out words that are convenient in any debate but that may not include the complete responses or sentences. They are very busy up in the SDLP cutting office. Let us be clear about this: if there is going to be a newbuild — under the amalgamation, a newbuild will be required in the future — where that school is built will be a matter for the SEELB or the Education and Skills Authority (ESA), whichever comes into place. However, it will also have to be done in consultation with the school, local representatives and the parents. I said to you that I am not interested in the postcode. I, as Minister, have no interest in imposing a newbuild in a specific geographical location. It is up to the local managing authorities to consult and to decide where it is best to build in the future.

I think that the future of education in that area is bright. Difficult decisions have been made and are now being worked out. I believe that, if everybody keeps cool, calm heads and plans for the future, we will be able to look back on this occasion and say that, yes, it was the right decision, albeit a difficult decision, but our young people now have a school that they can all be proud of. We can assure ourselves that we have an education facility in the area that will serve the community for generations to come.

*Adjourned at 9.37 pm.*





Published by Authority of the Northern Ireland Assembly,  
Belfast: The Stationery Office

and available from:

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[www.tsoshop.co.uk](http://www.tsoshop.co.uk)

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ISSN 1463-7162

Daily Editions: Single copies £5, Annual subscriptions £325  
Bound Volumes of Debates are issued periodically during the session: Single copies: £90

Printed in Northern Ireland by The Stationery Office Limited  
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