

# Official Report (Hansard)

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# Northern Ireland Assembly

Tuesday 22 October 2013

*The Assembly met at 10.30 am (Mr Speaker in the Chair).*

*Members observed two minutes' silence.*

## Ministerial Statements

### Advancing Shared Education

**Mr O'Dowd (The Minister of Education):** Go raibh maith agat, a Cheann Comhairle. Le do chead, a Cheann Comhairle, ba mhaith liom ráiteas a dhéanamh ar an tuairisc faoi chur chun cinn an oideachais roinnte a d'fhoilsigh grúpa comhairliúcháin an Aire i mí Márta. With your permission, Mr Speaker, I wish to make a statement on the report of the ministerial advisory group on advancing shared education, which was published in March. In doing so, I will set out my response to the recommendations and will indicate how I intend to move forward.

Advancing shared education is one of the most important and sensitive challenges facing civic society. If we are to succeed, there must be a shared readiness to change. Members will recall that advancing shared education is at the heart of the Programme for Government, and establishing the independent advisory group was a key commitment. I was very pleased when Professor Paul Connolly from the School of Education at Queen's University agreed to chair the group, and when his fellow members Dawn Purvis and P J O'Grady also took up the challenge. I thank them for their work and for producing a very comprehensive, thoughtful and thought-provoking report. I also thank everyone who engaged with the group for their contributions.

In debating the report, let us remind ourselves of why sharing is important and of what we are trying to achieve. My starting point is the educational case for sharing, to contribute to raising standards, tackling underachievement and creating a better society for all. In planning for the future, we need to address a key question: what sorts of schools do we want? We have many different types of school, each proud of their identity and ethos. I know from my visits how much parents and communities value those schools and how passionately they care about them. So, having that choice in our

system is a strength. We need to now build on that with confidence that a shared education system is inclusive of all and marginalises no one.

However, choice cannot be at the expense of good education. Our schools need to change, and greater sharing is part of that change. We have too many schools that cannot by themselves provide the rich, high-quality educational experience that our children need and deserve. To make that change, we must actively plan for shared education. That means that we must also move away from planning by competition, school versus school and sector versus sector in a battle for scarce resources. As Minister, I see far too many development proposals that are written as if the school up the road does not exist. That has to change.

We know that parents and children want quality, high-performing schools in their local communities. The parents and communities that I meet are up for sharing. They want choice, but they are not asking for separation. I believe that the vast majority of parents put quality first. They will choose shared local schools if they provide a quality education. Tá an fhianaise ann. The evidence is there.

The Lisanelly complex has fired the imagination of the community in Omagh and is a game changer for how we plan education. I have seen other good examples of communities in the Moy, in Fermanagh and in Ballycastle, coming together to look for shared solutions and finding new ways to ensure access to good local schools. So, shared education is not a bolt-on or optional extra. It is fundamental to delivering good schools and central to my vision that every learner should achieve his or her full potential.

Good education comes first, but equality and good relations add to the case for change. Choice cannot be at the expense of good education, and neither can it be at the cost of separation by religious belief, socio-economic status or educational needs. Such separation is bad for children and bad for society.

Separation is damaging, unnecessary and avoidable, and society has the power to change it if the will is there.

In higher and further education, sharing and integration is already the norm. Why should schools be any different? We have sharing in preschool education and youth services. We have integrated schools, naturally shared schools and many other examples of good practice in schools working together. However, we can, and we must, do more. Sharing must become the accepted reality at every stage of education, from early years to postgraduate study.

There is also a persuasive equality case. We have good schools serving children of every religious faith and none. Today, no child is denied a good education because of their religion; however, the same cannot be said for socio-economic status. We know that children living in lower-income brackets are at much higher risk of educational underachievement. Members are familiar with the standard measure. Our aim is that every child should leave school with at least five good GCSEs, including English and maths. Today, only 34% of children who are entitled to free school meals achieve that. For other children, the figure is 68%. So, a child from a lower-income bracket is at double the risk of underachievement. That is unacceptable, and we must change it.

We also know that academic selection is a barrier to children on free school meals and from lower-income families. Just over 7% of children in grammar schools are entitled to free school meals. For other post-primary schools, the figure is 28%. So, poorer children are more likely to be rejected by grammar schools. Is that what those schools want? Only they can answer that question, but segregation by parental income is a reality that we cannot ignore.

Members know my views on academic selection, and I will say more on that in a few moments when I turn to the recommendations that are contained in the report. Whatever happens in relation to selection, we need greater sharing across the socio-economic divide. I am sometimes accused of having an anti-grammar agenda. Let me put it on the record once again that I do not. I have an anti-academic selection agenda. I offer this challenge to grammar schools: educate the whole community, not just a part of it. Across the world, the best-performing education systems combine excellence with equality of outcomes. In other words, almost all their

pupils achieve high standards, not just a few. That must surely be our goal, too.

Bringing all that together, it is clear that sharing brings educational benefits; sharing builds respect for diversity and good relations; sharing builds equality; and sharing builds a confident community. So, my vision is one of education without barriers; good schools where children learn, grow and develop together and where sharing is the accepted normality. Shared education can and should involve every type of school. It is about developing local solutions to local needs, not one size fits all. It is a challenge to all but a threat to none. Every school can share, and I challenge every school to ask itself what more it can do.

Before turning to the recommendations in the report, I want to talk about the relationship between shared education and the integrated sector. Let me make it clear: they are different routes to the same objective. The right model is the model that enjoys the support of the local community. Integrated education will continue to play an important role, and my Department, in line with its statutory duty, will continue to encourage and facilitate it.

Shared education should also be encouraged and facilitated, and communities should be encouraged to choose the model that suits them best. That is in line with the current approach to integrated education, where the transformation process begins with consultation with the local community and a parental ballot, before the submission of a development proposal to the Department.

Every community should be on a journey to sharing. Different routes will be chosen, and some will get there sooner than others. When a community takes a step, however modest, we should encourage and support it, and, yes, perhaps challenge it to go further, but in a positive manner.

I will now turn to the recommendations contained in the report. The report contains 20 recommendations in five groups. I welcome all the recommendations. There are some that I accept fully and will aim to take forward as soon as possible. There are others that I accept in principle, but there may be a better way forward than what the group recommended. A third group needs further consideration and debate here in the Assembly and across our society.

The recommendations begin with mainstreaming, which is the right starting point. We need to ensure that sharing is in the DNA of our education system, in legislation, policy and

the structure of the Education and Skills Authority (ESA). I want to be in a position to bring the Education Bill back to the Executive and the Assembly in the coming weeks. However I cannot do that on my own.

In bringing the Bill back, I propose to include a statutory definition of shared education and provisions for ESA to encourage and facilitate it. Those will complement the provisions on integrated and Irish-medium education, and will not reduce or dilute them in any way. I will also require ESA to reflect sharing in its structure, in its corporate plans and in its strategies, and I will hold it to account for doing so.

The report also recommended the inclusion of a shared-education premium in the common funding scheme. I accept that in principle, but further consideration is needed before we move to implementation. However, I acknowledge that, if shared education is to grow and develop, we will need to mainstream financial support for any additional costs involved. Shared education is very much at the heart of the Together: Building a United Community programme.

In addition to those programmes, my Department is working with Atlantic Philanthropies and the Office of the First Minister and deputy First Minister (OFMDFM) with a view to putting in place an additional funding programme to support shared education. As we move ahead, I will look carefully at the evidence so as to ensure that whatever financial support we provide is targeted at what works best. I also need to see what additional resources my Executive colleagues will make available for mainstreaming.

The second group of recommendations deals with supporting schools, ensuring that sharing delivers real educational benefits, and recognising and promoting the spread of good practice. I also welcome those recommendations. I have asked the chief inspector to consider how best to take them forward in the inspection process and the inspection cycle, and to report back to me.

We ask a great deal of our teachers, and it is right that we equip and support them to deliver. That is why ESA will have statutory duties to ensure support for teachers and schools' governors. I also welcome the recommendations on supporting and developing teachers. Those will be fed into a revised teacher professional development strategy, which is already under development. I will ensure that it includes an examination of

how best to equip and support teachers to deliver shared education.

The third group of recommendations — 9 to 14 — focus on what schools need to do in relation to engagement with parents, the delivery of the curriculum and the rights of children and young people to participate in the decisions that affect them. I welcome those recommendations.

As I said earlier, supporting schools will be a key part of ESA's role, and that will include supporting schools to communicate with parents.

Recommendation 10 calls for a review of the delivery of key aspects of the curriculum. I accept that recommendation in principle and welcome the emphasis on promoting equality. However, taking that forward requires careful thought. In any review of the curriculum or its delivery, our aim must be to support teachers to adopt best practice. Therefore, as a first step, I have asked the chief inspector to carry out a survey of current practice, with a particular focus on what additional support and development teachers need.

The report draws attention to the right of young people to participate and be heard in relation to the decisions that affect their lives. I support that, and my aim is that every school will have an effective method of encouraging young people's participation in the life of the school. My Department will continue to encourage schools to implement the Democra-school programme and to take up the advice, support and a guidance pack available from the Commissioner for Children and Young People. However, I believe that effective participation of young people is likely to be achieved more effectively if the approach is decided by the schools, rather than being imposed from outside. Therefore, I would prefer not to go down the compulsory route at this time. However, I will keep that under review, and if sufficient progress is not being made, I will consider the case for stronger action.

#### **10.45 am**

The report also recommended that schools should be subject to the statutory equality and good relations duties in section 75. I strongly support the intention behind that recommendation. Every school must play its part in promoting equality of opportunity and good relations. Every school must tackle discrimination and bullying, whether it stems from religion, sexual orientation or any other aspect of a young person's identity. Members will be aware that this is a cross-cutting matter,

as equality legislation is the responsibility of OFMDFM.

I want to discuss recommendations 12 and 13 of the report with my Executive colleagues and consider how best to give effect to them. Using section 75, which sets out minimum requirements, might be one option. However, there is nothing to stop us from enhancing our equality duties so as to ensure better policymaking. Another way might be to adopt the approach used in England, where schools have to set clear objectives for promoting equality and are held to account for their delivery. Whichever option we choose, I want the emphasis to be on action not bureaucracy.

Recommendation 14 deals with special education. It calls for the development of effective models of collaboration between mainstream schools, special schools and educational support centres. One of my priorities as Minister has been the building of an inclusive educational culture within and between our schools. Therefore, I strongly support the recommendation. However, it would be wrong not to acknowledge the work already being undertaken in that area.

The current special educational needs (SEN) framework already promotes inclusion, ensuring, wherever possible, that children and young people are taught in mainstream schools. That will remain a fundamental tenet of the work being taken forward as part of the SEN and inclusion review. That being said, where a child's best interests are served by attendance at a special school, that option will remain open.

In respect of the collaboration across sectors, special schools are full and active members of the area learning communities. That is essential to provide opportunities for pupils to learn and grow alongside their peers in special and mainstream schools. Going forward, I will ensure that shared education projects and shared education campuses will include special schools where that demand exists. Arvalee special school will be taken forward as part of the Lisanelly shared education campus, with the construction of the new Arvalee school and resource centre commencing next year.

The fourth set of recommendations — 15 to 17 — deal with area planning, which will be central to the delivery of shared education. I will make it a priority for my Department to bring forward guidance on a range of sharing options that schools and communities may wish to explore; clear, practical advice on how to bring forward a development proposal for sharing; and

guidelines on the development of area plans to ensure that shared education is encouraged.

Recommendation 16 calls on my Department to meet parental demand for different types of schools. In principle, I accept that recommendation, with one important caveat. Any proposal for a new school must be sustainable and capable of delivering high quality education for the pupils it serves. Let me say clearly that I want to see collaboration, not competition; and sharing, not duplication.

Recommendation 17 calls for it to be made easier for a school to transform its ethos from one type to another. I am pleased to say that the Education Bill already provides for that. Every school will be able to decide its own ethos and set that out in its scheme of management and its employment scheme. Any school will be able to change its ethos at any time, simply by bringing forward new schemes. There will be no need for any complex or bureaucratic legal procedure.

Finally, I turn to recommendations 18 to 20, which deal with academic selection. It will surprise no one when I say that I welcome and strongly endorse those recommendations. Some have criticised the group for including them and claim that they have nothing to do with sharing. Those people are missing a very important point. Sharing means educating without barriers and without segregation. The group's advice is very clear: selection discriminates, selection divides and selection is a barrier to children from low-income families. Those who ignore the evidence should ask themselves this: if segregation by religion is wrong, how can segregation by income be right?

I look forward to the day when this Assembly decides to end academic selection for good. Until that day, I will strive to make it irrelevant and limit the damage that it does. I will continue to promote all-ability schools where academic and vocational learning is the norm. Such schools will be taken forward through area planning, as recommended by the advisory group.

In conclusion, the report asks us all to think differently about the delivery of education. It reminds us that sharing begins with respect for diversity and the right to equality. It asks us to put the needs of young people ahead of the interests of institutions, and it challenges long-held assumptions about what is possible. Through sharing, we all benefit and no one loses. Sharing means celebrating diversity, not undermining or hiding it. Educational ethos, like

language and culture, should be used to build bridges, not barriers. Our education system should be enriched by diversity and not blighted by separation. Molaim an tuairisc don Tionól. I commend the report to the Assembly.

**Mr Storey (The Chairperson of the Committee for Education):** I apologise to the Minister and the House that I will not be able to stay for the remainder of questions to the Minister. Unfortunately, I have to leave because I promised to attend something.

I have come to the House, listened to the Minister and read the statement that he made. It is extremely disappointing that, yet again, he has lit the touchpaper and created more contention and controversy around an issue on which there should not be controversy. The Minister is under extensive pressure in relation to the common funding formula, and he would have been better spending his time in Rathgael House, addressing that problem, rather than putting other problems on the table today.

On behalf of the Committee, I can say that we should celebrate the growth and popularity of sharing among schools that have been successful in that regard. Indeed, reference has been made to the work that is done in places such as Ballycastle in my own constituency.

The Committee took evidence from the ministerial advisory group in May, and decided to undertake an inquiry into shared and integrated education later in the session. It seems that, when the Education Committee announces that it will undertake an inquiry or considers tabling a plenary debate, there is action from the Department on that issue. I am glad, in one respect, that the Education Minister seems to be paying attention to what goes on in the Committee.

The Minister appeared to indicate his support for recommendation 17, which suggests that a transformation process should be put in place to allow schools to adopt an alternative ethos. The Minister also referred to the existing development proposal process for transformation to integrated status.

Is it the Minister's intention that the implementation of recommendation 17 will replace the current development process? Is he, therefore, able to alter the process by which popular oversubscribed schools will be allowed to expand, as recommended in the report? Will the terms of reference of the reported ongoing review of the development proposal process include all that?

**Mr Speaker:** The Member is out of time.

**Mr Storey:** Has the Minister noted the legislative proposals in Scotland to take the Minister out of such contentious development proposal decisions completely?

**Mr O'Dowd:** That was quite a lengthy contribution. I am not sure what the controversial part is because the Member did not get to that bit. In relation to pressure —

**Mr Storey:** *[Inaudible.]*

**Mr Speaker:** Order. Allow the Minister to answer.

**Mr O'Dowd:** Pressure goes with the job. The important thing is how you deal with it. I can assure you —

**Mr Storey:** You do not deal with it too well.

**Mr Speaker:** Order.

**Mr O'Dowd:** I can assure you that, as was recently evidenced in the media when I challenged political parties to come forward with alternatives to my proposals, they are left fumbling somewhat.

**Mr Storey:** *[Inaudible.]*

**Mr Speaker:** Order.

**Mr O'Dowd:** You have another three days to come forward with alternatives to my proposals on the common funding formula, and I wish you well with that.

**Mr Storey:** *[Inaudible.]* Those days are over.

**Mr Speaker:** Order.

**Mr F McCann:** You are doing nothing.

**Mr Speaker:** Order. The Minister has the Floor.

**Mr F McCann:** You are doing nothing.

**Mr Speaker:** Order.

**Mr O'Dowd:** Thank you, Chair. I am not sure what the Member's position is on the shared education report because I have yet to hear a formal response from him or his party. The shared education report is thought-provoking and challenges us all. There are challenges in

the report for all parties around the Chamber. It deserves to be studied closely and given the respect that it is due. As I stated in my response to the report, it should form an integral part of our education system moving forward.

It is OK to stand up in Castlereagh and make a statement about shared education, and it is OK to make commitments in the Programme for Government. However, if you are serious about shared education, it is much more than a green-and-orange issue. Rift lines run through this society that relate not only to orange and green but to those who have and those who have a whole lot less. Unless we deal with that, we will leave behind a large section of society, which will be to the detriment of this entire society. So the ministerial advisory group took that on board and brought that challenge to the Assembly and to all involved. We have to answer that challenge and deal with it.

As for taking Ministers out of decisions, and out of this, that and the other, I got involved in politics to make decisions. I was elected by the people to do so, as was everyone in the House. When those decisions get difficult, you do not opt out of them. You make a decision on the basis of evidence, believe that it is the right decision and stand by it. That is what politics, leadership and being in a Minister's post is about. I will not accept any proposals to take Ministers out of decision-making roles. That is democracy at play, and I will not accept any dilution of democracy in that role.

I have said that I accept recommendation 17. The Education Bill, which is gathering dust somewhere, deals with that recommendation. If you want to deal with it, bring the Education Bill forward, and we will deal with it.

**Mr Storey:** I can assure you that there will be more dust after this.

**Mr Speaker:** Order. Let us not debate across the Chamber. The Chair of the Education Committee has had quite a bit of latitude this morning, as all Chairs of Committees normally have when it comes to ministerial statements. However, from here on in, let us have questions on the statement.

**Mr Hazzard:** Go raibh maith agat, a Cheann Comhairle. I thank the Minister for his statement. I echo the Minister's comments in thanking Paul Connolly, Dawn Purvis and P J O' Grady for their work. Indeed, it is commendable that the group not only has included socio-economic integration but has put

it at the heart of what shared education means. The media and those who are disengaged from the debate are often consumed by a false ethnic debate over shared versus integrated education.

**Mr Speaker:** Will the Member come to his question?

**Mr Hazzard:** Not a problem. Indeed, the fundamental driver of raising educational attainment is undoubtedly the importance of socio-economic integration in our schools. Will the Minister ensure that, as he advances with shared education, all barriers in our system, be they ethnic or economic, will be removed?

**11.00 am**

**Mr O'Dowd:** I thank the Member for his question. As I posed in my statement, if Members believe that segregation by religion is wrong, how can they believe that segregation by income is right? That is the challenge for the Assembly. Facts and figures may get in the way of a good argument, but no one has been able to challenge the facts and figures that I have produced on education underachievement and the detrimental impact that it is having on families from lower income backgrounds.

The Programme for Government not only sets us a target on education, shared education and improving education it also sets a specific target, in its opening paragraphs, on tackling social deprivation and sets challenges for me on social deprivation.

The ministerial advisory group has come forward with a well-researched and well-informed report on sharing education in its totality. Those who are serious about sharing education need to study the report in detail and if they disagree with its findings they need to come back with an evidence-based response to those findings, instead of what we have been hearing since the report was challenged and what we have heard in the Chamber this morning.

**Mr D Bradley:** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as ucht a fhreagra. I thank the Minister for his statement.

Díreach, ba mhaith liom ceist a chur ar an Aire an aontaíonn sé liom go bhfuil sár-obair déanta ag na coistí foghlama ceantair agus, go deimhin, ag tionscal oideachais roinnte Ollscoil na Ríona. Arbh fhéidir leis a rá an mbeidh níos mó airgead ar fáil, nó cad iad na hacmhainní

breise a bhéas ar fáil le roinnt an oideachais a chothú?

I am sure that the Minister will agree that the area learning communities have laid down the foundation for shared education and should be congratulated, as is the case with the shared education project at Queen's University. Will he give us more detail on the financial package that will be available to advance shared education?

**Mr O'Dowd:** Gabhaim buíochas leis an Chomhalta as a cheist. I thank the Member for his question. We are currently in discussions with Atlantic Philanthropies, along with OFMDFM, about investing a significant amount of money in shared education programmes. I do not want to go into any more detail than that, because the discussions are at an advanced stage and all partners to those discussions are working towards a successful conclusion.

On the question of mainstreaming funding in the future, the common funding formula, as we know, is currently under review, but it can be reviewed on an annual basis. First, we need to move the definition of shared education forward as proposed in the ESA Bill so that we will have a legislative basis on which to judge projects that schools and communities are bringing forward for shared education. That will allow us to build criteria and fund those projects.

My focus at the moment on funding is to continue those discussions with OFMDFM and Atlantic Philanthropies, get a legislative designation of shared education and move forward to including that in a future common funding formula review.

**Mrs Dobson:** I welcome the statement and most of what has been included in it but, unfortunately, the Minister has reverted to type on academic selection, which is an issue that seriously undermines the report and his otherwise positive statement.

Will he explain how, in principle, he accepts recommendation 16 to meet parental demand but then states that he will strive to make selection irrelevant? What about parental demand in Craigavon, which shows overwhelming support for the Dickson plan?

**Mr O'Dowd:** I thank the Member for her question. She welcomed the majority of the report and dismissed the rest but did not give any evidence as to why she dismissed it. I assume that she is talking about the last three recommendations. Where is your evidence to

dismiss them? Where is your evidence to dismiss the evidence not only in this report but in numerous other local and international reports? Where was your evidence to dismiss that of the United Nations Committee on the Rights of the Child? The Member can stand up and say that she dismisses something, and she is perfectly entitled to do that. However, in a political debating chamber, there is an onus on you to stand up and to present the evidence for why you dismissed it.

The report refers to parental choice, but it does so in the context of all children and all parents having a choice. The system that the Member appears to be wedded to does not present choice or equality for all. The evidence shows that time and again.

I have to say that I welcomed your leader's contribution to the education debate on Saturday when he spoke of how the 11-plus was a blunt instrument. He quoted something that I have often said myself, which is that the exam asks whether you are clever instead of how you are clever. My response to that is that it is the role of all schools to develop that in every child. That should not be a barrier to a child getting into a school. I welcome Mr Nesbitt's contribution to that debate, and I think that we need to expand on it.

**Mr Lunn:** I largely welcome the statement and the report. It is very refreshing to see a report on shared education that, on the same page, fully acknowledges the position of integrated education. Recommendation 16 deals with parental demand, and, in line with that theme, which runs through the report, and with the theme of the ease of transformation and so on, will the Minister assure us that, if integrated schools want to expand in the future due to parental demand — I am not talking about new ones — he will see to it that they are given every opportunity to do so?

**Mr O'Dowd:** The current method by which schools expand is through the development process. I have committed to reviewing that. In answer to the Member's question, we also have a statutory obligation to facilitate and promote integrated education. My Department takes that very seriously, and I assure you that any proposal from an integrated school will be read through those policies. We have a responsibility to allow those schools to expand and to meet parental demand for integrated education.

**Mr Craig:** Minister, I note that, in your statement, you said that recommendation 3 refers to the:

*"inclusion of a shared education premium in the common funding scheme."*

You also said that you would carefully consider that. Will the Minister not also consider a carefully targeted premium for underachieving schools? I assume that the Minister's real target is to improve achievement in our schools, no matter what sector they come from.

**Mr O'Dowd:** I included such a proposal in the current review of the common funding formula, and the Member's party has lambasted me for doing so.

I am not going to fund schools simply because they are underachieving. I will want to know that any further funding that goes to schools will be used to raise educational attainment. It is part of a programme of raising educational attainment that I and my predecessor have developed over the past number of years. It is closely aligned to Every School a Good School to ensure that there is community involvement in our schools and that communities and parents are encouraged to become involved in and take ownership of education. So, I would not argue for one moment that more funding on its own is the answer to raising standards. It is part of a programme of policies that will raise standards and that is required.

I have answered on my deliberations on the premium going forward. I have strongly argued that, if we are going to raise educational attainment, particularly among socially deprived communities, we also need to resource it. However, those resources need to be carefully monitored and to have outcomes.

**Mr Flanagan:** Go raibh maith agat, a Cheann Comhairle, agus gabhaim buíochas leis an Aire as a ráiteas.

The Minister's statement rightly welcomes the good work of the independent advisory group on shared education. I put on record my thanks to organisations such as the Fermanagh Trust Sharing Education Programme, which is funded through Atlantic Philanthropies and which has very much been leading the debate on shared education across religious and social divides. The Minister highlighted that. Does he agree with me that sharing across the border, which the Fermanagh Trust Sharing Education Programme has trialled, is also an avenue that we need to go down and that, where it is in everyone's best interests, it should form part of any plan to deal with the future of shared education?

**Mr O'Dowd:** I also place on record my appreciation to all the organisations that have been involved in shared education programmes down through the years. I will not mention any specific bodies, because I may leave someone out and cause unwarranted offence. Therefore, I congratulate all the groups and funders involved.

Shared education is not a new idea. The need for greater collaboration and sharing between the different education sectors that we have on the island dates back decades — even before partition. We have to mainstream it, resource it and drive it forward, and there has to be the political will to do that. I confirm to the House that I have the political will to do it, and the House and the Executive need to back that up in order to move it forward. As with any policy, there may be different points of view on different parts of it, but I think that the House can get behind the main ethos and the main policy.

As to sharing education across the border, of course that is part of sharing education. The border has had a detrimental effect on the socio-economic well-being of many border communities. If we can overcome that in education terms, I am happy to support it.

**Mr Wilson:** I assume that the statement was written by the Minister and not by civil servants, because I do not think that any would put their signature to such an ill-thought-out statement.

I want to ask a fundamental question, especially since funding, planning and even the existence of schools will depend on whether they are regarded as being shared schools. In his statement, the Minister indicated that he believes that division can occur on the basis of religion, income, ability, sexual orientation, disability and ethnicity. Is he saying that he is now going to expect every school in Northern Ireland to have a quota of people who fall into those categories, or is this simply rhetoric, and schools can continue to do whatever they want and admit whomever they want? Only one of two ways is available. Either you have —

**Mr Speaker:** I encourage the Member to finish.

**Mr Wilson:** Either there is a way of measuring shared education or this is a meaningless document. If it is the former, will the Minister tell us whether he is about to introduce for shared education —

**Mr Speaker:** I must now insist.

**Mr Wilson:** — a quota on the basis of the divisions that he outlined in his statement?

**Mr Speaker:** The Member must finish.

**Mr O'Dowd:** It appears that civil servants wrote the Member's statements when he was a Minister, but that is up to him. I would not read out a statement unless I was comfortable with it. I suspect that the Member has read out a number of statements that he was not comfortable with.

In answer to his question, I am not sure. Do you want me to introduce a quota or do you not want me to introduce a quota? I am confused, because you seem to be condemning the quota idea, and then you seem to be condemning the idea that there is no quota. The Member needs to read the statement in its totality, and he needs to go back and read the report.

The definition of shared education is "driven by communities". We are telling communities that this is our definition of shared education: if communities and schools can come together, and they fit into the definition of shared education. It may be two out of three, three out of four, or four out of five. However, I am not suggesting that we introduce a quota. Why would I suggest that? This has to be driven by the communities involved in shared education. We have to have something against which we can measure schools' contributions to the shared education debate. We have a definition, on which I am bringing forward further guidance, and we will bring forward further guidance still when we mainstream funding towards shared education. When the Member makes up his mind whether he wants me to introduce a quota or not, he can come back to me.

**Mr Byrne:** Given that the Minister has outlined the merits of shared education, which I think is regarded as good in theory, and given that the Lisanelly project in Omagh has largely been welcomed by the local learning community, what timescale does he envisage for getting some practical work done on trying to implement the shared education strategy, because timelines and money will be crucial?

**Mr O'Dowd:** Shared education is rolling out as we speak. I would like to see a legal definition put in place through the ESA Bill. However, if the ESA continues to be delayed, I will consider bringing forward legislation to introduce a definition of shared education separate from the ESA Bill, as I place such importance on it.

Let us use Lisanelly as an example. Demolition work starts at Lisanelly this week. That is a firm sign, in one sense, that work is beginning and that construction will take place. We are clearing the site, and construction on Arvalee School will commence in 2015 or thereabouts. Therefore, money is being pumped into the project. We are in advanced discussions with OFMDFM and Atlantic Philanthropies about bringing forward funding for shared education. There is a rolling programme of work on shared education going on as we speak.

**11.15 am**

**Mr McCarthy:** I welcome the Minister's statement. Does he agree that our grammar schools must be encouraged to participate fully in the sharing agenda to the benefit of our entire community?

**Mr O'Dowd:** Without doubt. No school should be allowed to stand on its own at the expense of schools around it or the broader community that it serves. The figures on socio-economic sharing are stark. The average free school meals entitlement in grammar schools is 7%. The average for post-primary schools is 28%. No one has yet challenged those figures or suggested that they are wrong. That is a challenge for the grammar schools. If grammar schools want to educate the entire community, they need to take action to educate the entire community.

**Mr McCallister:** I welcome the Minister's statement. He outlined a vision of shared education that is much more realistic than comments others made. The Minister puts heavy emphasis on the Education and Skills Authority. It may be asking the obvious, but how long can he run and continue to fund that in shadow form? When will he bring back the legislation and how does he hope to get it through the House?

**Mr O'Dowd:** I have a position paper that, I believe, is a significant compromise on my behalf. It allows others, in my opinion, to offer goodwill to the Education Bill, but that is a matter for them. I cannot bring the Education Bill back to the House unless the Executive approve it. To do that, I need to get the Education Bill on the Executive agenda. That has not been achieved. This cannot go on forever. The Executive need to make up their mind about whether they want to deliver that Programme for Government commitment. That day of realisation is coming to us.

I suspect that we will not now meet the Programme for Government commitment to have ESA established in 2013. These are the last weeks in October. I have a Programme for Government commitment signed up to by all Executive parties to have it established by 2013. I suspect that that target is now missed. If it is missed, the Executive will have to make up their mind on whether they want to continue with it or set it aside, but it is coming to make-up-your-mind time.

**Mr Allister:** It is quite clear that the Minister knows that he has lost the argument on academic selection, hence his desperation to distort the issue by suggesting that it is a question of segregation by income. Thousands of children will sit selection tests in the coming weeks. How many questions will ask them about the income of their parents? Is it not quite clear that testing is about aptitude and ability? Why is the Minister trying to distort the issue by pretending that it is selection by income when it is nothing of the sort?

**Mr O'Dowd:** The Member has a reputation for having a mind that interrogates subjects. Why he chooses to turn off his mind when it comes to academic selection is beyond me. The Member is a barrister and he works with and presents evidence. All the evidence shows that academic selection has everything to do with income and absolutely nothing to do with educational ability. All evidence shows that.

As soon as a child from a lower-income background walks into the assembly hall and sits down in front of the unproven, unregulated test, they are being economically tested. The evidence shows that by the outcomes of those tests. It shows by the very fact that the average for grammar schools for free school meals is 7% as opposed to 28% across society. International evidence shows us that children from lower economic backgrounds are at greater disadvantage in education than in any other sector.

So, when the Member is standing in Twaddell Avenue, Portadown town centre and on other roads telling the Protestant working class that he is looking after them, you are not kidding anybody because you are leaving those people behind time and time again every time you use the false argument that academic selection does not disenfranchise anyone.

**Mr Moutray:** The Minister states that he will continue to promote all-ability schools where academic and vocational learning are the norm, and that that will be taken forward through area

planning. If such all-ability schools are rejected by the overwhelming majority of people, will he endeavour to force them on a community? I think particularly of my community in the Dickson plan area.

**Mr O'Dowd:** There is another one defending the Protestant working class. Huh? You are not interested in the Dickson plan; you are interested in two schools in the Dickson plan, namely Portadown College and Lurgan College. *[Interruption.]*

**Mr Speaker:** Order.

**Mr O'Dowd:** Those are the only two schools that you are interested in in the Dickson plan area. So, let us dispel the myth that you are defending the Dickson plan because you are not. They just happen to be the schools that one of your major funders is also interested in.

**Mr Speaker:** Let us have remarks through the Chair.

**Mr O'Dowd:** But, in relation — *[Interruption.]*

**Mr Speaker:** Order, order. Allow the Minister to speak. The Minister must be heard. Let us have all remarks through the Chair.

**Mr O'Dowd:** Through the Chair, the Member knows fine well who his supporters are and who is backing some of the false and disgraceful arguments that are being presented in the media.

**Mr Anderson:** On a point of order, Mr Speaker. Is it in order for the Minister —

**Mr Speaker:** Order, order. Allow the Minister to conclude. Order.

**Mr O'Dowd:** The Member is opposed to all-ability schools. What is his opposition to all-ability schools? Surely the purpose of education is to allow all people of all abilities to flourish and enrich themselves.

**Mr Moutray:** One size doesn't fit all.

**Mr Speaker:** Order, order.

**Mr O'Dowd:** The Member responds:

*"One size doesn't fit all."*

It is a pity that the leading economies and the leading education systems in the world all

disagree with him. It is proven, not by Sinn Féin research or Department of Education research but by international research, that those schools that have an all-ability mix flourish and that those young people in them who are academically gifted do better than they would do if they were closeted away in schools that claim to be academically superior. So, all that evidence suggests that you have got it wrong, but the argument does not suit you and it does not suit your party's supporters, and by, "party's supporters", I mean your funders. *[Interruption.]*

**Mr Speaker:** Order, order.

**Mr O'Dowd:** It does not support the narrow agenda that you are driving forward. That is the problem. Not the facts, not the evidence, not the support material and not the research. It does not suit your narrow agenda.

**Mr Lyttle:** I welcome the Minister's statement and recognise the work of the ministerial advisory group and the shared education programme at Queen's University, which is doing exceptional work in this area.

In his statement, the Minister said that we do not want an education system that is blighted by separation, and the First Minister has said that it is fundamentally wrong that our education system separates our children on the basis of religion at such a young age. How will the Minister reassure people who say that these proposals fall far short of the fundamental change needed to address that separation?

**Mr O'Dowd:** Time and time again in this society, it has been proven that you need to encourage and facilitate communities to move forward. I accept that communities are often ahead of the politicians. The shared education report allows for the encouragement and facilitating of communities to move forward and challenges communities and politicians to move forward at a pace that has not been seen in the past.

I want to see an education system in which we are not separated by religion, ethnicity or socio-economic background. We have not achieved that yet, but the shared education report and my responses to it allow us to move forward at a pace that will achieve that goal in the short to medium term. That is where we need to focus. We may argue over the last three recommendations in the report, but there are 17 other recommendations that have general support in the Assembly and need to be driven forward.

OFMDFM is backing up its calls with finances and is supporting us in our discussions with Atlantic Philanthropies. It is also encouraging all Ministers to play their part in building a united community. This is one of the building blocks in building a united community.

**Mr Speaker:** Order. That concludes questions on the ministerial statement. Members know that points of order are not taken during ministerial statements, but I will take Mr Anderson's point of order now.

**Mr Anderson:** Thank you, Mr Speaker. During the Minister's reply to my colleague Stephen Moutray, he made a number of references to the funding of my party. Is it in order for the Minister, in the Chamber or otherwise, to make references to supporters of parties when a Member asks a legitimate question and expects a responsible answer? The continual casting across the Chamber of references to supporters and personal attitudes needs to be looked at.

**Mr Speaker:** This is a debating Chamber, where there is an exchange of views. The Member has put that on record. I think that that is more important than anything else.

**Mr Moutray:** On a point of order, Mr Speaker.

**Mr Speaker:** Is it further to Mr Anderson's point of order?

**Mr Moutray:** In his answer to the question that I raised, the Minister indicated that I was interested in only two schools in my constituency. I refute that. I work for every school in my community. The Minister might be embarrassed about the situation that he has got himself into with the maintained sector. However, he will not destroy the controlled sector in my constituency.

**Mr Speaker:** Order. Once again, the Member has put that on record.

**Mr Flanagan:** On a point of order, Mr Speaker. Mr Moutray said that he refutes the allegation that the Minister made. I ask you to review Hansard to see what Mr Moutray actually said because I think that you will find that it was unparliamentary language.

**Mr Speaker:** Order. I continually read Hansard. Let us move on.

## Planning Bill

**Mr Durkan (The Minister of the Environment):** As the House is aware, the Planning Bill completed Consideration Stage on 25 June. Since I took over the portfolio of Minister of the Environment, with responsibility for planning, I have carefully considered the provisions of the Bill and taken time to meet key stakeholders and listen to their views. I have reflected at length on the purpose and intent of the Bill when it was agreed with the Executive and introduced to the Assembly in January this year, and I have looked back to the Second Stage debate. I will quote my predecessor Alex Attwood, who summed up the purpose and intent of the Bill at that time when he said:

*"It takes the elements that will be put into place and puts them into place now in order to ensure that the councils and councillors have a better planning system that is more fit to serve the interests of ratepayers post 2015." — [Official Report, Vol 81, No 2, p43, col 2].*

The Bill, as introduced, included two provisions that had not featured in the Planning Act 2011. First, in preparing planning policy and plans, the Department should do so with the objective of promoting economic development. Secondly, when it comes to the determination of planning applications by the Department and, in future, by the councils, material considerations will include a reference to any economic advantages or disadvantages that are likely to result from the approval or refusal of planning permission. My predecessor, rightly, supported those provisions because they affirm what already happens today, which is that economic considerations are material when it comes to determining a planning application or framing planning policy. That does not give determinative weight to economic considerations in making a planning decision but it means that they are a material factor, along with other material factors that are part of the planning system. That is what the Bill states; it does not state more than that.

I will move on to amendments 20 and 26, which were tabled at Consideration Stage. Those amendments were the subject of great concern to many Members. Indeed, the debate went on for a considerable time over two days. Despite, in my view, the weight of argument being against the amendments, they were voted for and now stand part of the Bill.

Since taking office, I have held meetings with key stakeholders, including representatives of

the business community in Northern Ireland, local government, environmental groups and academics from Queen's University and the University of Ulster in order to listen to their thoughts on the Planning Bill, as amended at Consideration Stage.

### 11.30 am

I have carefully and fully studied the legal advice obtained by my predecessor, and I have made that advice publicly available. I have deliberated at considerable length on those amendments and still have serious concerns, which are held by many of the stakeholders. My concerns are threefold: legal; procedural; and evidential.

I will begin by addressing the legal concerns. Clause 15, as amended, will limit the right to judicially review certain planning decisions taken by OFMDFM, the Department or a future council. The legal advice that my predecessor received is clear on the amendment. That advice has been shared with Executive colleagues and others who requested it, and I believe that it is important to share it with all Members. Therefore, I have deposited a copy in the Library.

I will once again quote extracts from that advice for the record. It states:

*"Planning decisions are generally regarded as determinative of civil rights ... However, judicial review is generally required to secure compliance with article 6 of the ECHR since decisions by government (local or national) are not considered to be independent, i.e. not independent of the executive.*

*If JR is restricted to EU and ECHR grounds then we do not consider that this would secure compliance with article 6 ECHR except in a narrow group of cases. JRs on traditional common law grounds of breach of procedural requirements, failures of consultation, Wednesbury unreasonableness and the like would not be within the narrow grounds permitted unless they overlapped with a permitted ground, e.g. some grounds relating to natural justice might overlap with article 6 ECHR. Even challenges based on ultra vires would be sought to be excluded.*

*Our view is that the exclusion proposed in terms of the grounds of challenges would amount to incompatibility with the ECHR and thus fail the legislative competence*

*requirements of s.6 of the Northern Ireland Act".*

I also have concerns about the economically significant planning zone amendment, and the legal advice that my predecessor received confirms those concerns. Again, I will quote an extract from that advice. It states:

*"There are problems with European obligations in that proposals envisage that planning permission will be granted by the designation of the ESPZ for whatever is specified in the scheme".*

The advice continues:

*"There is no exception made for sites designated pursuant to the Wild Birds Directive (special protection areas) or Habitats Directive (special areas of conservation) which have the protection of Article 6(3) ... of the Habitats Directive ... Since those provisions prohibit the grant of consent unless there are no likely significant effects caused to the designated site by the development or, following an appropriate assessment, it is found that there will be no adverse effect on the integrity of the site, article 13A(2)"*

— that is article 13A(2) of the Bill —

*"would be in breach of the Directive".*

The advice goes on to state:

*"This would expose DOE to challenge to the legality of the provision and expose the UK to infraction proceedings by the Commission. In our view the proposals would fail the legislative competence requirements of s.6 of the Northern Ireland Act 1998".*

Returning to clause 15, I believe that we should exercise caution in relation to restricting the right to judicially review planning decisions. The Consideration Stage debate reflected very clearly the concerns of many Members of the Assembly. Not often do I agree with him, but on this occasion, I am compelled to agree with Mr Allister when, at Consideration Stage, he said:

*"the courts have played a vital role as a restraint on the abuse of executive power, and that is why the function of judicial review has evolved over many years. However, the obvious effect and purpose of amendment No 26 is to remove from the citizen the right*

*to have recourse to that remedy in the manner that he or she currently has." — [Official Report, Vol 86, No 6, p67, col 1].*

That view is also held by the Northern Ireland Human Rights Commission, which recently wrote to me on the matter and stated:

*"judicial review plays an important and legitimate role in ensuring the proper administration of government and Clause 15 would, in effect, remove the court's ability to review the legality, the rationality and the reasonableness of planning decisions."*

I am also conscious of the views of the honourable Mr Justice Treacy, a senior judicial review (JR) judge in Northern Ireland, who earlier this year, in addressing a seminar, spoke on proposals to reform judicial review in England and Wales. His opening remarks sum up my concerns, and I will quote him:

*"Judicial review is the principal means by which citizens can access the historic constitutional role of the courts to protect against abuses of power by public authorities. It is a vital safeguard, it promotes the public interest, encourages public bodies to act lawfully and within their powers, ensures such bodies are not above the law and protects the rights and interests of those affected by the unlawful exercise of power."*

He also added:

*"Lord Woolf, the former lord chief justice, and Lord Goldsmith, the former attorney-general, have warned that the government should proceed with "caution" with any changes that could be seen as restricting the right to hold politicians to account."*

Clearly, these are matters that should greatly concern the Assembly. I do not believe that it is appropriate or sensible to bring forward provisions that fail the legislative competence requirements of section 6 of the Northern Ireland Act 1998 and run the risk of exposing Northern Ireland to infraction proceedings.

I will now outline the procedural concerns that I have. It is, of course, legitimate for amendments to be made during the passage of a Bill through the Assembly. However, those two significant amendments go far beyond what would normally be tabled at Consideration Stage, and I am concerned that they were never subjected to the full rigours of public consultation, Executive consideration or

Environment Committee scrutiny. I do not, therefore, believe that the threshold for proper consultation and participation on those amendments has been met.

I will now deal with my evidential concerns. I wholeheartedly agree that the planning system has a role to play in facilitating economic development. There is clear evidence that we are responding to that imperative. As a result of vigorous action by my predecessor, which I intend to continue, the planning system is now much better placed to support economic development and provide greater certainty on outcomes and time frames for managing applications.

There are numerous examples of how planning has delivered approvals for key projects quickly. For example, the Peace Bridge in Derry has gone from receipt to approval in 11 weeks. There has been a £30 million redevelopment of Windsor Park football stadium in 11 weeks, which prompted the 'Belfast Telegraph' to say that it was a pity the Northern Ireland team cannot play with the same focus and pace as the Department of the Environment's (DOE) Planning Service. A £70 million regional radiotherapy unit at Altnagelvin Hospital was approved in 11 weeks. The northern portion of the Narrow Water Bridge was dealt with three weeks sooner than by An Bord Pleanála in the South. The peace building and reconciliation centre at Maze/Long Kesh was approved in five months, and the relocation of Royal Ulster Agricultural Society to Maze/Long Kesh was approved in less than six months.

In May 2011, there were 60 article 31 applications in the system, and, to date, a further 11 applications have been received. Of those 71 applications, 40 have been determined, reducing the number of article 31 applications in the system to 31 at present.

Just yesterday, I announced permission for a huge mixed-use development in Newtownards that will transform the now derelict Crepe Weavers factory site and could provide up to 400 jobs and give a tremendous economic and social boost to the area. That decision is further evidence of my determination to clear the backlog of planning applications and to provide a planning system that can deliver.

Since I became Minister, a number of other major significant applications have been approved. A 120-bed hotel and over 22,000 square feet of office development have been approved in Newry. That project is estimated to cost in the region of £12 million. Other approved applications include those for 11

separate storage and distribution units at Nutts Corner roundabout near Antrim; a multimillion pound mixed-use development at Glenmona in west Belfast that includes housing, a hotel, an education campus, local retailing, recreation and community facilities; and a new £20 million data centre in Coleraine. The latter is the first of three phases in the development of a data hub capitalising on the Project Kelvin high-speed transatlantic communications link. That application was turned around in just nine weeks. Such speedy decisions emphasise my Department's commitment, and my commitment, to assist business and to help strengthen our economy. *[Interruption.]*

**Mr Speaker:** Order.

**Mr Durkan:** It also demonstrates that such applications are being handled consistently within the Programme for Government target to ensure that 90% of large-scale investment planning decisions are made within six months and that applications with job creation potential are given additional weight. There is absolutely no doubt in my mind that the planning system now effectively and demonstrably supports economic development. I am determined to work with all parties so that it can be further improved.

Judicial reviews are often high profile, but the reality is that they are relatively few in number. Although the Executive and, indeed, any Minister responsible for planning, might not always welcome such challenges, it is fair to say that such a process is a fundamental right of citizens. I could go a step further and say that the potential threat of judicial review has been one of the key reasons why the planning system has remained fair and objective. Over the past three years, there have been fewer than 20 judicial reviews of the 44,000 decisions that the Planning Service has made. That is a tiny fraction of the total number of decisions. It seems to me that restricting the right of citizens to challenge planning decisions is not only incompatible with our obligations under the European Convention on Human Rights but represents taking a hammer to crack a very small nut.

It is also a fact that the grounds for the most significant and high-profile planning JRs of recent years would be unaffected by these amendments, which acknowledge that a right of appeal to the High Court must remain where there is a question about the compatibility of a decision or determination with EU law. Such issues of EU law have been key grounds for many of the JR challenges to high-profile planning decisions of recent years. However,

other grounds would be affected: for example, decisions that are made outside of legal powers or where the decision was plainly irrational.

As regards the proposal to introduce economically significant planning zones (ESPZs), I remind Members that existing provisions in the Planning (Northern Ireland) Order 1991 empower the Executive, through my Department, to make simplified planning zones, which are not materially different from ESPZs. Indeed, the amendments brought forward on ESPZs appear to have been largely duplicated from the earlier legislation. A simplified planning zone allows the planning authority to bring forward a scheme for an area that has the effect of granting planning permission to certain classes of development, as set out in the scheme, without the need to apply for planning permission. If simplified planning zones have been on the statute book for so long, it begs the question of why neither I nor any other planning Minister under direct rule or devolution has been approached about using the power. If it was considered that the exercise of such power should be a key feature of the economic package agreed with the London Government, why was my predecessor not simply consulted about how the law already in place could be activated? I would be very happy to consider any such approach. However, it is now clear that the intent of the amendments on ESPZs was not to introduce new planning powers but simply to make OFMDFM a new planning authority in Northern Ireland.

#### 11.45 am

Bearing all that in mind, I see no good reason to introduce ESPZs and to vest such planning powers in another Department. It would introduce only confusion into the planning system. Furthermore, in considering the previous Planning Bill, the Assembly decided that the power to put in place simplified planning zones should transfer from my Department to local government as part of local government reform. What is now proposed in the amendments stands in stark contrast to the Executive and Assembly's decision to empower local government to bring forward zones of that kind. Therefore, it is an attempt not only to grab existing planning powers from my Department but to disempower future local government.

I am committed to local government reform, and I am the Minister responsible for driving that agenda to a satisfactory conclusion by April 2015. In agreeing the previous Planning Bill, the Assembly agreed that my Department should transfer the vast majority of the

Department's planning powers to councils. That is the correct thing to do. I am concerned that the ESPZ amendment will dilute the Executive's commitment, endorsed by the Assembly, to transfer planning powers to councils. The amendments are contrary to the principles underlying the devolution of planning powers from central to local government, and that concerns me greatly.

When Arlene Foster made her statement to the Assembly on local government reform on 31 March 2008, she said:

*"our vision is of a strong, dynamic local government that creates vibrant, healthy, prosperous, safe and sustainable communities that have the needs of all citizens at their core." — [Official Report, Bound Volume 29, p2, col 1].*

She also said:

*"Successful local councils must be effective local champions that respond to the aspirations and concerns of their communities and guide — in partnership with others — the future development of their area. Strong civic leadership must be at the heart of the new council arrangements." — [Official Report, Bound Volume 29, p2, col 1].*

In addition, when Edwin Poots moved the Second Stage of what is now the Planning Act 2011 in December 2010, he said:

*"The Planning Bill sets out proposals to transform our planning system. It provides for a transfer of better, faster development plans and development management functions to councils. That means that the councils will be the planning authorities." — [Official Report, Bound Volume 59, p112, col 2].*

He continued:

*"The transformation is fundamental to the development of local accountable democracy. It puts power and responsibility for the development of local areas exactly where it should be: in the hands of locally elected representatives accountable to the people." — [Official Report, Bound Volume 59, p112, col 2].*

The ESPZ amendment runs counter to that vision. It disempowers local councils, allowing OFMDFM to dictate what it thinks is best for local communities and what development can

go ahead in a council's area without any form of recourse. As Members will appreciate, I have grave reservations for legal, procedural and evidential reasons about the amendments to the Planning Bill to do with ESPZs and the restriction of the right to judicial review. Therefore, after very careful and lengthy consideration, I have decided not to move the Planning Bill to Further Consideration Stage either now or in the future.

I intend to continue to make prompt and sound planning decisions through the development of a single strategic planning policy statement to create a planning system that is fast, fair and fit for purpose — one that delivers for business, but not at the expense of our planet or our people. As Environment Minister, I want to help to create a better environment and a stronger economy. Regrettably, the Bill, as it stands, does neither.

**Ms Lo (The Chairperson of the Committee for the Environment):** I thank the Minister for his very comprehensive statement, which I very much welcome. I congratulate and commend the Minister on his courage to stand up to others who want amendments to take away civil liberties and the rights of citizens to bring judicial reviews. *[Interruption.]*

**Mr Speaker:** Order. The Member has the Floor.

**Ms Lo:** However, the —

**Lord Morrow:** On a point of order, Mr Speaker, to be clear, is the Member speaking as Chairman of the Committee or is she speaking as an individual MLA?

**Mr Speaker:** I am sure that the Member will make it absolutely clear whether she is speaking as Chair of the Committee or as a Member of this House.

**Ms Lo:** I am speaking as the Chair of the Committee. *[Interruption.]*

**Mr Speaker:** Order. The Member was called as Chair of the Committee. Allow the Member to continue.

**Ms Lo:** Thank you, Mr Speaker. During the scrutiny of the Bill, the Committee received —

**Lord Morrow:** On a point of order, Mr Speaker.

**Mr Speaker:** Order. The convention is that no points of order are taken during a ministerial

statement. I made that clear to the House during the statement from the Minister of Education. I am happy to take points of order after questions on the statement are concluded. Allow the Member to continue.

**Ms Lo:** Thank you for that clarification, Mr Speaker.

**Mr Speaker:** It would be useful to the House if the Member were to state clearly that she is speaking on behalf of the Committee — again, for Members.

**Ms Lo:** I am speaking as the Chair of the Committee, and if I may finish my sentence — *[Interruption.]*

**Mr Speaker:** Order. Allow the Member to continue.

**Ms Lo:** The Committee took a long time to scrutinise the Bill. Although it is quite a short Bill, we received an extremely large number of responses from the public and stakeholders. Many of them expressed grave concerns about the amendments, as did the Minister, and about the new provisions in the Bill. As Chair of the Committee, I received a large number of e-mails and other correspondence after Consideration Stage about the two new amendments. I was extremely concerned about the lack of public consultation on the two amendments that were proposed at Consideration Stage. As Chair of the Environment Committee, I have the right to say that I have reservations about two amendments not being subject to enough public consultation.

**Mr Speaker:** Order. I am hesitant to intervene. I am listening to the Member very carefully. Is the Member asking a question on behalf of the Committee or is she asking a question as a private Member?

**Ms Lo:** I will ask a question as Committee Chair. Obviously, the Planning Bill is meant to bring forward a number of aspects of the Planning Act 2011, and, largely, the Committee supports the Planning Bill. Now that the Minister is withdrawing the Bill, what about the other elements in it? Clause 5 is about pre-application consultation with the community. Clauses 7 and 8 are about the power of the Department to deal with repeated applications. Clause 9 is about the power of the Department to require developers to reinstate land that has been used for mineral extraction.

Clause 17 promotes the positive management and enhancement of conservation areas, and clause 20 — *[Interruption.]*

**Mr Speaker:** Order.

**Lord Morrow:** Is a question due?

**Mr Speaker:** Order. The Member is coming to her question.

**Ms Lo:** How will the Department deal with all those elements? The idea was to bring forward those elements so that they are embedded in our planning structure before the new councils take over planning powers.

**Mr Durkan:** I thank the Chairperson of the Environment Committee for her question and for her warm welcome to my statement, which is not how I expect it to go down in all quarters today.

I am fully committed to the reform and improvement of the planning system. I am determined to incorporate the elements that you outlined in the original Planning Bill into the planning system through the continued development of the single strategic planning policy statement. I am determined to work with all sectors to ensure that the planning system that we get in place for transfer to local councils is as close to perfect as it can be.

I am aware that Ms Lo and others proposed an amendment at Consideration Stage to introduce a duty on the Department, in exercising its functions, to do so having regard to the desirability of promoting the shared use of the public realm between persons of different religious belief, political opinion or racial group. My predecessor gave a commitment at that time that, although the amendment was not made, he would try to incorporate it. I reaffirm that commitment; it is important that we do so.

**Ms Brown:** Unlike the Chair of the Committee, I will speak as a Member of the House and, unlike her, I am deeply disappointed at the Minister's statement, which, for me, flies in the face of the democratic legislative decision of the Assembly. What approval was sought from the Executive on the decision? Were they even consulted?

**Mr Durkan:** Thank you, Ms Brown. I am sorry to disappoint you. That is a bit rich, when we look at the lack of consultation on the amendments that have made the Bill the toxic legislation that it now is. *[Interruption.]*

**Mr Speaker:** Order.

**Mr Durkan:** The amendments derailed the attempt to fast-forward the transformation and improvement of the planning system here. No, I did not raise this with Executive colleagues. *[Interruption.]*

**Mr Speaker:** Order.

**Mr Durkan:** I thought long and hard about my decision, which I arrived at over the weekend. However, to be accused of being anti-democratic is a bit rich, when the amendments were not subject to consultation with the Executive, the Environment Committee or even — as far as I am aware — the parties whose members tabled the amendments.

**Mr Boylan:** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire as ucht a ráitis. I thank the Minister for his statement. I put it on record that I believe that the amendments are compliant with EU obligations. I do not think that any Member of the Assembly would try to subvert or avoid EU obligations. Has the Minister sought or received any legal advice from the Attorney General on the matter? Will he confirm whether it is consistent with any legal advice that he received from others?

**Mr Durkan:** Go raibh maith agat. Gabhaim buíochas leis an Uasal Ó Baoighealláin as a cheist. I have not sought advice from the Attorney General, and nor have I received advice from the Attorney General. I received legal advice from an eminent QC in the field, which I have shared with the House and is available to the public. I have not heard any legal opinion that is contrary to that advice. Over the past four months, I spoke to many lawyers, academics and planning experts and received no advice whatsoever that the advice read into the record by my predecessor at Consideration Stage was erroneous or in any way challengeable.

**12.00 noon**

**Mr McKinney:** I thank the Minister and welcome this important statement. The Minister outlined and placed on record the clear legal advice that his Department received in respect of the illegalities of the DUP and Sinn Féin amendments. Has he been shown OFMDFM's legal advice? Who provided that advice?

**Mr Durkan:** The short answers to those questions are: no and I don't know. As I pointed out, I shared the advice obtained by my predecessor. He read it into the record. I have not seen any legal advice received by OFMDFM or whoever brought the amendments, although, in an interview on radio last week, Mr Weir alluded to the fact that it was OFMDFM, but I have not seen that legal advice.

My door has been open for four months. People knew the legal position, as stated by my predecessor. My door has been open to seeing any legal advice to the contrary. I have not seen it. My door remains open to that legal advice coming forward. I am keen to work with anyone and everyone to ensure that we —  
*[Interruption.]*

**Mr Speaker:** Order.

**Mr Durkan:** — get this sorted and ensure that we have a planning system that is fair, fit for purpose and fast.

**Mr Nesbitt:** I welcome the Minister's statement, which leaves me in no doubt that the proposed power grab by OFMDFM with regard to economic planning was so ill-conceived, so badly thought through and so arrogant that it was actually illegal? *[Interruption.]*

**Mr Speaker:** Order.

**Mr Nesbitt:** Will the Minister confirm to the House that he will stand firm in continuing to offer responsible leadership, because, no doubt, he will come under various pressures to change his mind?

**Mr Durkan:** The Member used the term "power grab". That is not a term that I intend to use today. This statement is about planning; it is not about politics. I will stand firm to ensure that the planning system in Northern Ireland is fair and legal.

**Mr Weir:** I too am disappointed at the Minister's statement. He seems to have based a lot of it on legal advice. In answer to a previous question, he said that he had not consulted the Attorney General, who is the senior legal adviser to the Executive. Why did he not consult the Attorney General?

**Mr Durkan:** Thank you, Mr Weir. I had to make a judgement on the Bill in the best interests of the planning system, based on the evidence in front of me. I am not prepared to derogate from that responsibility or leave it to others. I want to

look at the big picture, not just this Bill, but how it relates to the wider local government reform programme and the transfer of planning powers to councils.

The Bill is not good law, and I have yet to hear anyone, even today, try to claim that it is. It is not good for the planning system, and it is not good for the economy. That is what the business representatives that I have been speaking to are telling me as well. In fact, it would be counterproductive, by creating confusion. There are NGOs and groups queuing up to challenge the Bill legally, if it were to pass as it stands. How is that going to make things faster? How is that going to create more certainty in the system? How is that going to promote inward investment, help development and create jobs? It is not.

**Lord Morrow:** I think it is most significant that the Minister did not think it worth his while to consult the Attorney General, but, in his statement today, he was careful to quote what Justice Treacy had to say. Alas, however, he did not say everything that Justice Treacy said. May I remind him? This decision was taken subsequent to the Treacy ruling, which indicated that a Minister who failed to bring a controversial decision to the full Executive was in breach of the ministerial code. Why, then, is the Minister defying that ruling today and deliberately breaking that ministerial code?

**Mr Durkan:** I dispute that I am breaking the ministerial code. I wonder whether advice was sought from the Attorney General on the amendments before they were tabled. If not, why not? If so — *[Interruption.]*

**Mr Speaker:** Order. The Minister must be heard.

**Mr Durkan:** If so, why? When the public hear the accusation that I might be breaking the ministerial code, they will rightly ask, "What is the ministerial code?" If someone is deemed —  
*[Interruption.]*

**Mr Speaker:** Order.

**Mr Durkan:** If someone is deemed not to be in breach of the code for denying someone else the right to donate blood based on their sexuality or for promoting public disorder, they are not in breach of the code but for trying to prevent bad law from coming in, I am?

**Mr Speaker:** Order.

**Mr Durkan:** I do not think so. I can act only on the legal advice that I have seen. I am certainly open to hearing other legal advice, and I have sought it from many places, but that is not one.

**Mr D Bradley:** Go raibh maith agat, a Cheann Comhairle. Fáiltím roimh chinneadh an Aire gan dul ar aghaidh leis an Bhille seo faoi mar atá sé leasaithe. Go deimhin, chuir mé spéis sa mhéid a dúirt an tAire faoi na limistéir phleana, agus ba mhaith liom ceist a chur air ina dtaobh. Does the Minister agree that the amendment on economically significant planning zones (ESPZ) was, in fact, a spurious proposal, given that the power already existed under the provision for simplified planning zones in the 1991 Planning Order?

**Mr Durkan:** Go raibh maith agat as an cheist shuimiúil sin. I tried to get it in Irish, but I did not know the word "spurious".

**Mr I McCrea:** He will understand it.

**Mr Durkan:** I do not understand it in English. In the absence of any detail and information on what will constitute an ESPZ and the type of applications that will qualify, there can be no guarantees, assurances or clarity about how the provisions will help the economy. No one has established the benefits or costs of the proposals, who they will benefit or who they will harm. In fact, in my opinion, the clauses are largely replicated from the simplified planning zones but without the safeguards that existed in those zones for areas of special scientific interest and habitats. That is why I do not see any merit in the amendment and why I am happy to speak to anyone about dusting down the provisions from the 1991 Planning Order to see how we can make those best work in a way that will deliver for the economy while protecting the environment.

**Mr McCallister:** What a shambles, Mr Speaker. I congratulate the Minister on his solo run and for having the courage to stand up to this Administration. Does he agree with me that the attempted power grab effectively amounts to the Government scuppering their own Bill? Does that not highlight the dysfunctionality of this Administration?

**Mr Durkan:** I thank Mr McCallister for welcoming my statement. However, let me assure you, Mr McCallister, that this is not a solo run. This is supported, and it will be supported, by many in the House and by many more outside the House. I do not want to go down the lines of a power grab. In response to an earlier question, I said that I believe that the

Bill, which is a noble attempt to improve the planning system, has been derailed by these amendments.

**Mr I McCrea:** Given that, in the past, the Minister has described the use of a petition of concern as putting up two fingers to other parties, can the Minister not see the hypocrisy in his statement today? How many fingers is he putting up to other parties?

**Mr Durkan:** Sorry, Mr Speaker, I am just trying to count my fingers. *[Interruption.]*

**Mr Speaker:** Order.

**Mr Durkan:** I recall my description of the abuse of a petition of concern as such, not the use of a petition of concern. It was abuse of a petition of concern — *[Interruption.]*

**Mr Speaker:** Order.

**Mr Durkan:** — when it was able to be used by one party to thwart the wishes of other parties in the Assembly. As it stands, the majority of parties in the Assembly will be behind me. They will give my statement the thumbs up and not the fingers.

**Mr Ross:** The Minister made much of the perceived limit on judicial reviews and said that it would restrict the rights of citizens. I am quite sure that the Minister is aware of the Inquiry into Historical Institutional Abuse Act that was passed by the Assembly. Section 19 of said Act limits a judicial review to 14 days. If that Act is legally competent, why does he believe that the amendments proposed to the Planning Bill would not be?

**Mr Durkan:** I have quoted legal advice that I received. I can go back and get legal advice on Mr Ross's question, and I will endeavour to do so. *[Interruption.]*

**Mr Speaker:** Order.

**Mr Durkan:** Let us look at the issues. There are European Charter issues — *[Interruption.]*

**Mr Speaker:** Order. The Minister has the Floor. If a Member asks a question, the Minister must then be heard. Order.

**Mr Durkan:** The restrictions on judicial reviews or the right to judicial review in the amendment are in contravention of the European Convention on Human Rights. That is the legal advice that I received. That has also been

reaffirmed to me by the Human Rights Commission.

**Mr Beggs:** As a former member of the Environment Committee, I was fortunate to benefit from some knowledge and experience of the Scottish planning system. Does the Minister believe that, by modernising and updating our legislation, it is possible to build a much more responsive local government-based planning system in Northern Ireland that can meet the needs of industry without trampling on the individual rights of citizens?

**Mr Durkan:** I fully believe that that is possible. The Planning Service has been working towards that, and it is something that I aspire to.

The Member pointed to how well planning is working in another jurisdiction. Let me be quite clear: planning is working well here. It is working a lot better here than it was. The past two years have seen dramatic improvements in the processing and approval of applications. I aim to continue that trend, and I hope to have the support of all Members in doing so.

**Mr Clarke:** I have listened to the Minister today, and he has said on a few occasions that he is happy to speak to anyone. Given the concerns that his Department has about the Bill and the amendments proposed at Consideration Stage, what discussions have taken place with those who tabled the amendments or with any other Department?

In one of the last paragraphs of his statement, the Minister talks about "prompt and sound planning decisions". You referred to article 31 applications, of which the previous Minister had 71. It is almost as if your position today was a prerequisite for you getting the post after he cleared his desk. In one of those applications, on which you suggest there was a prompt decision taken, there were 4,500 objections to a business that no longer existed. Was that a good decision made by the Planning Service?

**Mr Durkan:** Thank you, Mr Clarke. I am not sure to which article 31 decision the Member is referring. I wonder whether it is one that my predecessor inherited from his predecessor. *[Interruption.]*

**Mr Speaker:** Order.

**Mr McGlone:** Go raibh maith agat, a Cheann Comhairle. What guarantees were provided by the proposers of the new clause — now clause 4 — that the proposed establishment of

economically simplified planning zones was not a recipe for a free-for-all for frackers?

**12.15 pm**

**Mr Durkan:** Thank you, Mr McGlone. Go raibh maith agat. As I stated earlier, I have received no details, guarantees or information about what will constitute an ESPZ and what applications will qualify for that status. In the absence of any details, nothing, including fracking, in my opinion, could be ruled in or out, especially in light of comments by colleagues from across the Chamber about the economic significance of fracking.

**Mr Frew:** I am disappointed by the Minister's statement. If the Minister has concerns about some clauses of the Bill, and the supposed illegality of those, why has he decided to end it now? Why not go through the process, keeping the Bill as it is, and seek legal advice on those clauses?

**Mr Durkan:** I thank Mr Frew for his question. I did not want to waste more time on this Bill, or have the House or my officials waste time on it. My officials are drawing up subordinate legislation for the transfer of planning powers to councils, in accordance with the 2011 Act. Had the Bill received passage, they would have had to do the same. That would have been a duplication of work, and I was not prepared to allow that to happen.

Furthermore, as I outlined earlier, had the Bill been approved by the House, I have no doubt that it would have been subject to legal challenge by people from outside the House, and possibly by some within it. That would have led to a complete slowdown of the planning system, which is entirely contrary to the original aim of the Bill.

**Mr Agnew:** I welcome the Minister's statement on behalf of the Green Party and many others outside the House. The Minister has made a sound, rational and, ultimately, correct decision. This House, as a legislature, has to act responsibly and within the law. Will the Minister confirm that it is the duty of all Ministers and Members to act within the law, legislate within existing laws, and not seek to circumvent the law to pursue a personal agenda?

**Mr Durkan:** Earlier, a question was put to me, and a question mark put over my adherence to the ministerial code. As an elected politician, a Minister and a person, I do not believe that anyone should break the law. My actions are not in breach of any code. Although it is

important that our decisions are legal, it is most important that they benefit the people we represent. The Bill, as amended, was not.

**Mr Craig:** Minister, I have listened with interest to everything that you said about all this legal advice and, in some cases, the lack of it. You also mentioned that you had consulted businesses about this. I ask a very serious question: which businesses did you consult? Was one of them John Lewis? You have rhymed on and on about this wonderful planning system, but that application spent 10 years in the planning process and, ultimately, it did not happen. Did you consult John Lewis? What measures will you take to improve the situation? There is nothing in the existing planning process that would prevent a repeat of that fiasco.

**Mr Durkan:** No is the simple answer to that question; I did not consult John Lewis. Perhaps previous Environment Ministers consulted more with business than I do. However, in line with my predecessor's announcement, which accompanied the release of my Department's decision on the parts of the Belfast metropolitan area plan (BMAP) relevant to Sprucefield, I consider it appropriate to adopt a precautionary approach to major out-of-town retailing.

When we debate the future of town and city centres, I hear about the need to support town centres from all sides of the House, yet it seems that different rules apply when it comes to John Lewis. Currently, there is no application from John Lewis. If another one comes in, it will be looked at and be subject to the full rigours of the planning process.

**Dr McDonnell:** Is the Minister not just being a bit polite and gentle? *[Interruption.]*

**Mr Speaker:** Order.

**Dr McDonnell:** Does the Minister agree that the amendments were crude, ill thought out and totally inappropriate and, quite simply, were made without any consultation with the public, the Assembly, the Executive or even with the First Minister or the deputy First Minister's parties? Does he agree that they were tantamount to a blatant power grab by OFMDFM with no respect for anybody? *[Interruption.]*

**Mr Speaker:** Order.

**Mr Durkan:** I thank Dr McDonnell for his question.

**Some Members:** What was the question?

**Mr Speaker:** Order.

**Mr Durkan:** In response to questions from around the House today, I said that I do not want to get into finger pointing — or finger raising, Mr McCrea — about the intention behind the amendments. Others see it quite clearly as a power grab. I am not too concerned about my Department losing power, but the amendments would disempower local councils in future. That is not right, given that, two weeks ago, we voted to empower them.

**Mr Dunne:** Given the considerable debate that we had yesterday on economic development and the need for more foreign direct investment, what sort of negative message does this decision send out to potential investors who are looking at coming to Northern Ireland?

**Mr Durkan:** I thank Mr Dunne for his question. I do not think that the decision sends out a negative message. It is important that we send out no negative messages. I outlined the steps that my Department has taken and the decisions that I have made to promote economic development. I outlined my concerns that the ESPZs will do nothing to speed up inward investment. Subject to a legal challenge, they will create only uncertainty. Any inward investor will look for certainty as well as swiftness from the planning system; certainty is even more important.

I want to get a message out today. I want anyone who is listening to the debate to be in no doubt that I support a stronger economy. It is vital that the message goes out that Northern Ireland is open for business and is good for business. I want to make sure that that is reflected in the planning system.

**Mr Anderson:** I am also disappointed by the Minister's statement. If there were concerns about legal competence, why did he not follow normal procedure and seek to have the relevant clauses referred to the Supreme Court for a ruling and leave the rest of the Bill intact?

**Mr Durkan:** I spoke about the intention behind the Bill, which was to road-test the new planning powers that will be transferred to local councils in 2015. The fact is that, during the four months that have elapsed since the Bill's Consideration Stage, we are running out of road. The longer this goes on, the less point there is in bringing the Bill forward. Neither OFMDFM nor whoever tabled the amendments

have been knocking down my door to ask me to bring the Bill to the Assembly.

**Mr McCarthy:** I welcome the Minister's statement. I want to congratulate him; it is good to see a young, fresh planning Minister who can make decisions for Strangford and Newtownards. I very much welcome that. Will the Minister give us — *[Interruption.]*

**Mr Speaker:** Order. The Member must be heard.

**Mr McCarthy:** We waited for a long time for the Newtownards development. Thank you, Minister.

**Mr Speaker:** Order. I encourage the Member to come to his question.

**Mr McCarthy:** Yes, Mr Speaker. Will the Minister give us a timescale for the introduction of the strategic planning policy? Will it be made before the new councils come into being?

**Mr Durkan:** I fully intend that the single strategic planning policy statement will be ready in draft form by the turn of the year. It will then go out for public consultation.

**Mr Newton:** Like many other Members, I express concern about the Minister's statement. Despite the fact that he has assured us that he is open for business and that he was "running out of road" as he put it, I think that many in Northern Ireland with an interest in the economy will be somewhat concerned about his reasons for the decision. Quite specifically, what consultations took place on the options for dealing with his concerns through amendments at Further Consideration Stage?

**Mr Durkan:** Forgive me, Mr Speaker. Let me use my relative newness in the job as an excuse, but I do not believe that the capacity exists to amend amendments.

**Mr Attwood:** I congratulate the Minister on strong, decisive and good government, unlike so much that passes for government around this place. Given that the First Minister and the deputy First Minister produced these amendments, never shared their legal advice on the amendments, never brought them to the Executive, the Environment Committee or asked any citizens or groups in this part of the world for their view on those amendments, does the Minister agree that, far from him failing in his duties as a Minister, people should look elsewhere for ministerial failure, in particular to

the Office of the First and deputy First Minister and the role —

**Mr Speaker:** I encourage the Member to finish.

**Mr Attwood:** — of the First Minister.

Given that the gaping hole in all of this is the failure of the First Minister and the deputy First Minister to share their legal advice, despite the torrent of legal advice against their view —

**Mr Speaker:** Order. I now must insist.

**Mr Attwood:** — does that not reveal how weak, shallow —

**Mr Speaker:** Order. The Member must finish.

**Mr Attwood:** — and short-sighted this has been?

**Mr Durkan:** Thank you, Mr Speaker and thank you, Mr Attwood. It is not often that I disagree with Mr Attwood, so I will not start now.

**Mr Speaker:** Order. That concludes questions to the Minister on his statement.

**Lord Morrow:** On a point of order. Mr Speaker. A very serious situation arose during this item of business. I would like you to investigate the behaviour of the Chair of the Environment Committee. Her behaviour was an absolute abuse of her position as Chair of the Committee. Having been asked on a number of occasions whether she was speaking as the Chair of the Committee, she made it clear that she was. The inference, of course, was that she was speaking on behalf of the Committee and was articulating its views.

This obviously cannot go on. It was a blatant attempt to walk around the rules and the Standing Orders of the House. It has to stop and the Member's behaviour today has to be investigated. Will you assure the House that her behaviour today will be investigated?

**Mr Speaker:** Lord Morrow's point of order raises a number of issues. First, Chairs of Committees come to the House and indicate clearly to the Table that they want to be called as Chairs. I have always said to Chairs of Committees that they should ask questions on behalf of the Committee and should not make statements. Secondly, this is really an issue for the Committee to deal with and not the House. I think that it is important that I say that to Lord Morrow.

**Mr Weir:** On a point of order, Mr Speaker. It is on a separate issue. Mr Speaker, I wonder whether you will also check Hansard to see whether the Minister was misleading the House. In an answer he gave a few moments ago, he indicated that neither OFMDFM nor the proposers of the amendments were knocking down his door to move the amendments forward. It is a matter of public record that I, as one of the movers of the amendments, asked a question for written answer of the Department in September about when he would table the Further Consideration Stage and got an answer.

I ask whether you could look at that, and I also ask that the Minister withdraw the accusations against the Members who moved the amendments.

**12.30 pm**

**Mr Speaker:** I listened to the Member's point of order, and he needs to be careful about accusing the Minister of misleading the House.

**Mr Weir:** I am asking whether he has.

**Mr Speaker:** Yes, but we can leave the terminology aside. However, I am happy to look at Hansard and to come back to the Member or to the House.

The Business Committee has arranged to meet immediately after the lunchtime suspension. I propose, by leave of the Assembly, to suspend the sitting until 2.00 pm, when the first item of business when the House returns will be Question Time.

*The sitting was suspended at 12.31 pm.*

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

**2.00 pm**

## Oral Answers to Questions

### Social Development

#### Affordable Warmth Pilot Scheme

1. **Mr D McIlveen** asked the Minister for Social Development for an update on the affordable warmth pilot scheme. (AQT 261/11-15)

**Mr McCausland (The Minister for Social Development):** I thank the Member for the question. The warm homes scheme is our main fuel poverty scheme. That is targeted at privately owned and privately rented low-income households to improve their energy efficiency to tackle fuel poverty.

The initial target was to install energy-efficiency improvements in 9,000 homes. We have met that target year on year since 2009. The warm homes scheme contract is due to end in June 2014, so I have asked officials to review the scheme to see how we are tackling fuel poverty, taking into account current research that shows that over 33,000 households need to spend a quarter of their income on heating.

We recently completed an achievable, affordable warmth area-based pilot scheme in partnership with the Office of the First Minister and deputy First Minister (OFMDFM), the Department of Agriculture and Rural Development (DARD), the University of Ulster, the Housing Executive and 19 of the 26 local authorities. The aim of that approach was to deliver energy-efficiency improvements for homes in small, concentrated areas of fuel poverty, and to identify areas of poor housing and low income where you have that high prevalence.

The university evaluation of the pilot estimates that one in two of households contacted proved to be eligible for assistance from the warm homes scheme. A lot of the work was done in cooperation with Professor Christine Liddell of the University of Ulster, and it directed us towards area-based work, which seems to be much more productive in comparison with how things were being done.

From the initial positive results, we have moved to phase 2 of the pilot, which is to test that energy-efficiency measures can be delivered

using local installers to carry out the work. That is encouraging and a good way in which to tackle fuel poverty.

**Mr D McIlveen:** I thank the Minister for his answer. He will be aware that the Department of Health, in partnership with the Public Health Agency, ran a scheme to issue Keep Warm packs, which was a low-level, low-tech way of tackling fuel poverty. Does the Minister see merit in his Department considering a low-tech option to help those struggling to heat their home this winter?

**Mr McCausland:** I am aware that the Public Health Agency in Northern Ireland provided some low-income households with Keep Warm packs in recent years. As you indicated, they were very popular. I believe that the Public Health Agency was able to identify funding for 2,500 to 3,000 Keep Warm packs for the scheme this year. The scheme is much appreciated and is effective.

I welcome that initiative. It is a good example of working in partnership with others to tackle fuel poverty. We recognise that fuel poverty is a priority. It is a key issue that needs to be addressed in a cross-departmental way, because the factors that create fuel poverty impact on the work of different Departments.

## Welfare Reform

2. **Mr Spratt** asked the Minister for Social Development to confirm when discussions, involving the First Minister, the deputy First Minister and the Finance Minister, on a welfare reform package of mitigating measures for Northern Ireland concluded. (AQT 262/11-15)

**Mr McCausland:** This has been a major area of work for me and the Department over the past year. There were detailed, lengthy and intense discussions with the Department for Work and Pensions (DWP) at Westminster. The Department of Finance and Personnel (DFP) also has an engagement with the Treasury in that regard. At the end of June, we got to the point where we had had the negotiation with Westminster and the internal discussions with the First Minister and the deputy First Minister. We also had discussions with the Finance Minister, and, at the end of June, we reached the point where we had a package of measures that, if implemented, would result in a much better situation for Northern Ireland than us simply taking welfare reform as it is in GB. They address the worst aspects of welfare reform whilst retaining the

elements of it that are positive. That work concluded at the end of June.

**Mr Deputy Speaker:** I call Jimmy Spratt for a supplementary question. I urge him to try to steer away from the oral question on the same issue that is listed for later.

**Mr Spratt:** I will do my best, Mr Deputy Speaker, to not incur your wrath.

I thank the Minister for his answer. Does he not agree that there is an urgent need to share with the people of Northern Ireland the details of the package, because they would clearly demonstrate devolution delivering tangible differences to people's lives in the Province on something that has concerned people for quite some time?

**Mr McCausland:** Thank you for the supplementary question. The point is very well made.

By June, we had a good package of measures and interventions to make welfare reform much more suited to the particular circumstances of Northern Ireland. The question now that many people are asking is, "What is it?" I met the other week with the chair and chief executive of the Northern Ireland Council for Voluntary Action, which is the voice and representative body of the community and voluntary sector in Northern Ireland. They were keen that we get that information into the public domain, because there is uncertainty, which is not good.

There are concerns, which could well be allayed if people knew what the package was. There is also confusion as changes are implemented in Great Britain. Because of the nature of the technical side of delivering welfare benefits, information will come out to people here in Northern Ireland that only applies to GB. We will then have to write out to them and say, "By the way, you received such and such a piece of information. That does not apply to you." So, the delay is actually creating confusion.

So, for all those reasons, it is important that we get that information out as quickly as possible to allay fears, provide assurance for people and avoid confusion.

## Welfare Reform Bill

3. **Mr McCallister** asked the Minister for Social Development when he will bring the Welfare Reform Bill back to the House, given that his colleague Minister Hamilton stated yesterday

that the cost to the Treasury is running at £5 million to £6 million per month and that, if the Assembly does not legislate by January, that cost could quickly climb to £50 million or £60 million. (AQT 263/11-15)

**Mr McCausland:** I have indicated that it would be good for the general public to be aware of the contents of the particular package for Northern Ireland for a range of reasons. The Member outlines an additional reason. The information that was passed on by the Finance Minister has been in the public domain for some time. The Prime Minister has spoken about it, the Secretary of State has spoken about it and other Westminster Ministers from DWP and the Treasury have spoken about it.

So, there is a concern that, over time, you get into a difficult position in terms of potential penalties. However, that is not just a matter for me; it is a matter for the entire Executive. Therefore, it is right and proper that, as soon as possible, we get this into the Executive and get it out into the public domain and into the Assembly for further discussion. That is a matter for the entire Executive, particularly OFMDFM, as well as me.

**Mr McCallister:** I am grateful to the Minister for his reply. Given that we only have three months until January 2014, it is important that the confusion ends, as the Minister outlined in an earlier answer. That is absolutely imperative.

Does he agree with me that it is time that his Executive colleagues, with him pressing on this, actually grabbed the bull by the horns and made a decision before we simply run out of money?

**Mr McCausland:** In the past, I have commented on the potential difficulty with regard to penalties. I was accused of scaremongering in the Chamber by a member of another party. I think that the point was made yesterday that this is not scaremongering but a real potential difficulty that is coming down the track. However, apart from the penalty issue, there are all those practical, sensible reasons for moving forward on this. They are the ones that I have already outlined.

## Co-ownership Housing

4. **Mr Weir** asked the Minister for Social Development for his reaction to the Finance Minister's announcement yesterday of £5 million for co-ownership housing. (AQT 264/11-15)

**Mr McCausland:** I welcome the additional £5 million for co-ownership housing. I bid for £10 million, but, in a spirit of generosity, I got £5 million from the Finance Minister. I welcome that. There is real benefit from co-ownership housing. It has been extremely successful in the past. It is a welcome investment, bringing more people into home ownership and providing affordable housing. It is also of great benefit to the construction sector. It has been important for that sector recently and will continue to be.

**Mr Weir:** I thank the Minister for his response. In order to give a snapshot of the co-ownership situation, can he tell the House how many co-ownership homes have been provided since he came into office?

**Mr McCausland:** In the first year — 2011-12 — just over 500 homes were purchased through co-ownership. In the second year — 2012-13 — around 950 homes were purchased through co-ownership. I am glad to say that, this year, we are actually well ahead of our target, which was 500 homes in 2013-14. We are in line with those expectations. Already, we have delivered beyond that 500 by providing 540 homes. Approximately 650 more are in the process of having their application dealt with. Therefore, we are well on target. In fact, we are well beyond it.

## Construction Sector

5. **Miss M McIlveen** asked the Minister for Social Development, in light of this morning's news that the construction sector appears to be taking the first steps out of a recession that brought it to its knees, what efforts his Department has made to maximise opportunities with that sector. (AQT 265/11-15)

**Mr McCausland:** Like the Member, I welcome this morning's news about the Royal Institution of Chartered Surveyors' survey, which says that the construction sector is exiting — in fact, it has exited — recession. That is good news. A rise in workloads has been reported for the first time in five years.

From my perspective, I will address what DSD has been doing in that regard. We have already talked about co-ownership. My Department has provided over £228 million in 2011-12 and 2012-13, which resulted in the building of 2,800 social homes, and over £83 million this year, with a target to start building 1,275 social homes. The social building aspect of the Department's work is only part of the picture. The construction sector has also

gained through public realm schemes and neighbourhood renewal work. Over the past couple of years, around £50 million each year has gone into physical development schemes and a little more than £50 million into neighbourhood renewal schemes. All of those — whether it be the social housing sector, co-ownership, physical work, public realm work, neighbourhood renewal and so on — have certainly been of great help to the construction sector and have contributed to some degree to this morning's good news that it has exited recession.

**Mr Deputy Speaker:** That concludes topical questions. We move to questions for oral answer.

**2.15 pm**

## **Portrush Harbour**

2. **Mr McQuillan** asked the Minister for Social Development for an update on the Portrush harbour development project. (AQO 4853/11-15)

**Mr McCausland:** The regeneration of Portrush harbour is a priority for me, as I believe that the development of the harbour will help to promote Portrush as a premier international destination. The extension and development of Portrush harbour was one of the proposals originally contained in the Portrush western peninsula strategy published by Coleraine Borough Council. A subsequent feasibility study carried out by the council showed that it was possible to extend the harbour, thereby creating a new commercial marine facility.

My officials have established a new programme board to oversee the strategic implementation of the regeneration initiatives in the Portrush strategy. The first meeting of the programme board, which is made up of senior representatives of DSD, DOE, the Northern Ireland Environment Agency, DRD, the Tourist Board, the Strategic Investment Board and Coleraine Borough Council, will be held on 30 October — in a matter of days. Following that meeting, my Department will take the lead in carrying out an environmental impact assessment and an economic appraisal to identify how best to develop the harbour.

With any major development it is important that we learn from previous studies so as to create a facility that is commercially viable, helps to improve economic development and offers a wide range of community uses. The project will help to build on my Department's investment of

£2.3 million in the public realm on the East Strand promenade and Station Square and the installation of free Wi-Fi for Portrush town centre and the beaches.

**Mr McQuillan:** I thank the Minister for his answer. Will he ensure that Portrush harbour's economic potential is maximised and that the harbour is kept open and available to the public while the work is going on?

**Mr McCausland:** One of the key points in my initial answer was about learning from how such schemes had been done previously. There are lessons to be learned from how other harbour developments were taken forward, and I certainly think that they will be applied in the case of Portrush. We want to make sure that we get the economic benefit and the wider community benefits, as well as community access to the harbour, which is such an important part of the tourist experience for people who visit Portrush.

**Mr Deputy Speaker:** I should have advised Members that questions 1, 10 and 14 have been withdrawn.

## **Universal Credit**

3. **Mr Cree** asked the Minister for Social Development for an update on the consultation on flexible payment arrangements for universal credit. (AQO 4854/11-15)

**Mr McCausland:** I previously announced in the Assembly that I had agreed with Lord Freud, the Minister for Welfare Reform, a number of operational flexibilities for Northern Ireland in the payment arrangements for universal credit. Those flexibilities will allow for more frequent payments, direct payments to landlords and split payments.

My officials have consulted a wide range of groups in Northern Ireland through open public forums and an oversight group established under the chairmanship of the permanent secretary. There were also discussions with the Executive subcommittee on welfare reform and the Social Development Committee.

In recent months, the draft criteria have been finalised and now form part of a package of measures that I have negotiated with London and discussed with the First Minister, deputy First Minister and Finance Minister. I believe that the package will enable us to implement welfare reform in a way that will meet the needs of the people of Northern Ireland and produce the best possible outcome.

I have to say that I am frustrated by the lack of progress. As I have said, NICVA's chief executive expressed that frustration to me at our recent meeting. I believe that it is time to discuss and agree the proposed package not only to avoid the financial penalties that I mentioned, which could be imposed by Her Majesty's Treasury, but, more importantly, to start to tackle the real issue of helping people back into work. The universal credit aspect of welfare reform will remove the current disincentives that sometimes exist in getting people back into work. By removing those blockages through the introduction of universal credit, we can encourage and support people back into employment on the basis that, if you do more work — any work — you will always be better off than if you do not.

**Mr Cree:** I thank the Minister for that. Minister, it is exactly 12 months to the day since you made a statement on the flexibilities for universal credit. At that time, you also committed to a programme of consultation on the criteria for flexibilities. As with most things, little detail has emerged. Will you give a commitment that the matters raised by the group that explored the issue at the beginning not only will be listened to but will be accurately reflected in the next version of the Bill and subsequent regulations?

**Mr McCausland:** I assure the Member that the consultations with a wide range of interest groups representing different sectors of society, different family structures, people with disabilities and all sorts of interest groups that have engaged fully in the process have very much been taken on board. People will have aspirations and wish lists, but some things may not be possible. However, when you look at what has been suggested and what we will bring forward in due course, you will see that we have paid close attention to the input that we received. I attended a number of the consultation meetings, some of which were in this very Building in the Long Gallery, and different aspects of the flexibilities were looked at. With such matters, it has to be borne in mind that there are flexibilities and advantages, but there may be associated costs. It is about finding the right balance between cost and benefit to make sure that we get the right deal for Northern Ireland. I think that we have a very good arrangement in place to bring forward in due course.

**Mrs D Kelly:** Minister, you spoke in broader terms about welfare reform. Has your Department conducted any analysis of the loss of income to the people and families in the

North who will be most affected by the welfare reforms that are being brought in by the Tory Government?

**Mr McCausland:** The answer to that is, of course, "Yes, we have looked at the implications of welfare reform very carefully". There are good parts of welfare reform and parts that are not so good. Alongside that, we have the Treasury's attempt to limit the increase in expenditure on welfare benefits over the next number of years. There are winners and losers in these things, which is often the case.

Some of the figures that have been quoted in the media about the cost to Northern Ireland have been unrealistic. One recent report quoted a figure of so many million pounds a year, but, when you drill down into the figures, you will see that there is confusion because they were mixing up figures for Northern Ireland with figures from GB. The number of people who will be affected by the benefit cap in Northern Ireland is a modest 620 households, and the impact per household is a lot less than in GB, where, in some areas, huge amounts go towards housing benefit. Some reports did not take the positive side of welfare reform into account. Also, some of the changes go back a number of years — in fact, they go back to the Labour Government — and were implemented when your party was in charge of DSD. Some of those things were counted in even though they have been in place for some time. We need to be careful that we make people aware of the issues and get accurate information out as far as possible without creating unnecessary fears. There are concerns that we all share, but we should not exaggerate them.

**Mr Douglas:** Will claimants have to apply for the flexible payment arrangements under universal credit?

**Mr McCausland:** My Department will automatically consider a flexible payment if available information indicates that it would be appropriate. If, for example, a claimant is known to have severe or multiple debts, that needs to be taken into account. Claimants will also be able to request a flexible payment at any time, and a referral for a flexible payment can also be made by a third party. Any claimant who wishes to opt out of direct payments to a landlord will have to request that, and an opt-out will not be allowed if the Department considers a claimant to be at risk of accruing arrears of debt.

There are people who are vulnerable. We need to make sure that we have a system that takes

account of that and does not expose them to unnecessary risks. That is the sort of thing that is so important to focus on in making universal credit better in Northern Ireland. It is also significant that people in Great Britain are looking at some of the things that we are talking about and saying, "Actually, maybe that is the right direction of travel".

## Social Housing

4. **Mr Milne** asked the Minister for Social Development for an update on the implementation of developer contributions to the social housing programme. (AQO 4855/11-15)

**Mr McCausland:** I remain supportive of introducing a system of developer contributions for affordable housing. Indeed, it is a key action in my housing strategy for Northern Ireland, entitled Facing the Future. I have been critically evaluating the issue over the past few months, and two key factors will impact on the timing of the introduction. The first is that appropriate processes need to be in place to manage any regime efficiently. Secondly, timing is crucial in light of the challenges currently facing the construction sector. In the present market conditions — we have commented already on the fact that the construction sector has exited recession but is still not in the strong position that it might previously have been — it is likely to prove extremely difficult to realise contributions.

My officials, in conjunction with officials from the Department of the Environment, will reassess the matter shortly to examine whether the housing construction market has had the opportunity to improve sufficiently to allow developer contributions to be introduced. I also continue to impress upon the Northern Ireland Housing Executive and the housing associations the need to deliver the requirements of the social housing development programme and maximise the opportunity for social housing within the budgets available. That was one of the key points that I stressed in a speech to the Northern Ireland Federation of Housing Associations.

**Mr Milne:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for his answer thus far. I heard what he said, and he has partially answered my supplementary question. However, when does he expect developer contributions to social housing to begin?

**Mr McCausland:** As I indicated, my officials, in conjunction with DOE officials, are about to

reassess the whole situation to see what potential there is. It would be wrong for me to prejudge that work before it has even started. However, we feel strongly about it and remain very supportive of it. I therefore look forward to receiving that report from DSD and DOE officials in due course.

**Ms P Bradley:** I thank the Minister for his answers thus far. What action has been taken to maximise the opportunity of social housing within the available budget?

**Mr McCausland:** My officials and I have met chief executives of housing associations on a number of occasions to discuss possible new initiatives to maximise the delivery of social housing. This year, incentives have been introduced to encourage housing associations to undertake advanced land purchases to support the social housing development programme in forthcoming years. I would like to see us in a better place with the housing associations, in that they need to be more ambitious, creative and innovative in the way that they do business. I stressed that point strongly in my contribution to the annual conference of the Northern Ireland Federation of Housing Associations last week. It was also picked up by the federation leadership. I think that they realised and agreed very much, in fact they said clearly that the sector needs the opportunity to be innovative and creative.

We have been trying to learn from housing associations in Great Britain, because they have been innovative and creative. I should also say that we have some very good housing associations here, but we just need to get more done and delivered on the ground. We are looking at issues that they have identified that might make it easier for them, such as work around regulations. We are also looking at the obstacles to delivering more social housing on the ground. Are there issues around planning or whatever it is that is possibly holding it up? Are there things that could be done differently by government? That is very much on the agenda at the moment, because we need and want to deliver more.

2.30 pm

**Mr Attwood:** I will pick up on your last point, Minister. Given the success, as I would describe it, of newbuild housing starts in the time of your predecessors and that there have been fewer newbuild starts in your time, and noting what you said about why that might or might not be the case, about which you and I might agree or disagree, will you indicate

whether the target for 2013-14 newbuild starts in the housing association sector will be reached or, as has happened in the past couple of years, is it, once again, going to fail?

**Mr McCausland:** We set out in the Programme for Government a target for social and affordable homes, and we will reach that target.

### **Vacant Property: South Antrim**

5. **Mr Clarke** asked the Minister for Social Development how many vacant Northern Ireland Housing Executive houses in South Antrim have been empty for more than eight weeks. (AQO 4856/11-15)

**Mr McCausland:** The Housing Executive has advised me that the information is not available in the format that the Member requested, as it does not routinely collate information by parliamentary constituency. I have been looking at that recently, because information is more understandable and Members can interrogate it more easily if it is available on a constituency basis rather than on the basis of Housing Executive offices. However, the Housing Executive's local office areas of Antrim, part of Newtownabbey 1 and part of Newtownabbey 2 cover the South Antrim area. Parts of Newtownabbey 1 and Newtownabbey 2 are also in North Belfast. As of 11 October 2013, a total of 132 properties had been vacant for more than eight weeks across the three office areas. Of those properties, only 39 were available to let. That equates to 0.6% of the total Housing Executive housing stock in the three areas. The remaining properties were vacant for reasons such as decanting, undergoing repairs and pending sale or demolition.

**Mr Clarke:** I thank the Minister for his very comprehensive answer. I am sure that, like me, he is distraught at the fact that over 100 houses are not in circulation. Will the Minister tell us what he is doing to try to turn those houses around much quicker?

**Mr McCausland:** Empty homes are an important issue because when you address that issue, you quite often remove a blight on a particular community. Sometimes they are a cause of or a magnet for antisocial behaviour. You are also bringing a home back into use, so there is a double win with that. Empty homes are a wasted resource, and, as I said, they can attract crime and antisocial behaviour. I am determined to deal with the problem, as I do not think that it received enough attention under some previous Ministers. I outlined my

approach in the empty homes strategy and action plan, which was issued on 6 September 2013.

The reasons why houses are left empty are complex. There could be an individual who, for some reason, is unable or unwilling to do anything to bring the house back into use. Some landlords have properties that they cannot bring back into use because they no longer have the resources. It could be that houses are situated in areas where people do not want to live. Therefore, a variety of approaches need to be developed if such empty properties are to be brought back into use.

The Department is working with the Housing Executive to ensure that the empty homes strategy and action plan is implemented. A range of actions are set out in that strategy and action plan, and I believe that if they are taken forward in that collaborative way, they can really make a difference. There is a role for the Housing Executive, housing associations and local authorities in that. If we get together and address it properly, I think that we can really make a difference. Housing associations, in particular, can play a significant role in facing up to and tackling the challenge of bringing empty homes back into use. It is a gain for everyone, in the sense of removing blight and providing additional accommodation.

**Mr McCarthy:** Will the Minister advise the House on the houses that were made vacant by the army in and around Lisburn and Lambeg?

**Mr McCausland:** The Member is referring to a very particular scheme, although he did not name it. There are a number of areas in Northern Ireland, and particularly in that area, where properties that previously belonged to the army could be brought into social housing. I have had representations on some of those from local elected representatives in that area. I am encouraged by how the work is ongoing. It is an opportunity to provide homes, but we should not simply think of homes in those areas as necessarily being social housing. The Member's party is very committed to the idea of shared housing.

**Mr McCarthy:** Absolutely.

**Mr McCausland:** I welcome the Member's endorsement of that point. That is not just "shared" in the sense of religious or political background; it can be "shared" in the sense of mixed tenure. Therefore, in deciding how we take those houses forward, we need to look at

whether they match the need in that area. I cannot quote off the top of my head the particular need on the waiting list, but I am happy to look at it, and the Member may have studied it. Is it for four-bed, three-bed, two-bed or single-bed properties? What particular need is there in that area? You need to match housing with the need, and you can then decide on the best way forward. That is a matter to be taken forward by the Housing Executive and the housing associations.

## Social Housing: Newtownabbey

6. **Ms Brown** asked the Minister for Social Development what plans the Housing Executive has to address the level of housing stress faced by applicants on the waiting list for social housing in Ballyduff and New Mossley, Newtownabbey. (AQO 4857/11-15)

**Mr McCausland:** At 31 March 2013, there were 91 applicants in housing stress in Ballyduff. Based on last year's allocations, it is estimated that 41 of those will be accommodated by allocation of existing properties. The housing need projection for 2012-17 is 25 units. A scheme for 30 units by the housing association Oaklee Housing is included in the current year — 2013-14 — of the social housing development programme on the site of the former Ballyduff Primary School.

At 31 March 2013, there were 79 applicants in housing stress in New Mossley. Based on last year's allocations, it is estimated that 35 of those will be accommodated by allocation of existing properties. The housing need projection for 2012-17 is 45 units. A scheme for approximately 20 units by the housing association Connswater Homes is included in the current year of the social housing development programme at Milewater Drive.

I have been told by the Housing Executive that the next social housing development programme should be through by November and on my desk by December. That is good, because in past years, it has been much later. In fact, it has been too late in coming. This year, it is on target to have the information through, and I must commend the Housing Executive senior staff and the chairman. I look forward to seeing the programme.

**Mr Deputy Speaker:** There is some interference from a mobile phone, so I ask Members to check that their equipment is not interfering with the broadcast.

**Ms Brown:** I thank the Minister for his answer. It is clear that the need is not being met in Ballyduff and New Mossley. Will the Minister tell us what will be done to address the need?

**Mr McCausland:** The Housing Executive has indicated a need for 420 new homes across Newtownabbey 1 and Newtownabbey 2 districts. As I indicated earlier, Newtownabbey 1 and Newtownabbey 2 districts are split between the South Antrim and North Belfast constituencies, which makes some of the calculations a bit more difficult. I have had concerns for some time now that sufficient new social housing is not being programmed in all areas across the borough, and that includes the section in South Antrim and that in North Belfast. In recent weeks, I have met the Housing Executive to express those concerns. It tells me that there is a shortage of sites in the area and that housing associations are having difficulty in identifying suitable locations for development. That is clearly not solving the problem. Therefore, I have asked the Housing Executive to introduce an initiative to tackle the issue that will include looking at land in its ownership and at land in adjacent areas that might be suitable for dealing with Newtownabbey need. This is a work in progress, but I expect more schemes to be programmed in the new social housing development programme for 2014-15 to 2016-17. As I have indicated, that is under construction and will come to me for approval in December.

## Energy Efficiency

7. **Mr Anderson** asked the Minister for Social Development what work is being undertaken, or is planned, to upgrade single-walled dwellings to make them more energy efficient. (AQO 4858/11-15)

**Mr McCausland:** I thank the Member for his question. I have been looking at the issue for some time now, since I became aware that there were some 5,000 Housing Executive properties across Northern Ireland that were of no-fines construction. That means that they are constructed from a type of single-skin concrete wall with no cavity, and therefore have no possible cavity-wall insulation. They tend to be cold homes. In some cases, not only are they thermally inefficient but, depending on the exact nature of the construction, there can be issues around dampness and condensation. It is an issue that has been around for many years. It was not dealt with in the past. It was ignored in previous years and under previous regimes. I am glad to say that the current chair, vice-chair

and chief executive of the Housing Executive recognise the need for the issue to be addressed.

It is important that we keep building new homes, but it is also important that we keep the Housing Executive stock up to standard. I believe that those properties would benefit from a programme of external insulation, and I have asked the Housing Executive to urgently develop such a programme for all houses of no-fines construction, prioritising those properties most in need. The Housing Executive has now set up a working group to progress its strategic approach to thermal performance of all Housing Executive no-fines stock. The group will initially consider the technical solutions available. Once options and costs are made available, the Housing Executive will evaluate the strategic direction regarding those properties.

**Mr Anderson:** I thank the Minister for his response. Minister, you have touched on some of the actions being taken, but I ask that this be treated as a matter of urgency. We have to bear in mind that there are a number of those properties — you say 5,000 — and some are in my constituency of Upper Bann. I ask that priority be given to addressing the issue because a number of those homes have senior citizens living in them. It is costing them a lot of money to heat their homes, and I think it is something, as you said yourself —

**Mr Deputy Speaker:** The Member has asked his question. It is not an opportunity for a statement.

**Mr McCausland:** I thank the Member for his question. Earlier this year, the Housing Executive completed a pilot scheme on two rural cottages at Bog Road, Coleraine to install external insulation. That will be evaluated over the winter and spring period. The Housing Executive has also initiated two other pilot schemes, at Silverstream in Belfast and Springfarm in Antrim, to consider the impact of external insulation on no-fines properties. The evaluation and outcome of those schemes will inform the Housing Executive's strategy for addressing thermal performance in the rest of its no-fines and rural cottages stock right across Northern Ireland.

I am pleased to say that the Housing Executive was approached by the Building Research Establishment, which is facilitating the latest round of the Technology Strategy Board research and development funding, scaling up retrofit of the nation's homes. It is trying to ascertain the Housing Executive's willingness to

participate as a partner. It considers that the Housing Executive's mix of stock and technical challenges would give the proposal a really unique selling proposition. So Northern Ireland, in practice, will become an opportunity to pilot some of the most innovative and best ways of addressing a problem that was ignored for far too many years. As the Member said, people in those homes, many of them older folk, were allowed to remain in those conditions without them being addressed. We are determined to address them.

**Mr P Ramsey:** I thank the Minister for his response so far. Will he also reflect on the fact that it is not just Housing Executive homes that need insulation because of heat loss? I am aware that the Minister visited some homes in the Fountain recently. Will he give careful consideration to a modernisation programme for the owners of private homes in that area?

**Mr McCausland:** There is a wider issue around regenerating some of those inner-city areas such as the Fountain, around Wapping Lane and the little streets off it. I welcome the Member's interest in that. This is the United Kingdom City of Culture year for Londonderry, and it is a disappointment that we are coming to the end of that year and that particular part of the city remains as it is and has not been addressed. I share the Member's position on that.

It is a widespread problem, particularly the no-fines issue. It occurs not just in Housing Executive properties, although not so much with housing association properties, because they tend to be newer stock. It is a problem that goes back to the 1950s, 1960s and early 1970s. I was in a housing estate the other night that is owned not by a housing association but by another body. I talked to the residents there. There are hundreds of homes in that locality owned by a particular group. Again, they are no-fines buildings, which are very cold and difficult to heat. We are making that a focus. I went to the Housing Executive as a local constituency representative about one estate and found that it had been surveying those houses for over 10 years, but that issue had never been identified. That is what struck me; it seems incredible that that was allowed to happen. That is why we have brought a more dynamic and innovative approach into the Housing Executive. That is one of the real positives in the current situation with the Housing Executive. I often am critical of the Housing Executive, and, I think, legitimately so, but, on that occasion, on this issue, we see action being taken at long last. It is a pity that it took so long.

2.45 pm

## Agriculture and Rural Development

### Agrifood Sector

1. **Mr F McCann** asked the Minister of Agriculture and Rural Development for an assessment of the potential for the agrifood sector. (AQT 271/11-15)

**Mrs O'Neill (The Minister of Agriculture and Rural Development):** Go raibh maith agat, a LeasCheann Comhairle. Agrifood is one of our most successful industries, and it is a major driver for success in our rural economy. It is our largest manufacturing industry and achieves sales of over £4 billion. It contributed almost £1 billion of added value to the local economy in 2011. It provides around 10% of all private sector employment, and it is one of only a few sectors in the North that has continued to grow, in spite of the economic downturn.

As Minister, I was delighted that I was able to secure the inclusion of agrifood as a priority sector in the North's economic strategy. The Executive's commitment to developing and implementing a longer-term strategic plan for the sector is part of the Programme for Government. The Agri-Food Strategy Board has identified opportunities for sustainable growth, and it has targeted increased employment in the sector. The board's report, 'Going for Growth' contains a vision for growing a sustainable, profitable and integrated agrifood supply chain that is focused on delivering the needs of the market. I am pleased that the report recognises the requirement for all parts of the supply chain to be sustainable and profitable. I believe that that is something that we could all aspire to for the industry.

'Going for Growth' has set challenging targets for the agrifood sector to achieve by 2020. There are targets to create 15,000 new jobs, to grow sales by 60% to £7 billion, to increase sales to outside the North to £4.5 billion and to increase value added to £1 billion. There is a lot of work to do to meet the challenging targets that have been set by the industry in 'Going for Growth'. The industry has played a key role in developing the plan and will do so in its delivery.

As I said, the industry has had a key role to play in developing the plan, and it will take forward a lot of its delivery aspects. I understand that the board is reconvening the sectoral subgroups to

agree the way forward on the industry-led recommendations. From a government perspective, I will continue to work closely with my Executive colleagues to help support the industry's plans for expansion.

**Mr Deputy Speaker:** Again, I remind Members that when asking topical questions, they should avoid questions that are listed for oral answer.

**Mr F McCann:** I thank the Minister for her answer thus far. I know that the Minister has said that there is lots to be done and I know that she has brought this to Executive colleagues. What can be done in the meantime to move this along?

**Mrs O'Neill:** It is absolutely not the case that we are waiting. The Minister of Enterprise, Trade and Investment and I have a piece of work to do in coordinating the response from all the Departments, because there are a number of key asks of various Departments. The piece of work that we are involved with is bringing to the Executive a paper that charts out what each Department is going to do and deliver in the time ahead. However, we are not waiting until that piece of work is done. We have already made a number of announcements. One of the key asks in the document was around access to finance for industry. I am delighted that the agrifood loan scheme has been announced. It will help farmers and producers who are involved in the integrated supply chains to be able to access finance.

One other key ask was around eradicating TB. I have announced my intention to establish the new Government/industry strategic partnership that is going to develop a long-term strategy to eradicate TB. The other area that we are already moving on relates to developing the new rural development programme, because I have always said that that is going to be a significant tool in the Department being able to deliver on the asks in the 'Going for Growth' recommendations.

So, a lot of work is ongoing. I recently returned from a trip to China where, again, we were out engaging with new markets and trying to get our local produce into those new markets. A lot of work is ongoing, but I look forward to the Minister of Enterprise, Trade and Investment and me bringing the paper to the Executive in the near future, where we will, hopefully, secure agreement on the way forward across all Departments.

## Rivers Agency

2. **Mr I McCrea** asked the Minister of Agriculture and Rural Development what progress has been made following her announcement on 16 May that Rivers Agency headquarters would move to Cookstown. (AQT 272/11-15)

**Mrs O'Neill:** Yes; absolutely. The Member will be aware that I am very committed to ensuring that we decentralise and distribute public sector jobs fairly. I am sure that he welcomes the fact that approximately 60 jobs in the Rivers Agency are going to the mid-Ulster area. That location was chosen for many reasons, not least its central location. The Rivers Agency, as an emergency responder, needs to be able to reach many areas of the North very speedily. We are making progress. My intention is that we will be on site by 2015. A lot of work has been done at the Loughry site, which the Department owns, where we would site the new building or use existing buildings. The work is ongoing, but the target for 2015 is live and real.

**Mr I McCrea:** I agree with the Minister that Cookstown is a prime location for the site, but does the Minister accept that, when people hear statements, whether it is about the Department of Agriculture and Rural Development (DARD) headquarters or the Rivers Agency headquarters moving out of Belfast, they would like to see progress as quickly as possible? Can the Minister assure me and colleagues from other constituencies that this is progressing as quickly as possible?

**Mrs O'Neill:** As I said, I am fully committed to making sure that that happens and that there is a fair distribution of public sector jobs. I am committed to the move of the Rivers Agency to Cookstown, fisheries to Down, forestry to Fermanagh, and the new headquarters to the north-west. A lot of work is going on. I am keeping the pressure on officials to make sure that they are delivering. There is a lot of work to do. This cannot be turned around overnight, but I assure the Member that progress is being made and we are working to meet the 2015 target.

## Broadband: Rural Areas

3. **Mr McKinney** asked the Minister of Agriculture and Rural Development what her Department is doing about the problem of rural broadband, as I am sure she is acutely aware of the frustrations being felt across many areas

of Northern Ireland, including the Sperrins, the Mourne and the glens. (AQT 273/11-15)

**Mrs O'Neill:** I share those concerns. This is a subject that I have repeatedly talked about in the House. I come from a rural area, so I absolutely understand the difficulties that are posed. I decided that I would try to sort out the problem. It is obviously the Department of Enterprise, Trade and Investment's (DETI) responsibility. That said, if I am asking farmers in rural communities to apply for things online, it is only appropriate that I should try to solve the problem that obviously exists. I have done that in a number of ways. First, I have been encouraging farmers who do not have access to broadband, or even computers, to use the DARD Direct offices, which are open and available for them. Secondly, in respect of financial investment, I have done some work with DETI and I am putting £5 million into its project to target areas that are actually "not spots".

I believe that one of the problems in the past has been that DARD funds have not necessarily gone to areas of need. On this occasion, I have made sure that I have identified areas based on deprivation statistics where I believe that the £5 million of funding that I am making available should be targeted.

**Mr McKinney:** Are clear and realisable targets being put in place to achieve 100% satisfactory coverage?

**Mrs O'Neill:** The DETI contract, which I am now involved with, clearly sets out that, by 2015, something like 98.9% of people will be covered. I am working to that. The reason why I have prioritised certain areas is based on deprivation statistics. Let us try to get a service into those areas as quickly as possible. DETI went out to tender for the scheme, and I believe that that has been signed off. Work is to start immediately. I have identified the areas where I feel funding should be directed, so I would like to see progress being made almost immediately.

## Reconciliation: Rural Areas

4. **Mr G Kelly** asked the Minister of Agriculture and Rural Development what she believes is advancing reconciliation in rural areas, given that she recently approved funding for faith-based groups, which is a good thing. (AQT 274/11-15)

**Mrs O'Neill:** Go raibh maith agat, a LeasCheann Comhairle. In my view,

reconciliation is one of the biggest challenges facing every one of us. Across some rural and urban areas, good progress is being made, but much more needs to be done to tackle major issues such as segregation. That applies equally to rural and urban settings. In my opinion, in terms of the past, it may well be that the best that we can do is agree to disagree — in other words, accept that there are different narratives.

Our focus should primarily be on the future, which should be the objective of any actions in moving forward. I welcome ideas on how my Department can assist in taking it forward, particularly in rural areas.

**Mr G Kelly:** Gabhaim buíochas leis an Aire le haghaidh an fhreagra sin. I thank the Minister for her answer so far. Will she elaborate on practical steps that could be taken to advance that?

**Mrs O'Neill:** One of the obvious key elements of reconciliation is dialogue. We need to increase the number of conversations, particularly the difficult ones that need to happen. As I said, we clearly have different narratives of our past, and we will have to agree to disagree on that. However, the past cannot be allowed to hold us back in the future. We need to deliver for the people who elect us.

As everybody knows, reconciliation will be a long process. However, good work has already been done, and we need to build on that. We need to build on it and do a lot more. If my Department can play a role in assisting with that, I am very much up for that. As I said, I would really welcome any ideas that people might have on how I can best direct funds and supports from my Department to take that forward.

**Mr Deputy Speaker:** As Michaela Boyle is not in her place, I call Jo-Anne Dobson.

## **Bovine Viral Diarrhoea/Johne's Disease**

6. **Mrs Dobson** asked the Minister of Agriculture and Rural Development to inform the House when and why the decision was taken for Animal Health and Welfare NI, rather than the Department's veterinary service, to take forward the bovine viral diarrhoea and Johne's disease schemes. (AQT 276/11-15)

**Mrs O'Neill:** Bovine viral diarrhoea and Johne's disease are being taken forward by the Animal

Health and Welfare group. I am not sure whether the Member has concerns about it, but it is excellent work that was taken forward with John Thompson in the lead role. The group was established alongside a similar group in the South, because the key aim is to get free movement of cattle across the island. We have an all-island animal health and welfare strategy in place. The vehicle for its delivery will be EU animal health law, and we are actively working towards that.

The Animal Health and Welfare group has done very positive work, which it will continue in the time ahead. The farming community has welcomed the work. The group is tackling a production disease. It is not waiting until something is sick; it is tackling this head-on, so it will improve the competitiveness of the farming industry in the time ahead.

**Mrs Dobson:** I thank the Minister for her answer. It is unusual for her Department not to want to take on additional staff and responsibilities. Is this a new trend for her Department of engaging the private sector? Will she inform the House of the procurement procedures that she will use in future schemes?

**Mrs O'Neill:** I assure the Member that I am not a control freak. If somebody else can do it better, I am quite open to their coming forward and suggesting that. In this instance, I have said that that group is best placed to take it forward. It is similar to the group that has been formed in the South, and it is all about the free movement of cattle across the island. It is welcomed by the farming community and is tackling production diseases head-on. It is very positive. However, as I said, if groups out there can provide services that need to be provided, I welcome that. I am a big supporter of the group, which is why I made a financial contribution to get it started on its work. We also have industry contribution, so it is a win-win for everybody.

## **Farming: Female Participation**

7. **Mrs D Kelly** asked the Minister of Agriculture and Rural Development what specific measures she has adopted to assist women to remain within the farming industry. (AQT 277/11-15)

**Mrs O'Neill:** That is a good question. Given the average age of those in the farming community, we have been involved in a lot of work on succession planning. We talk to families about their plans for the future, and, on every occasion, that involves mothers, sisters

and others in the house. I am very much involved in taking that work forward.

Through axis 3 and rural development funding, a lot of rural businesswomen have been able to bid into the programme and have had success with their projects. I also attend a number of Rural Women's Network events so that we can talk to rural women about their needs and then shape the supports from the Department. Quite a number of wide-ranging initiatives have been taken forward. I am happy to provide more detail of those to the Member if I have not covered all of them in this answer.

**Mrs D Kelly:** I would be grateful to the Minister if she would provide me with more detail on the specific measures. I will widen the issue out: what analysis has the Department made of the impact of rural poverty on women and of whether it is detrimental to them in going into the farming industry?

**3.00 pm**

**Mrs O'Neill:** The Member is aware from her time on the Committee that I have taken forward a £16 million package for tackling poverty and isolation. Quite a lot of work was done on how we should target those most in need, including women. Women were a part of all that analysis. We took forward some fantastic projects. I know that £16 million does not sound like a lot in the scheme of things, but it was leverage funding. We were able to put forward money that attracted other Departments to match fund or do projects that they would not necessarily have done in the absence of the £16 million of funding. Lots of positive work was done.

I know that the Member has an interest in childcare. With the Bright Start initiative that was announced last week, there are specific rural measures on childcare that I am committed to taking forward. There are three in total, covering the social economy, childcare enterprises, creating additional places and practical physical support. Lots of positive work relating to rural women is being taken forward by the Department.

**Mr Deputy Speaker:** That is the end of the period of topical questions. We move to oral questions that have been listed for the Minister to answer. Question 3 has been withdrawn.

## **Larch Tree Disease**

1. **Mr McKinney** asked the Minister of Agriculture and Rural Development what steps

her Department has taken to deal with the threat of larch tree disease. (AQO 4866/11-15)

**Mrs O'Neill:** The disease, whose scientific name is phytophthora ramorum — I will call it P ramorum for the rest of these answers — is a serious threat to over 100 species of plants, including our native ash trees and bilberry. In 2010, we discovered that the Japanese larch produces infective spores in large quantities in the crown of the tree. Our strategy has been to fell infected larch trees and apparently healthy trees around infected sites, because the disease may be present but not showing symptoms and because infected larch forests have the capacity to spread the disease widely.

Since the first diagnosis of P ramorum in larch in August 2010, over 600 hectares of woodland have been felled. Despite that, recent surveys found that the disease is continuing to spread within areas infected in previous years on the Antrim plateau and in County Down and south Armagh. We also found new scattered infections in Tyrone and Fermanagh, and Forest Service plans to clear an additional 360 hectares as soon as possible. Once the disease is well established in the woodland environment, it is impossible to eradicate. That is the case in south-west Scotland and parts of Wales, and we are close to that point in the North of Ireland. Therefore, I have instructed officials to re-evaluate our policy options to contain the disease in the North, protect the most vulnerable areas and promote forest recovery. We are setting priorities for forests where the disease appears to be localised, where there are important botanical collections and where natural environment sites would benefit from felling trees.

We are working closely with the forestry industry to get the work done in an orderly manner as quickly as possible. In the meantime, visitors are welcome to our forests and they remain open, but I stress the importance of following the biosecurity guidance to everyone who uses Forest Service land.

**Mr McKinney:** I thank the Minister for her detailed response. Clearly, this is of major concern. Has the Department been in communication with the Department for Environment, Food and Rural Affairs (DEFRA) in London regarding the matter? What procedures is it putting in place to meet the threat of the disease, given the extent of the problem, which the Minister has reflected on?

**Mrs O'Neill:** Obviously, my priority is what happens here, but, of course, I engage with DEFRA and with the Department of Agriculture, Food and the Marine (DAFM) in the South. We have an all-Ireland strategy for plant health in place, and we engage it when it comes to tree diseases. We obviously have conversations with DEFRA on an ongoing basis on many issues, and this is certainly one of those, given that the disease has spread across Ireland, Britain and Europe. It is across the board. We have ongoing discussions, and, in particular, we try to learn from one another in science. A lot of great work is being done in the Agri-Food and Biosciences Institute (AFBI), our science institute. We also look to see what other areas do and make sure that we assist one another in tackling such diseases, which see us felling large amounts of timber across the North. That is not something that anyone wants to see.

**Mr Boylan:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a freagra. I thank the Minister. Could she outline what actions she is taking with her Southern counterparts to tackle the disease?

**Mrs O'Neill:** As I said, we have an all-island plant health strategy in place, which means that we work collectively across the island. It gives us tremendous benefits, and we can use a fortress Ireland approach when we have disease. Obviously, anything that happens in Donegal's forests will have an impact on Derry's forests. It makes sense that we cooperate, and, as I said in my previous answer, we cooperate with DEFRA and DAFM. When it comes to particular action with the South, the forest services North and South exchange information about the disease on a regular basis. They met as recently as mid-October, but they meet at least once a month to discuss tackling plant disease.

I am re-evaluating our policy options to take into account the extent to which we can contain the disease and protect ourselves. AFBI, which is the science institute, is collaborating on the P ramorum project with the Council for Forest Research and Development, which partners with CHASAC and universities in Limerick and Dublin. In addition, the North/South Ministerial Council discusses the topic regularly, and it has been tabled for further discussion at the next sectoral meeting.

**Mr Cree:** I thank the Minister for her response to what is a very serious issue. Will she assure us that the many criticisms of her Department's handling of the Chalara infections have been

rectified and will not be repeated in the fight against this disease?

**Mrs O'Neill:** The Member may be referring to the recent Committee for Agriculture and Rural Development inquiry into Chalara, but I welcomed that as a constructive debate and engagement on what else we can do.

The approach to tackling larch tree disease has been one of containment and eradication. We have taken that right down to site levels to try to isolate outbreaks of the disease and make sure that it does not spread any further. Despite the surveillance and the management, we have seen a recent expansion of the disease, which indicates that it is becoming a bit more established in the wider woodland. As I said, I have asked officials to look at the policy again and make sure that we do everything that is practically possible. We have put more resources into the forestry section to enable it to deal with all this. That is something that the Committee had called for. A lot of positive work is going on, but this disease is spreading. In the first instance, we have to look at eradication and containment, but, as things move on, we have to step back and look at our policy again, which is what I am involved in doing at the moment.

## Going for Growth

2. **Mr Hussey** asked the Minister of Agriculture and Rural Development what level of funds has been made available to support the Going for Growth agrifood strategy. (AQO 4867/11-15)

**Mrs O'Neill:** 'Going for Growth' was developed by the Agri-Food Strategy Board as part of the Executive's Programme for Government. The industry, through the board, has identified opportunities for sustainable growth and targeted increased employment in these sectors. This is something that we all hope for. 'Going for Growth' is being considered by Departments, agencies and the board to identify the best way to take forward its numerous and wide-ranging recommendations.

The recommendations made by the board are directed at government and at industry. The investment that the board has identified from both is significant. From a government perspective, Departments are exploring the various mechanisms that could provide funding to support sustainable growth in the sector, including the new rural development programme and the European regional development fund as well as Invest NI's selective financial assistance programme. In

the current economic climate, the implementation of some of the recommendations will be very challenging for the Executive. We will need to look carefully at the resource implications of all the proposals.

The recently announced agrifood loan scheme will help producers involved in integrated supply chains to access the finance that they need in order to expand production in a sustainable way. Access to finance was one of the key areas that was highlighted in 'Going for Growth', and this will help to provide a solution to that key challenge. As I said, we plan to seek Executive endorsement of the proposed way forward in response to the board's report in the very near future.

**Mr Hussey:** I thank the Minister for her response. Although she and her Department may claim that good progress is being made on the plans for the implementation of a range of recommendations, until DARD and DETI decide on the final finances required as well as where they will come from — including the agrifood loan scheme, which will be small in comparison — will she tell us whether the successful implementation of the strategic action plan is entirely dependent on the £400 million as previously stated?

**Mrs O'Neill:** I previously said to the House that, although I accept that these are challenging targets, I believe that they are doable. I say that because even before the Minister of Enterprise, Trade and Investment and I took a report and an action plan to the Executive, we delivered on some of the key asks, particularly on access to finance, because that was one of the key asks in the document. Businesses are constantly saying to us that they cannot get access to finance. The agrifood loan scheme was us progressing that, even in the absence of having gone to the Executive yet. I know that that is very much welcomed by the industry. It is particularly targeted at the poultry sector at the moment. However, in the future it will be targeted at other sectors, moving into the dairy sector, the meat sector and the pork sector over the next number of months. That is very positive.

As I said, we also have the TB strategy that I have launched. That is taking a strategic look at TB, which has a major impact on our farming practices here. So, that is all very positive work being done even outside of the work going to the Executive.

The other area is the rural development programme. I have used the report from the Agri-Food Strategy Board to shape the

proposals from the rural development programme that are going out for consultation. That is all very positive work that is ongoing even before we go to the Executive with the other proposals that we have asked for.

There is great work going on. I was at an industry event last week, and the industry is very positive about what the Executive are doing with agrifood. It is very positive that it is in the Programme for Government and that the Executive are responding to its needs. Great work is being done. Is there a lot more to do? Absolutely. Is it challenging? Absolutely. Is it doable? Absolutely.

**Mr Frew:** Of course, we know that the Departments are assessing the Agri-Food Strategy Board's report at the present time. We also see some of the recommendations seeping out into the psyche of Departments. Of the over 100 recommendations, are there any that the Minister now knows she will not implement and does not support?

**Mrs O'Neill:** No. I have kept a very open mind, and we have asked Departments to approach it in that way. The Minister of Enterprise, Trade and Investment and I will meet over the next number of weeks, I think, to home in on where we can bring forward the implementation plan.

Nothing jumps out to me as an absolute non-runner at this stage. However, as I said, as part of the rural development consultation, we have asked people to be mindful of the 'Going for Growth' document. We have shaped it in a way that gives us that feedback. Will we be able to provide everything? Will industry provide everything? That will be the question further down the line, but, if we go into it with a positive frame of mind and a positive attitude, we will come out with a whole lot more.

**Mr Byrne:** I thank the Minister for her answers on this question so far. Given that finance will be required to implement 'Going for Growth' as part of the Agri-Food Strategy Board's report, what discussions has the Department had with the banks, and how successful or otherwise have those discussions been? It will be important that banking finance is available to farming.

**Mrs O'Neill:** As I said in previous answers, we have launched the agrifood loan scheme. That was the result of correspondence between DETI and the banks. It signed memorandums of understanding with all the major banks, which will now have a real focus. There will be Executive backing of about 40% of the finance.

That will make a real difference to those who are asking banks for funding.

From his role on the Committee, the Member will be aware that one of the big issues that is faced by anybody who has vision and wants to do something is getting access to finance. The agrifood loan scheme has been rolled out. It is targeted at poultry, but, I think, by December or early January, it will be available to the pork sector and will then move on to meat and dairy in the future. It is about looking after all the sectors. We identified a major problem, and the Executive have responded to that problem and told the industry how they are prepared to help it. It is about putting that physical capital there and having those negotiations with the banks.

**Mr Deputy Speaker:** Question 3 has been withdrawn.

## Welfare of Laying Hens Directive

4. **Mr Lunn** asked the Minister of Agriculture and Rural Development for an update on compliance with the welfare of laying hens directive(1999/74/EC), which came into force in January 2012. (AQO 4869/11-15)

**Mrs O'Neill:** European Council directive 1999/74/EC was adopted in 1999 and lays down minimum welfare standards for the protection of laying hens. The directive was transposed into domestic legislation here by the Welfare of Farmed Animals Regulations 2012. Since 1 January 2012, it has been illegal to keep laying hens in conventional or battery cages. I am pleased to report that all our producers are compliant with the directive. I acknowledge the commitment that our egg industry has shown. Many of our producers made big investments in converting to other production systems. That demonstrated their commitment to animal welfare and the reputation of the egg industry here.

**Mr Lunn:** I thank the Minister for that answer. I am not surprised that our producers complied; that is the type of people they are. The question was, perhaps, more directed at the Europe-wide reaction. I wonder whether you remember the debate back in 2012, Minister, when some doubt was cast on other countries' ability to comply with the directive. Can you confirm whether we are now importing eggs into this country that are being illegally produced in other countries?

3.15 pm

**Mrs O'Neill:** I confirm that Germany and Italy are the two member states that are still not compliant. There were 11 others, but, when legal action was taken against them, they very quickly became compliant. Obviously, there is free movement of table eggs, so we cannot stop the movement in. However, in the past six months, inspectors have not encountered any consignments from the two member states that are non-compliant.

When we encountered eggs coming from such places in the past, urgent details of those consignments were checked against the member states' lists. If you remember, member states had to produce lists of who was compliant and who was not. So, our people were able to check whether the eggs came from a compliant or non-compliant producer, and we were then able to say that they would not be marketed as class A eggs. We were able to put some control on that.

The key issue is egg product coming in, and we debated how to stop or at least to hinder eggs coming in from Germany or Italy in products that could be anything from lasagne to powdered products. The Department has been making sure that we also identify products and refer them back. So, we are focusing not just on the eggs but on the egg product.

**Mr Swann:** I thank the Minister for her answer. Mr Lunn, the debate was in December 2011, and it was an Ulster Unionist motion. One of the concerns raised at that stage was that, when our producers were doing away with their cages, those cages were going to other European countries for use there. Has the Minister any evidence that that has happened, or has she taken any steps with her European counterparts to regulate it so that any eggs produced are produced to the European standard?

**Mrs O'Neill:** The countries that were not compliant at that stage and may have wanted those cages are now compliant, apart from the two countries that I set out. They may have thought that they could do that and continue with the current practice, but the threat of infraction from Europe made a difference. I think that that was because all member states were very concerned about the impact that it would have on them if those people were allowed to continue to trade. The pressure has been applied, and we have had success with the 11 countries all now coming on board. However, we need to keep the pressure on Italy and Germany to make sure that they are also compliant, and I know that court cases are ongoing there because of that.

**Mr D Bradley:** Go raibh maith agat, a LeasCheann Comhairle, agus gabhaim buíochas leis an Aire as ucht a freagra. Thank you very much, Mr Deputy Speaker, and I thank the Minister for her answer. I was tempted to ask her which comes first — the chicken or the egg — but I do not think that I will give in to that temptation. What specific measures can she take to lessen the impact of the measure on the industry here?

**Mrs O'Neill:** As I said, our industry was keen to make sure that it maintained its high reputation for producing and for doing so to the highest welfare standards. I very much commend them for that. Egg producers, like any other producers, are able to come forward to the Department for the range of supports that are available, including the processing and marketing grant scheme. Quite a range of supports are also available to egg producers. That is open to them, and I know that a number have availed themselves of it. My job was to make sure that we kept putting pressure on the EU to make sure that it stops and to rule out anybody trading when they are not compliant. We have successfully done that to a certain extent, although we have a wee bit to go with the other two countries. However, we are on the road to making sure that we are not disadvantaged in any shape or form because two countries have decided that they will ignore the directive.

### **Fishermen: Carlingford**

5. **Ms Ruane** asked the Minister of Agriculture and Rural Development what assistance is available to fishermen in the Carlingford area who may be impacted by the construction of the Narrow Water Bridge. (AQO 4870/11-15)

**Mrs O'Neill:** The European Fisheries Fund remains open for applications under measure 1.3 for financial assistance towards investments on board fishing vessels, which includes support towards the cost of modifying vessels to aid navigational safety. No applications for such support have been received to date, but my officials would be happy to discuss the support that could be provided under measure 1.3 of the European Fisheries Fund.

I am aware that there have been talks between fishermen and the project promoters on the impact that the development would have on the established mussel fishery. I believe that a number of mitigation measures were agreed to address the concerns of those who may be affected by the construction. That was done to everybody's satisfaction.

**Ms Ruane:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for her reply. Is she confirming that money is potentially available for operational costs?

**Mrs O'Neill:** Yes, that is what I am confirming. A number of measures under the European Fisheries Fund (EFF) can help vessels to reduce fuel costs and generally become more efficient. The EFF does not allow for new fishing vessels but for other measures that improve efficiency, including new propellers, providing that the improvements do not increase the vessels' ability to increase their catch. However, those other measures are eligible for funding.

A grant is also available for putting a new engine into a vessel. If there are people who the Member thinks could avail themselves of that scheme, I encourage them to contact DARD and make sure that they use that assistance that is there for them.

### **Ash Dieback**

6. **Mr Sheehan** asked the Minister of Agriculture and Rural Development for an update on her Department's efforts to tackle ash dieback disease. (AQO 4871/11-15)

**Mrs O'Neill:** The recent announcement of an outbreak of Chalara ash dieback in hedgerow ash trees in County Leitrim is regrettable but not unexpected. Experience in Britain and the rest of Europe tells us that the disease often spreads from recently planted trees to older trees by the release of spores from infected leaves that have fallen to the ground. In line with our joint all-Ireland Chalara control strategy, officials in the Forest Service of the DAFM have kept counterparts in DARD and Forest Service aware of the situation and how they plan to eradicate the outbreak.

Our surveillance in the wider countryside closest to the outbreak in the South has been increased but has not yet found signs of disease in native older trees and hedgerows. Elsewhere, we inspected older trees close to young plantations that have already been destroyed as part of the control programme. That has meant a significant amount of work. By 16 October, inspectors had visited 1,066 sites and found 10 new cases of Chalara infection. Together with the cases found during 2012, 87 young plantations, planted since 2006, were declared infected and 70,000 associated young planted trees and leaf debris destroyed.

The outlook is not optimistic. Once the disease begins to circulate in the wider environment, as has been the case in County Leitrim, control becomes difficult. Nevertheless, while the disease is limited to only one or a few sites, eradication has to be tried, and I am sure that we in the House wish our colleagues in the South well as they try to control a disease that affects every one of us on the island of Ireland.

**Mr Sheehan:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as ucht a freagra. Are mature ash trees destroyed if found to be infected with ash dieback?

**Mrs O'Neill:** That is hypothetical at this stage, given that DARD surveillance has not revealed disease spread from young ash trees to older trees and hedgerows. That said, our surveillance includes inspection of older trees in the vicinity of young plantations infected by Chalara ash dieback that have already been destroyed. Surveillance in the wider countryside closest to the outbreak in the South has been increased.

Our response to any disease findings is subject to the all-Ireland Chalara control strategy, which is to contain and eradicate the disease and to minimise the risk of it spreading and becoming established. The strategy also states that it will be adaptable to changing circumstances and be kept under constant review based on ongoing surveillance and the development of scientific knowledge of this complex disease. It is key that we can adapt our policy as a result of any new findings or new science. It is important that we can adapt our policy as and when required.

**Mr McGlone:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire chomh maith. I thank the Minister for her answers. What resources have been targeted at tackling the disease?

**Mrs O'Neill:** Forest Service has been very much in the lead. It has done fantastic work and been busy, particularly when you hear the number of sites that its staff visited and the testing that it has done.

I look to the Department and at what else we can do to tackle recent tree diseases. We are dealing with ash dieback, P ramorum and a range of diseases prevalent on Forest Service land. So, DARD availed itself of additional resources in Forest Service, because obviously it has the specialist skills and necessary machinery available. Also, based on

experience in Forest Service, the permanent secretary and I have decided to allocate responsibility for all plant health matters to its chief executive. That will ensure that the policy implementation is led by a senior civil servant with the appropriate professional qualification.

Recognising that the threat of plant disease and pests appears to be increasing, the Department has also indicated that it intends to increase the scale of resources devoted to plant health. That may well mean prioritising within Forest Service the areas of work that people are involved with.

**Mr Swann:** I thank the Minister for her answers. A number of landowners in my constituency of North Antrim have planted ash using Department grants but have had to cut back and remove all the trees when ash dieback was found. Is there any grant aid available from the Department to replant those areas?

**Mrs O'Neill:** Yes. You may remember that, back in June, I announced grant support for any woodland owners that are affected. Basically, if you have had to remove trees, we have grant support that will help you to replant with alternative species. Obviously, we want to continue to plant trees. This is something that will scare landowners, and they will be very careful about what they plant in the future. So, we have announced grant support that will encourage replanting with species that are less susceptible to these types of disease.

## Dairy Industry

7. **Mrs D Kelly** asked the Minister of Agriculture and Rural Development what steps her Department has taken to ensure a viable and sustainable dairy milk industry, given that milk quotas are being abolished in 2015. (AQO 4872/11-15)

**Mrs O'Neill:** The dairy sector makes a very important contribution to the local agrifood industry. To ensure its future sustainability when milk quotas end in 2015, it is vital that it remains competitive.

My Department aims to help the dairy sector improve its performance and grow its potential in the marketplace in a sustainable way. That has included joint support with Invest NI for an industry-led dairy competitiveness study, which was aimed at helping the sector to plan for the future, post milk quotas. The recommendations of that study are being taken forward by the dairy industry.

A market-led strategy is vital for the dairy sector, because when milk quotas end there will be no restraints on production. As a consequence, future decisions on milk production will be taken by the dairy sector in the context of input costs and market returns.

To help ensure that the industry remains sustainable, my Department will continue to provide education, training, technical support and research to help improve efficiency, competitiveness and innovation. In addition, we are consulting on proposals for a range of measures to support the sustainable development of the local agrifood industry, including the dairy sector, under the 2014-2020 rural development programme.

The dairy sector has the potential to grow further in a sustainable way, particularly following the ending of milk quotas, and to exploit opportunities arising from the predicted world population expansion.

As I said, the Agri-Food Strategy Board's report 'Going for Growth' has set challenging growth targets for the local agrifood industry and recognises the need for all parts of the supply chain to be sustainable and profitable. The recommendations in the report are being considered, and I hope to bring forward proposals to the Executive in the very near future.

**Mrs D Kelly:** I thank the Minister for her answer. She will be well aware of the hands-on approach of Minister Coveney, her counterpart in the South of Ireland, to strategic issues such as this. What discussions, if any, has the Minister had with Minister Coveney on an all-Ireland marketing approach to the dairy industry and to milk produced in the North of Ireland?

**Mrs O'Neill:** Marketing across the world, not just in the dairy sector but all sectors, is something that we regularly discuss at North/South Ministerial Council meetings and discussions outside of that. The dairy sector for us is hugely important, given that it accounts for something like 32% of our entire agricultural output. It also provides employment on 3,500 farms, has 2,200 people involved in processing and produces £850 million in sales. That is an industry that we need to protect.

I do not know what else the Member is looking for, but I outlined in my answer to her substantive question the work that we have done, particularly around the competitiveness study. That is what the dairy industry asked for, and that is what I provided. We have also done a lot of work around the EU milk package and

making sure that it is relevant to our local industry. Post milk quotas, that is the issue that is going to provide a challenge to the industry, but the industry has been very aware that this has been coming for quite a long time. It is something that the industry has been planning for post 2015.

We have seen expansion in our dairy sector since 1995. That will continue. Quotas are not necessarily the dictator of prices. They were introduced quite a number of years ago to prevent Europe having to pay excessive funds for intervention.

I do not believe that that is needed any more. When we look to the future, we need to plan for targeted growth. We have very real targets for the dairy sector. You can see that in the agrifood strategy report. That is as hands on as I can be in working with the dairy sector and ensuring that we meet challenges. We have brought forward that major piece of work in the Agri-Food Strategy Board to the Executive. That is all very positive. It is a work in progress in the time ahead.

### 3.30 pm

I do not believe that we need to compete with the South. We should be very focused on export-led growth, which is at the core of the 'Going for Growth' document. Our focus should be very much on that and marketing what we have, which is a very strong brand image — a clean, green image — of what we produce here. That is the strength that we must build on. We do not need to fight about where milk is going. We must work together, brand and market and get into those markets that we are trying to reach, particularly given the population rise —

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

## Executive Committee Business

### Energy Bill: Legislative Consent Motion

**Mrs Foster (The Minister of Enterprise, Trade and Investment):** I beg to move

*That this Assembly endorses the principle of the extension to Northern Ireland of the provisions of the Energy Bill dealing with power sector decarbonisation, as contained in Part 1 of the Energy Bill, as amended at Committee Stage in the House of Lords.*

We are here today to consider the issue of extending primary legislative powers to Northern Ireland to set a power sector decarbonisation target in 2016. I believe that those measures will ensure that Northern Ireland remains a leading destination for investment in low-carbon electricity. The consent of the Assembly has been sought for provisions relating to matters that are devolved to Northern Ireland. The provisions that are under consideration relate to the establishment of a paving power to enable a decarbonisation target range for the power sector to be set through UK-wide secondary legislation.

The setting of the decarbonisation target is in response to a recommendation by the Committee on Climate Change and will provide a consistent investment signal for renewable generators across the United Kingdom that renewable generation is needed as part of the long-term energy mix. The aim of setting a power sector decarbonisation target is to reduce the carbon intensity of the electricity-generation sector. The costs of reducing carbon intensity in the power sector are generally lower than doing so in other sectors. A decision to exercise that power will be taken only when the fifth carbon budget has been set in law, which is due to take place in 2016.

Taking a power in primary legislation and setting the level of the target in secondary legislation allows for the target to be reviewed and amended, thereby ensuring that additional costs are not imposed on the economy in order to meet the target range. That helps to ensure that a target range is set at the right level to encourage investment in low-carbon technologies without adding unnecessary costs to the economy to achieve that. If a target were incorporated directly into primary legislation, it would offer much less flexibility to respond to unforeseen circumstances.

If and when the power is exercised to set a decarbonisation target range, there is a requirement for the UK Government to consult devolved Ministers and, in the case of Northern Ireland, to take into account the unique circumstances of the single electricity market. Extending that power to Northern Ireland will allow us to contribute to a wider non-aggregated UK-wide target without placing any specific responsibility on Northern Ireland. The absence of a target in Northern Ireland would mean that renewable investors here will lack the same clarity that GB investors will have and could result in Northern Ireland's renewable investment being negatively impacted. Diverging from a UK-wide position on a power sector decarbonisation target may also impact on our ability to meet the 2020 renewable electricity target. If the power is not taken now, it could have a significant impact on rates of investment in low-carbon generation.

I am confident that by supporting a power sector decarbonisation target, there will be positive opportunities for Northern Ireland to further reduce its dependence on imported fossil fuels, cut carbon emissions, promote investment and support job creation. The Executive are in agreement with that course of action. Passing the legislative consent motion is an important step in decarbonising our electricity supply in the longer term.

**Mr McGlone (The Chairperson of the Committee for Enterprise, Trade and Investment):** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire chomh maith. I thank the Minister for her statement.

At its meeting on 20 June, the Committee for Enterprise, Trade and Investment considered correspondence from the Minister informing the Committee that a legislative consent motion would be required for provisions of the Energy Bill that deal with power sector decarbonisation. The Minister highlighted the view of industry and investors that a target is needed as a clear and unambiguous signal to encourage more renewable generation. She further highlighted that not having a long-term commitment to decarbonisation fails to set a clear vision for our future energy mix, could create uncertainty for investors, and could adversely impact supply-chain investment and the development of projects to come online after 2020.

Having considered the evidence, the Committee agreed to support the setting of a 2030 decarbonisation target for the power sector, and further agreed to support the

Department in seeking to extend to Northern Ireland a power sector decarbonisation target through the legislative consent motion. Those are the views of the Committee.

**Mr Dunne:** I, too, support the legislative consent motion. I think that it is important because it will provide investors in the renewable energy industry with a level of certainty beyond the much talked about 2020 renewables target date. The absence of a realistic yet ambitious target in Northern Ireland beyond 2020 would leave us trailing behind mainland GB. Committing to a 2030 decarbonisation target will also help us to work towards and achieve our 2020 renewable targets. It is important that we have stability and certainty in the sector and, in supporting this motion today, we will take a step forward in that direction. I welcome the motion, and I am happy to commend it to the House.

**Mr Flanagan:** Go raibh maith agat, a LeasCheann Comhairle. I am delighted to speak on this very exciting legislative consent motion, which hands the power to set targets for the decarbonisation of the electricity generation sector to the British Secretary of State for Energy and Climate Change. Under the proposal, which has received the endorsement of the Executive and the Committee for Enterprise, Trade and Investment, the devolved Government, which have responsibility for setting energy policy, will have a role as a consultee in setting any future statutory decarbonisation target, but the sole responsibility for achieving that target will be placed on the British Secretary of State for Energy and Climate Change.

We have been told that the provisions are being made to provide certainty to potential investors, because it is believed that the absence of a target here would mean that renewable investors would not have the same certainty as British investors. I do not question the need for a target to provide people with certainty, but I would like to hear from the Minister why it has not been included as part of our own forthcoming energy Bill and why we are leaving it up to the British Parliament to dictate what target we set. We still do not really know what they are going to do because it is still going through the legislative process. Perhaps the Minister could respond to that.

We need a statutory target as a very clear and unambiguous signal to encourage more renewable generation in the long term. When the Committee discussed the issue, it agreed to support the setting of a 2030 decarbonisation target for the power sector, and I suppose that

that is what we all want to commit to. The Assembly has previously called on the Minister to bring forward a long-term plan to move towards a low-carbon future and the decarbonisation of electricity generation. That must remain a priority, regardless of what targets are in place.

The potential resources on this island for low-carbon and renewable electricity generation are second to none. Our potential resources are much greater than those in Scotland, but it appears that Scotland is an awful lot further down the road towards self-sufficiency from renewable electricity. We could do so much more with the sustainable resources we have if only we could tap into them. We do not need to wait for the British Government to set a statutory target to decarbonise our electricity generation sector. We can do that without the need for the British Government to set a target, but there must be a collective will in the Assembly and the Executive to do so.

My big fear is that allowing the British Government to set a target for a decarbonisation date will allow the Executive and Ministers here to say that it is not their target, and they do not have any responsibility for implementing it, which allows them to wash their hands of it. I want a clear commitment from the Minister that, even though the Executive and her Department will be consultees only on the setting of the target, she will continue to have a hands-on approach to delivering the decarbonisation of electricity generation here.

The issue of ownership and responsibility for delivering the targets is a big concern, but regardless of who sets what target for the decarbonisation of the power sector, we should push ahead in encouraging, facilitating and delivering more renewable sources of electricity well in advance of 2030. We need to do that constantly, and through some of the Executive's and Minister's policies, we are greatly increasing the amount and proportion of our electricity that comes from renewable sources, which is welcome.

I firmly believe that we can meet our electricity needs from renewable sources on this island. We need to do that; it is in everyone's best interests. Implementing the target would contribute to our wider climate change agenda. Some people do not think that that exists, but it is clearly stated in this legislative document that we will all, hopefully, endorse.

The decarbonisation of our electricity generation sector would have a significant

downward impact on electricity and energy prices, provided generators are paid and incentivised fairly and in a way that delivers low, predictable and transparent prices for all consumers. Decarbonising our electricity generation is a much simpler process than trying to decarbonise heat — the Minister has started that process — or decarbonising transport, which we have not made much progress on. We need to start with the decarbonisation of electricity and put much of the emphasis on that. I do not really care who sets the target or where it comes from; the important thing is that we decarbonise our electricity generation, and hopefully we can do it by 2030.

**Mrs Foster:** I thank those who contributed to the debate. I particularly thank my Executive colleagues from right across the House who endorsed the legislative consent motion; the Committee for Enterprise, Trade and Investment; and the Business Committee for the way in which it considered the matter in a timely manner to allow the debate to take place today.

Mr Flanagan asked why the matter is not in our Energy Bill. The answer is very simple: the aim is to have a UK-wide target set after the fifth carbon budget, which is set by Westminster. That carbon budget will be set in 2016. The target will not be set in primary legislation but in secondary legislation to give flexibility. That flexibility is important because we are trying to send out a strong message to investors but, at the same time, keep that flexibility to deal with what is happening in the economy at that time. We are trying to make sure that it does not cost the consumer anything, and I am sure that Mr Flanagan will support that.

A UK-wide target is also more beneficial to us than a Northern Ireland target because it places no direct responsibility on us and costs less to Northern Ireland consumers. I presume that Mr Flanagan does not want to cost Northern Ireland consumers any more money than is necessary. It is also an integral part of the electricity market reform on feed-in tariffs with contracts for difference, which again is legislated for on a UK-wide level.

Given all the circumstances, including the fact that the UK has to report to Europe on its commitments in the European Union, it is eminently sensible for us to buy into the UK-wide target, which is what the legislative consent motion intends to do. It reinforces our commitment to sustainable and affordable low-carbon generation and will highlight the priority that the Executive and the Assembly give to

low-carbon generation. Secondary legislation will be forthcoming in due course to set a UK-wide 2030 power sector decarbonisation target. We will, of course, be consulted on the issue, not least because we have the single electricity market here in Northern Ireland, working across the island, and it is important that that is taken into account when the target is set.

### 3.45 pm

So, the Assembly must support the need to give developers confidence and assurance to continue to invest in Northern Ireland's growing renewable industry. I therefore commend the motion to the House. It received universal support in the Executive and I expect that all parties represented there will want that support to be shown in the House as well.

*Question put and agreed to.*

*Resolved:*

*That this Assembly endorses the principle of the extension to Northern Ireland of the provisions of the Energy Bill dealing with power sector decarbonisation, as contained in Part 1 of the Energy Bill, as amended at Committee Stage in the House of Lords.*

## Private Members' Business

### Social Investment Model: Tackling Social Issues

**Mr Deputy Speaker:** The Business Committee has agreed to allow up to one hour and 30 minutes for this debate. The proposer of the motion will have 10 minutes to propose and 10 minutes in which to make a winding-up speech. All other Members who wish to speak will have five minutes.

**Mr Frew:** I beg to move

*That this Assembly notes the growing use of the social investment model to tackle a variety of long-standing and extensive social issues; recognises its value in pioneering new approaches and techniques that produce better results for people, shifting risk away from the public sector and only paying on results; and calls on the Minister of Finance and Personnel to examine how such a model could be applied to contracts to help tackle a range of social issues.*

We believe that the motion shows the way forward. It is a fact that government budgets have been cut dramatically over the past number of years due to the recession and to the efficiencies that the Tory Government have put in place. It is clear that budgets will continue to be squeezed. That, again, was campaigned for in the Westminster elections by the Tories and is part of their policies. It could mean a further 10% cut in real terms to Stormont departmental spending by the 2017 and 2018 financial years. That will be on top of the current year-on-year so-called efficiency savings of around 3% that will continue for at least another four financial years. How that will be effected depends on Westminster, and, of course, the Tories.

It is also fair to say that during recession, when no one from business, households or any other realm is spending large amounts of money, the Government must. Government must spend to try to get us out of it. That does not mean that we spend unwisely. That does not mean that we throw money at it just for the sake of doing so, just to get cash flow circulating. The real danger in doing that is that we will end up spending money for the sake of it, building things that we do not need built and basically wasting large swathes of public money, which we can ill-afford to do. So, we must spend wisely. We cannot throw money at issues and hope that they will be resolved. We cannot throw money or people at things in the hope of

resolving those issues. Much more thinking needs to be put into this.

That is why my party is calling on the Department of Finance and Personnel (DFP) to look at social investment modelling to see if it can help lever in more money and funding to help some of our biggest and historical social issues. As well as improving people's lives, timely and appropriate interventions in a range of areas can result in massive long-term savings for the public purse. The key challenge is to free up sufficient money to be able to invest up front in preventative initiatives, particularly in such unprecedented financial circumstances.

Seeking to unlock cash from private and charitable sectors is important. We are keen to explore social impact bonds, which is only one model that could be used. They are outcomes-based contracts in which external investment is used to front-load funding for interventions by proven providers, and the Government then pays, on the basis of results, for significant improvements in social outcomes for a defined population.

That will also mean a significant reallocation of risk. The Government has to pay only for effective services. The third-party investor bears all the risk, so the investors and services have an incentive to be as effective as possible and to create the greatest impact that they can with any repayment.

Social impact bonds provide a relatively safe investment opportunity for financial investors and regular citizens to invest in the future of their society. Clearly, the global economic crisis has led to finances being restricted across the charitable and private sectors as well as the public sector. However, there remains interest from private banking networks with clients keen to invest directly in social progress. Northern Ireland is the ideal size for many interventions. Our history means that we are an attractive location for investors, particularly from the United States.

Social impact bonds lend themselves to addressing areas such as crime; children in or on the margins of care; substance addiction; school truancy and exclusion; youth unemployment; public health; and unnecessary hospital admissions. We talk about all those issues in the House, but, unfortunately, government and Departments are not agile enough to be able to achieve the goals that we want to see achieved for the money we throw at it. They offer an opportunity to tackle some of our most intractable social problems. That is

why I and my party call for the development of a strategy for engaging investors and putting in place social impact bonds.

I also call on the Minister to institute a team in his Department to look at the issue and to require other Departments to come up with proposed areas in which social impact bonds could be pursued. In the past few years, a new type of investor has entered the public sector market determined to fill any gaps. Those investors are not content with sitting on the sidelines; they have identified companies or not-for-profit organisations that employ interesting and innovative ways of helping particular communities. That is everything that we have been crying out for.

Social impact projects are becoming popular in the rest of the UK, the US and Australia. They are working in areas such as prisoner rehabilitation; young people; vulnerable teens; children's services; homelessness; and adult services. Of course, measures should be put in place not only to measure success but to assess what is feasible. There should be policy success, so that it not only meets policy but does not create any negative, unintended consequences to other services.

We should also ensure that we have adequate experts and service providers to ensure that they have the capacity and capability to deliver the required interventions. We also need to make sure that the arrangements will work for both parties, investors are willing to invest their money, the terms are commensurate to the level of risk that is applied in any given bond or contract and all stakeholders have support for the project. For any project to succeed, it must have buy-in from all persons affected by it and who work in any area or arena that it affects.

A wide range of financial models could be investigated for further consideration. I ask the House to ask the Minister to investigate what can be done and then implement it. Local asset-backed vehicles are a form of public and private partnership that allow public sector bodies to use their land or buildings. Tax incremental financial districts would mean that local councils could borrow against predicted further gains in business rates to finance current physical improvements. Community bonds would allow people to support a charitable cause while knowing that the money will be returned to them at the end of the investment period. Community infrastructure levies could also be explored.

Members, we sit in the House and debate all the issues in and out: youth unemployment;

youth intervention; why we send so many people to hospitals; and why waiting lists are so long. Sometimes, we have been guilty of throwing more staff or money at issues. When we judge and try to assess success, we find that that is how we justify it: we have created more GPs, nurses, social workers and such-and-such. However, we need to get down to the nitty-gritty and put in place in targets so that intervention means success and which will display that we have kept and prevented people from going to hospital, to prison or into care. That is what we need to do, and that is how we will be judged in the future.

We cannot do this on our own, and Departments cannot do this on their own. Quite simply, they are not agile enough to do it on their own, and there is always the risk with civil servants that the risks are too great and that, if failure happens, it will come down on them. Also, auditors look at them day in and day out, and the fear of auditors among civil servants is mighty.

**Mrs D Kelly:** I thank the Member for giving way. Does saying that civil servants are risk-averse suggest that civil servants, not Ministers, are in charge of many Departments?

**Mr Frew:** No, I am not saying that for one moment, but in the day-to-day practicalities of implementing plans in place, there will always be this risk management.

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

**Mr Frew:** If we can give that risk to the private sector and to charities, and pay them for the benefits that they can produce and put in place aims and objectives for those companies, we will achieve much greater benefits, because they are more agile —

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

**Mr Frew:** — than government bodies.

**Mr McKay:** I support the motion. The third sector, as it is described, includes 3,348 community and voluntary organisations in the North. There are 473 social enterprises, a quarter of which are charities and half of which are registered companies. They employ approximately 30,000 people — 4% of the total employees in the North. So, the sector is larger than one might think, and, further to that, it has 46,600 volunteers, which is more than double the amount of employees. That brings an estimated gross value added of £572 million to

our local economy. When I think of organisations like this, I think of credit unions, which have been the backbone of many communities throughout Ireland for many years. They are not-for-profit organisations and are very much at the heart of the community that I come from.

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

In the previous mandate, the Executive agreed to work together with the community and voluntary sector as social partners. They said that effective partnership between government and the voluntary and community sector can make a valuable contribution to more responsive and people-centered public services. Bryson Charitable Group is, obviously, a well-known example that most Members will be aware of. It is interesting to note that, this year, it has built on its success and has a further 5% increase in its total staff.

So, there are many success stories out there among those in the third sector, and, indeed, there is a duty on us as MLAs and legislators to ensure that such businesses in the social sector remain viable, both financially and socially, for the foreseeable future. The profits from these organisations do not go to shareholders or to improve individuals' bank balances but are reinvested for the good of society, for the good of the community and for the good of the vulnerable and the disadvantaged in our society. This factors in to the debate that we have been having about well-being, and I have been encouraged by some of the Finance Minister's comments on that area. We need to develop that and establish measurements and government targets. I believe that the third sector has a very important role to play in that area.

In conclusion, I and my party are very happy for the Executive to consider social investment models, and I am happy for the Executive and the Minister to investigate that particular area.

Of course, it should not undermine the excellent public services that we provide here in the North, but the Executive should collectively take a considered approach when looking at that area and when choosing the correct options for the public sector and the third sector.

**4.00 pm**

**Mr McGlone:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Thank you very much, Mr Principal Deputy Speaker. I thank the

proposers of the motion for bringing the issue to the Assembly for debate today. It is important, and very opportune, that we debate this important issue. However, it is somewhat ironic that the proposers brought it forward at this time. Perhaps the DUP and Sinn Féin's failure to agree on the distribution of the public money in the social investment fund is actually part of a cunning plan to undermine such spending. I doubt it, however, but I caution the Members of those parties not to bring any more turnips before the Assembly.

Regardless of the value that some Members may believe the social investment model has in producing better results, it is important to remember that any attempt to implement it here will fall foul of the continued failure of Sinn Féin and the DUP, at least until those parties are removed from the Office of the First Minister and deputy First Minister (OFMDFM). It has been three years since the social investment fund was launched — conveniently, just before an Assembly election — and no final decisions have been made on funding projects.

**Mr Frew:** I thank the Member for giving way. I understand and appreciate that small-party syndrome might be kicking in here. He talks about turnips. I could certainly find a place for him on the Agriculture Committee if he so wishes. I work well with him in the Enterprise Committee, so I could certainly get him a place on the Agriculture Committee. His time is his own, and he can talk about what he wants, but does he not realise that that is a totally different issue to what we are talking about and that it will be the Finance and Personnel Minister who will take that forward?

**Mr McGlone:** I will come to that, Mr Frew. As you know, I inevitably do in these matters. I am contextualising, Paul.

It has been three years since the social investment fund was launched — conveniently, just before an Assembly election — and no final decisions have been made on funding projects. That means that £80 million worth of social investment for deprived communities has been held back because of DUP and Sinn Féin failure. Indeed, the Finance Minister has indicated — I said that I would get to it, Paul — that £15 million from that fund has now been reallocated to other Departments. They have paid out some £400,000 to consultants, but I do not think that that is any comfort to anyone but the consultancy firms themselves.

I do not really want to stray too far from the motion, but I believe that, if we are to debate expanding the use of the social investment

model to tackle a variety of long-standing and extensive social issues, we need to examine its use to date. To date, OFMDFM has delivered only failure on the issue. It could be that OFMDFM's social investment fund is just the wrong sort of social investment. It could be that it was intended only ever to be a slush fund, and that is why both Sinn Féin and the DUP have failed to agree on its distribution.

That said, there is clearly a role for properly targeted social investment using much more sophisticated and diverse financing models than the traditional method of grants and philanthropic donations. Indeed, we have a number of very successful social enterprises already operating here in the North. However, there should be caution in any attempt to expand the social investment sector too far too quickly. There is not a single model that should be applied or that can be applied. There is a variety of financing mechanisms and models that may or may not be applicable in particular areas. An ideologically driven push for the effective privatisation of public services must be resisted.

Where appropriate, the social investment model can play a very valuable role in providing much better outcomes. However, any decision to apply that model to a wide and expansive range of varied social issues must take into account much more than a simple calculation of the effect on departmental budgets. The longer-term impact on wider society must also be factored in. That is why it should not be appropriate to leave that decision in the hands of one ministerial office.

I conclude my remarks.

**Mr Principal Deputy Speaker:** I hope that you were aware that you had an extra minute. I neglected to tell you that.

**Mr Cree:** Northern Ireland has a variety of longstanding and extensive social issues, to use the words used in the motion. It is the case that we face some unique challenges. In some if not all cases, poverty, child poverty, deprivation indicators, educational underachievement, mental health inequalities and segregation between communities remain more pronounced here than in other regions of the United Kingdom. It is therefore central to the success of the Assembly that we prove able to deal with them and show tangible improvements.

We have seen some government policy that has attempted to invest in those areas. Delivering Social Change is the framework that

seeks to coordinate key actions across Departments to take forward work on priority social policy areas, and there are a number of aspects to it. It is unfortunate that I am following Mr McGlone on this, but the social investment fund comes under that banner and was included in the Programme for Government as a commitment. It included £40 million to address dereliction and promote investment in the physical regeneration of deprived areas and £40 million to improve pathways to employment, to tackle systemic issues linked to deprivation and to increase community services. However, the reality is that the total £80 million of funding has stalled, with little or none directed to those most in need. That is totally unacceptable, given that it is nearly three years since the fund was first discussed. Around £50 million should have been allocated by now.

A recent report from investigative journalist Steven McCaffery at 'The Detail' made for extremely concerning reading, as it points to the fact that the money is not being utilised because of disagreements between the DUP and Sinn Féin over which community should benefit. It would be a ridiculous situation if the two parties currently occupying the Office of the First Minister and deputy First Minister were holding up the project over another "them and us" argument.

It is my understanding that officials have presented projects that are suitable for funding. That money finding its way to those most in need is long overdue.

In October 2012, the First Minister and the deputy First Minister announced the development of six signature programmes under the Delivering Social Change framework. The aim was to tackle such matters as improving literacy and numeracy levels, family support and the pathways to employment framework for young people. Those are being taken forward by various Departments, with different degrees of progress apparent across the projects. It has become clear, and was cited at the time, that those signature projects were established merely as an attempt to mitigate the failure to implement the social investment fund. Regardless of the dubious reasons for their development, my party hopes that the six projects can deliver real change and improvement where intended.

Lastly, we had the Delivering Social Change conference, at which over 200 delegates from the wider public sector, the business community, the third sector and Executive

Departments came together to raise awareness of the issues. I welcome the —

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

**Mr Cree:** Certainly. I look forward to this.

**Mr Frew:** Thanks very much to the Member for giving way. I know that he is closely linked with the Tories in all of this, considering that he campaigned for them when he was joined at the hip with the party at the most recent Westminster election. The word "social" is in the motion's title, but what he and Patsy McGlone have talked about is a completely separate and different issue from what we are talking about now. He should not be so scared of the word "social" in this context. It is something that we should take forward.

**Mr Principal Deputy Speaker:** The Member has an extra minute.

**Mr Cree:** I do not know whether I should thank the Member for that. Let me assure him that there is no question of being joined at the hip with the Tories. There never was, never is and never will be. However, I welcome the opportunity to work with them if they are a pragmatic party. The difficulty here is that we do not have that advantage.

**Mr Hamilton (The Minister of Finance and Personnel):** That is some way to talk about your colleagues.

**Mr Cree:** I was going to say something nice now, but I may change my mind.

I welcome the increased focus that that conference gave to tackling poverty and social inclusion, particularly through the private sector. Social exclusion and social deprivation are one and the same animal. We must remember the important work being carried out by organisations such as Bryson Charitable Group, which is Northern Ireland's leading social enterprise. I believe that 91p in every pound is reinvested into that organisation to deliver and develop its services, and the economic model of Bryson is clearly working in that regard.

In conclusion, the motion calls on the Minister of Finance and Personnel to examine how a social investment model could be applied to help tackle a range of social issues. As I have already outlined, the success of OFMDFM in particular has been, at best, questionable, and change is, therefore, required in how we deal with social issues. On the other hand, social enterprises such as Bryson have shown that it

can be done and done well. I look forward to hearing the contribution from the Minister on this subject.

**Mrs Cochrane:** No matter where we live, we will be aware, to some extent, of the social problems that we face, whether they are drugs, alcohol, gambling, fraud, violence, knife crime, to name but a few. Each of those problems costs the Government an increasing amount of money to deal with, and much more needs to be done to prevent those issues from arising in the first place.

Governments are usually fairly traditional in their approach to spending money, and little has been spent in the past on testing or trying out new ways to deliver public services. Therefore, programmes can remain unchanged for decades even if they are not delivering the required results. However, we should not be too downhearted. There have been examples over the years of developing innovative approaches to meet social needs. That has included the growth of delivery of services through our voluntary sector and the emergence of the social enterprise industry that we have today.

When public finances are tight, as they are at the moment, perhaps there is no better time to explore options and techniques that will deliver better results for people. By shifting the focus away from the exact nature of the services provided towards the outcomes produced, there is more room for innovation and greater freedom for not-for-profit organisations to demonstrate the effectiveness of their approach. Social investment models are a means to support that.

So, what is social investment, and how does it work? Put simply, social investment is the provision and use of finance to generate social and financial returns. Social returns are improved outcomes for society, such as a reduction in reoffending or an improvement in public health. Financial returns imply that there must be some expectation on the part of the social investor that they will be able to get their money back in the future with a return. Ventures seeking to attract social investment must develop business models that create social and financial returns. That requires someone — that is, the Government — who is willing to pay for the social value created. In order to work, the price paid for the social value should be more than the cost of creating that social value, and that is how the financial value is created.

Social investment can make a unique contribution to business and jobs. A recent report by the UK Government highlighted how the growth in social investment has helped the social enterprise sector to flourish. With many social enterprises based in poorer areas and actively employing people who are traditionally further from the labour market, such as ex-offenders, there are many benefits to disadvantaged groups and their communities.

Possibly the most interesting areas that we should explore are those of payment-by-results contracts and social impact bonds, as already mentioned by Paul. Traditionally, when a non-state provider has been commissioned to deliver a public service, it is usually on the basis of a contract to undertake specified activity, and payments would be made as long as the terms of the contract were met. However, some Governments are now trying to move away from that model and, instead, use a payment-by-results approach. As the name suggests, payment by results means that a deliverer does not get paid automatically but only if certain results are agreed.

Payment-by-results contracts based on outcomes present a real opportunity for not-for-profit organisations to win public service delivery contracts. This is perhaps the most positive aspect of payment by results.

Social impact bonds are a method of raising investment for a service provider commissioned on a payment-by-results basis. They can be set up in situations where there is a target population and a clear, measurable, positive social outcome that can be achieved by the service provider. Social impact bonds enable investors to put money in on the basis that they will receive a financial return based on a saving to the state if certain agreed social outcomes are delivered. Financial risk is, therefore, transferred away from both the Government and the social venture itself.

This is a fairly new concept. Indeed, most social investment bond projects have been borne out of frustration that public services are reactive and do not focus on preventative efforts. A number of schemes are being delivered, including the London homelessness social impact bond, which was commissioned to deliver services to a cohort of 830 rough sleepers in London.

#### 4.15 pm

I know that, since taking up office, the Minister of Finance and Personnel has been vocal about his desire to reform public sector services. I

believe that social investment models are an area worth exploring. One question that perhaps arises is whether it is acceptable for private investors to pay for addressing social needs and to receive a financial reward for doing so. However, we need to acknowledge that there are risks involved in payment-by-results contracts and the social investment models built upon them. Therefore, there must be returns that make the risks worth taking. Perhaps that is something that we just have to accept if, in the long run, public money is being used to fund only —

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

**Mrs Cochrane:** — interventions that work, leading to better outcomes for the public. I support the motion.

**Mr Dunne:** I welcome the opportunity to speak on this motion. Social enterprises have a key role to play in our local economy. They bring many benefits, including reducing disadvantage while creating and sustaining employment opportunities. That not only boosts confidence at community level but promotes innovation and self-reliance along with community and area renewal and regeneration.

The motion recognises the need to rebalance the local economy and help to provide opportunities in the private sector or third sector — as the community and charitable sector is often called — while addressing many of the social challenges that still exist in our society.

The social investment model brings many benefits. We should all support the growing use of that model in helping to tackle many long-standing and wide-reaching social issues that continue to exist in our communities. The social investment model has a valuable role to play in pioneering new techniques and approaches that ultimately produce better results for people. The social investment model, through social impact bonds, puts people to the fore. It is an innovative way of improving people's lives and can result in longer-term savings for the public purse.

An effective, efficient and enterprising third sector will bring real and lasting benefits locally and help to deliver a high-quality service to address the needs of some of the most vulnerable people in our society. Despite our recent political progress, many lasting social issues remain unresolved in Northern Ireland. Investment in the social enterprise sector can help to tackle many of those social issues and

empower local people and give them ownership to help deliver local projects and have success while making a real input into the local economy.

The Bryson Charitable Group, which a few Members have mentioned, is an example of a successful social enterprise body. We are all now well aware of the many groups — it has seven social enterprise businesses going — that we see working in our communities every day. The latest figures show a 5% increase in Bryson's employment levels from last year. That indicates the scale and success that such a social enterprise can have, as well as the great potential that exists for similar schemes across the Province in many fields of our society. Bryson has quite rightly targeted key areas and topical issues such as fuel poverty, education, health and recycling. We should all encourage and help to develop that across our constituencies.

Social innovation can become a key theme for the Executive. It is only right and proper that our Finance Minister examines and explores the potential of social innovation from charities, social enterprises and other businesses. Social impact bonds are an innovative way of tackling many underlying social issues and can help to mobilise private sector money that is geared towards achieving results.

There is no doubt that a lot of good work is going on across Northern Ireland in the social enterprise sector, but I am convinced that there is greater potential for that sector as we seek to move forward in rebuilding and rebalancing our economy. I know that the Finance Minister has taken an active interest in this subject and I trust that he will acknowledge the key role that social enterprise plays, as well as outlining its potential for the future. I commend the motion to the House.

**Mr Flanagan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I welcome the opportunity to speak in the debate. The motion seems quite innocuous and trouble free. However, I cannot help but feel that there is something hidden away behind it. I am waiting to see what the catch is, because it is never that straightforward with Paul Frew.

It is very clear that socially responsible organisations, particularly social enterprises, can have an impact on dealing with social issues. Many organisations across our society have demonstrated that, and there is much more to it than the whole notion of a "big society", which made up the majority of the information that we have been given on the

subject. As a constituency MLA, like others, I know from contact with people on the ground that they see at first hand the positive benefits that social enterprises, charities and voluntary organisations have on their day-to-day lives.

Those organisations deal with really difficult issues such as unemployment, particularly youth unemployment, which Paul Frew mentioned; deprivation; tackling fuel poverty; improving awareness of the advice that is available on how best to spend money on energy to heat homes; dealing with issues of crime and helping victims of crime; and dealing with the whole issue of social isolation and rural deprivation. It is very difficult to get into rural communities and engage with people, and organisations such as social enterprises are very well placed to do that where there is not access to public sector services. That is where those organisations fit in very well.

In my area, given the distance from Belfast and the generational cry that we do not have enough public sector employees, there is a natural role for the social enterprise movement to fill the gaps, particularly in rural areas. Look at issues like the provision of rural transport or home help to people who live on the worst roads. No one really wants to drive on those roads, but people live on them so someone has to get up there and look after people.

The 'Fermanagh Herald' recently held its annual business awards, and it gives out a recurring award for the social enterprise of the year. You will not mind, Mr Principal Deputy Speaker, if I mention the top three: Fermanagh Community Transport; Lisbellaw Credit Union; and Lakeland Community Care, which took the top prize. Good work happens across all our constituencies and it is important that we highlight it and commend those involved.

One of the biggest advantages that community-based organisations, social enterprises and charities have is the commitment and dedication of their volunteer members, who bring an added wing to an organisation. You do not get that in a company or in the public sector. I am not going to mention anything about 10:00 am to 4:00 pm; that is not the road I am going down. You find that, where there are small, local social enterprises, there is great commitment of people to those organisations. In places like sporting clubs and credit unions, people are very committed to helping that organisation because they can really see the difference that they are making in helping people in their communities.

As for the role of the Minister of Finance and Personnel, it is important that he raises the issue of tendering and the potential benefit that social enterprises and charities can deliver. It is not simply about the lowest price or best quality; the social outcomes for people in communities also need to be taken into consideration. Social enterprises have a good role to play in delivering very positive social outcomes to people in the community.

I have said that I think that there is something behind the motion, but I do not know what it is. However, at the end of the day, the motion calls on the Minister to explore something, and I am more than happy for the Minister, on behalf of the Executive, to explore the social enterprise model to see what benefits can be brought out. The social enterprise movement, voluntary organisations and community groups have unique strengths that no other type of organisation can deliver. On those grounds, we are more than happy to support the motion.

**Mrs D Kelly:** I welcome the opportunity to participate in the debate. I declare an interest as a committee member of the Loughshore Care Partnership, which is a voluntary organisation that provides social care to people in rural and isolated communities.

I am very proud of the fact that I, like many of my party colleagues, entered politics via community and voluntary participation, trying to make a difference in our local communities. That is what the social investment model is about, as I understand it. It is an opportunity to come forward with solutions to grass-roots problems in a flexible way and, as other Members said, in a way that is prepared to take some innovative risks. I have to point only to the credit union movement in Ireland; our former party leader John Hume was a key agent in introducing the movement to Ireland.

There are other organisations such as the NOW project, which, as the Minister may know, helps groups of young people with learning disabilities to find gainful employment and provide a service to the local community. We have to look only across to north and west Belfast, and to the Gaeltacht quarter, to see the good work that is being done there through community volunteers who provide employment and tourism opportunities in an area of high deprivation.

Recently, the trade union movement made a presentation to the Committee for Social Development in which it shared some of its concerns about the terms and conditions of employment for workers in what is called the

"third sector". We all have to take account of the fact that although it is a cheaper method that is used to save public money, it should not be a tool by which the Government save money only by imposing lesser terms and conditions on the workers concerned.

The presentation also covered community assets. A number of community assets, whether community houses or former schools, are being used for community facilities, particularly in rural areas. However, I find that one thing that deters people is when we start getting into the management of human resources. Volunteers are often busy people who are fearful about having to manage staff and take responsibility for big financial projects. You can soon lose control of an enterprise because it is successful. Therefore, I would welcome the Minister's thoughts on how we can assist and build capacity in the community and voluntary sector to allay some of those concerns or whether, in having a real partnership with the sector, the Government can take unto themselves some of those human resources responsibilities. I am not saying that that should be the responsibility of central government necessarily but of local authorities and a wide range of departmental providers, if we are really talking about a true partnership approach.

One of the reports that was provided to us in preparation for this debate mentioned a social innovation awards ceremony. I ask the Minister to consider that as a way of showcasing best practice. This methodology is not about having to reinvent the wheel all the time; it is about looking at good ideas to see whether they can be replicated across communities. By using the web, of course, we can talk to other people, learn about their good work practice and identify some of the potential pitfalls.

I also noted an idea about having a "thinker in residence" and the opportunity to mentor. That is an excellent idea, which is particularly suited to people who may have taken early retirement or who had to leave work for a variety of reasons but who can still make a useful contribution to society by sharing their skills and education with others. I would promote the idea of a thinker in residence to OFMDFM in particular; or perhaps that is what Richard Haass is really about. It might not be a bad idea for this Government to have a thinker in residence to deliver some of the Programme for Government objectives and commitments, never mind for the social investment community and voluntary sector.

**4.30 pm**

**Mr Hamilton:** I begin by thanking Mr Frew and my other colleagues for tabling the motion. I thank all those Members who contributed to the debate, and I particularly thank those who, in their contributions, quite clearly got what the motion was about. Those Members obviously included Mr Frew — I am glad that he got it given that he moved it. Mr McKay also got it, as did Mrs Cochrane. Even Mr Flanagan, in his cynicism and suspicion, got it. Mr McGlone latterly got it and Mrs Kelly obviously gets the importance of the sector, as do other Members who spoke.

I think that a special prize should be reserved for Mr McGlone for being the first person to see the words "social" and "investment" leaping out of a page and conflate them with another issue that has made the news in recent times. I am not sure what prize we should get him, but, given his fascination with root vegetables, perhaps something from a market garden would suffice.

As many of the Members who contributed to the debate said, Northern Ireland is no different from any number of other states around the world. We are grappling with a whole host of long-standing, seemingly intractable social problems and issues such as alcoholism, drug addiction, homelessness, recidivism, poor standards of public health and underachievement in areas of education.

Each of those social problems has the ability to destroy lives, wreck families, and ruin communities. They cost government an ever-increasing amount of money to deal with. Yet, for all of the investment that we have made through the years, sometimes it seems as though very little impact is being made in resolving the problems in spite of the progress we have made in many areas. Some individuals benefit from the help that they receive, but others start to suffer from the same issues and the cycle continues.

I have long believed that simply throwing money at long-standing social problems will rarely, in itself, solve them. When we did have large amounts of public investment in the past decade, the social problems that we in Northern Ireland suffer from did not disappear. Many got worse. As many Members, and particularly Mr Frew, said, now that public expenditure is seriously curtailed, spending our way out of problems, even if it worked, is not really an option. Hence, we need to examine the scope for new and innovative solutions to our problems, especially social problems.

Our instinct is sometimes to ask how the public sector can dream up new ways to tackle old problems. However, as we know from experience, when addressing sensitive deep rooted issues such as homelessness or reoffending or dependency, government is not always best placed to work with the people who need most help. Again, that was something that many Members recognised. The public sector is not where the ideas or expertise often lives. Instead, it often resides outside the public sector in social enterprises, charities, the community and voluntary sector and business. Those are organisations that are embedded in the communities where the problems exist.

We know of the work of social enterprises and charities and community and voluntary organisations that partner with the public sector to provide services ranging from recycling to caring for people with mental health problems. They do exceptional work to a very high standard and frequently cost far less than similar but less effective services that are provided by the public sector. They are a growing part of our economy and deal with social issues in ways that government simply is not able to do.

I think that that point was recognised by every Member who rose to their feet. That included Mr McGlone, who praised the sector but then cautioned us not to go so fast. I also noted the point that Mrs Kelly made about terms and conditions. That point is worth addressing. Frequently, the pay for people in third-sector organisations is less than in the public sector, and I am not surprised that the public sector unions made such representations to the Committee for Social Development. Any body that has a public sector contract must comply with the law on terms and conditions.

Mr McGlone is not in the Chamber, but Mrs Kelly will recall that, in her party's 2011 election manifesto, it committed to:

*"commission a study into current levels of community service provisions leading to a strategy and action plan aimed at greater involvement by the voluntary and community sector in health and social care provision here".*

Obviously, that was if her party had had the relevant Department. So, the Member's party and, I think, all parties are open to the idea of having more involvement from the sector in resolving the social problems that we face in Northern Ireland. It is my firm belief that it is time that we examine how we can make even greater and better use of the sector in

supporting us in government to achieve the outcomes that we have agreed are necessary for Northern Ireland.

We had a debate a few weeks ago about procurement. I know that the third sector is concerned that the procurement system works against it. I think that there is evidence of where it can and does succeed, but perhaps not enough evidence. How we shape contracts can have an impact on what third-sector organisations can bid for and, ultimately, win. Social investment models are one such option for creating opportunities for social enterprises, charities and others to not just attain contracts but to assist us in overcoming those long-standing social ills. I am encouraged by the positive reaction that I received from third-sector organisations to today's motion, such as Bryson, which was frequently mentioned in the debate.

The motion acknowledges the increasing use of such models, and it is worth noting that it is interesting governments in many jurisdictions. Let me briefly identify two such examples. In August 2010, a joint project run by the Ministry of Justice and Social Finance, which is an ethical banking organisation, secured £5 million in social impact bonds to fund rehabilitation work with around 3,000 inmates at Her Majesty's Prison Peterborough. It is funded by investors and provides money for mentors to help ex-prisoners adjust to life outside jail. If those services are successful and reoffending drops by more than 7.5% within six years, investors receive a payment representing a proportion of the cost of reoffending. The payment will increase based on the reduction in reoffending, with the total cost of the project capped at £8 million. Early analysis of the success of the bond at Her Majesty's Prison Peterborough shows that reoffending rates have fallen in contrast to rises nationally.

The Commonwealth of Massachusetts recently launched two pilot social innovation financing performance-based investments to help encourage innovation and tackle chronic homelessness and juvenile justice. The pilots utilise pay-for-success contracts, which can be supported by the use of social impact bonds to provide upfront finance and other expertise. Both those examples include two aspects of social innovation financing that I am especially interested in and both of which have been mentioned: payment-by-results contracts and social impact bonds.

Payment by results is a form of commissioning that is outcomes based. It means that public commissioners pay the service provider

according to the achieved results of the service. Such commissioning is part of a wider movement to ensure value for money in public services. It can be used for services in which there is a clearly defined target population and there is a measurable outcome. The aim is to drive improved performance from providers and help commissioners to use resources more efficiently. Their strengths can include increased productivity, innovation from staff engagement and higher quality services. There can be large upfront costs for service providers commissioned on a payment-by-results basis. Social impact bonds, which I will come back to, are a way of meeting the capital costs of payment-by-results contracts.

Payment-by-results contracts are part of a wider shift towards outcomes-based commissioning. That is where a commissioning body agrees to fund a provider on the basis that they will achieve particular agreed outcomes, rather than deliver particular outputs. Payments by results refers to a system in which public service commissioners pay providers according to specified outcomes, as opposed to paying for services at the start of a contract. It is intended to create incentives to drive improved performance from providers and to ensure commissioners use resources more efficiently. The theory is that, because providers will get funding for each extra service user they benefit, they will become more efficient at delivering the desired outcomes. That enables a more devolved and flexible approach with less interference from government in asking providers to meet centralised targets. It should enable organisations to deliver the results in the way that they have chosen, with the ability to innovate in the knowledge that they will be held accountable for the results.

Social impact bonds are a way of financing a payment-by-results contract and can be set up in situations where there is a target population and a clear measurable outcome that can be achieved by the service provider. Under payment by results, government agrees to pay a service provider if, and only if, it achieves certain results. That means that the service provider must cover the initial costs of delivering services. Many potential providers find that difficult, particularly social enterprises and charities, as they often do not have the capital available to provide services in advance of being paid.

A social impact bond is a way to bridge that gap, enabling socially minded investors to fund the provision of a service delivered by a social enterprise or a charity on the basis that they will

receive a return on their investment from government if the service delivers the results specified in the payment-by-results agreement. Unlike traditional bonds, social impact bonds do not have a fixed rate of return; financial return depends on the achievement of specific social outcomes set at the start of the bond issue. The higher the social impact, the higher the return earned by the private sector. It is, therefore, important to choose effective and proven civil society organisations.

There are four broad reasons why I am personally attracted to the concept of social innovation financing. First, this approach encourages innovation in tackling social problems. As social issues such as those that I mentioned earlier have worsened in some cases during the downturn, whilst we in government have less funding to address them, it is important that we devise new and better ways to resolve those problems. Because organisations are paid on the basis of the results they achieve, by their nature social innovation contracts encourage and incentivise innovation.

Secondly, and related, social innovation financing rewards results. We should not use public money to pay for services that do not work, do not produce the outcomes that we want and do nothing to resolve the problems that they are meant to resolve. We should not be satisfied as a Government or a society at continuing to plunge money into programmes that simply are not working. Instead of paying for failure, we should be paying for success. Assessing success on the basis of outcomes automatically instils and encourages innovation.

Thirdly, much of the work that is done via social innovation financing concentrates on prevention: stopping offenders from reoffending, addressing public health issues and tackling drug and alcohol addiction. Naturally, work in any of those areas will solve existing problems, but stopping someone from committing more crimes or helping someone off drink or drugs will prevent further problems from occurring. Far too often, the money that we spend in Government is focused on cleaning up the mess that social ills create instead of stepping in earlier and preventing problems from becoming problems. So long as the outcomes can be measured, payment-by-results contracts can refocus our investments on early intervention and prevention.

Fourthly and finally, social innovation financing encourages social entrepreneurs and can aid in growing our economy. The introduction of payments-by-results contracts — and social

innovation financing generally — would not only assist the organisations that secure the contracts to grow and employ people to deliver the required outcomes, but the experience that they would develop innovating in Northern Ireland would present them with opportunities to export to other jurisdictions the expertise they acquired here, bringing value back into Northern Ireland. From social entrepreneurship, we can generate economic and social value.

This is an exciting and intriguing area of policy development, although still somewhat in its infancy. Social innovation financing presents opportunities for Northern Ireland to learn from the early adoption by others in Great Britain or the United States and adapt instruments such as payment by results and social impact bonds to the Northern Ireland environment. I have tasked the public sector reform division in my Department to work with Central Procurement Directorate to develop precisely how social innovation financing can be introduced in Northern Ireland. I have asked them to work with Departments such as Health, Social Development and Justice to scope out the potential for some pilots.

I also intend to engage with the Cabinet Office in Westminster, which already has experience of introducing such social investment models, as well as the European Union, whose social innovation Europe initiative is working to connect policymakers, entrepreneurs in the private and third sectors, and academics to share best practice.

Northern Ireland contends with a wide range of social issues. We should always be on the lookout for new and innovative ways to overcome them. Social innovation financing may have many of the attributes that are capable of discovering creative ways to resolve long-standing social problems, switch our focus from inputs to outcomes and prevent problems from arising, as well as growing a key sector of our economy.

I support the motion.

**Mr Douglas:** We have had a good debate. There was a wee bit of complaining here and there, but that is to be expected, and I will return to that.

I thank my colleague Mr Frew for bringing the motion to the House. He started off by talking about the Tories in relation to the so-called efficiency savings, but this debate was about much more than that. It was about the social investment model, engaging people and targeting areas. He encouraged the

Department of Finance and Personnel to look at the model, and I think that the Minister has already said that he will look at aspects of it.

Mr Frew also talked about unlocking private and charitable finances, and he talked about social impact bonds, which he said were a safe bet for investors. He made a very good point when he said that Northern Ireland is the ideal size for social impact bonds. He mentioned good examples in other countries. He was saying, and this was one of the most important aspects of the motion, that we need a strategy for this and a team to lead it. He put that to the Finance and Personnel Minister.

#### 4.45 pm

He also talked about the opportunities for using land and buildings in relation to community bonds. He discussed how the Civil Service is risk averse, and there was a good debate on that.

I have been involved in some social investment models in the past 25 years with my colleague Mr Newton. One of the projects that I have been involved in is the Connswater Community Greenway, which is an excellent model in east Belfast. It involves a partnership of local people, politicians and businesspeople who have come together and established a £40 million project across east Belfast that will bring the area back to life through rivers.

Interestingly, £23.5 million of the funding for the project came from outside Northern Ireland. So, that was new money, and that is the sort of thing that the Minister is encouraging. I was down at Orangefield yesterday to see a flood alleviation scheme for houses that have been flooded year after year. Here is a social economy project delivering a scheme, along with the Department for Regional Development to address that problem.

One of the things that has come out of the debate is the way that some people look at the social investment model. One of the myths out there is that the model is not businesslike, yet all research shows that social investment models are more likely than some private organisations to possess and use business plans. Another myth is that social enterprises are riskier or less attractive than private businesses. However, there is absolutely no evidence to suggest that that is the case. There is also a notion that social enterprises are not successful in raising finances, but groups such as that in east Belfast have been raising millions of pounds in finance and loans to establish projects. A recent report showed

that 71% of UK social enterprises obtained at least 75% of the money that they required. That was just a wee bit about myself.

Coming back to the discussion, my colleague Mr McKay talked about charitable and community organisations. He made some very important points. There are over 3,000 of those organisations across Northern Ireland and over 470 social enterprises employing something like 30,000 people. Another aspect that is interesting not just for the Minister of Finance and Personnel but for the Department for Social Development is that over 46,000 people are involved in volunteering. Northern Ireland has a proud track record of volunteering.

He also mentioned credit unions. In the past, they tended to be in the Catholic/nationalist community, but their scope has widened and there are now credit unions right across Northern Ireland.

He was the first person to talk about Bryson House. Interestingly, although it has a large number of staff, in the last year it increased that number by something like 5%.

He also highlighted another important point, which is that profits from social enterprises do not go into private pockets but instead are reinvested into the community for community benefit in areas such as childcare, green energy or whatever. I think that he was saying that the Northern Ireland Executive should take such an approach to support this.

Mr McGlone, who is not here, spent the early part of his contribution complaining about the social investment fund and the failings of Sinn Féin, the DUP and OFMDFM. He went on to talk about social enterprises and said that they are good models, but he said that there was no single model that you could replicate across Northern Ireland.

Mr Cree reiterated Mr McGlone's concerns about the social investment fund, and he talked about some of those complaints.

He was the second person to mention Bryson and the impact that it makes in recycling, job creation and a range of services.

Mrs Cochrane talked about growth in the voluntary sector. It has been one of the most encouraging things to happen during the past 20 to 30 years. She said that many of the social enterprises are unique to their area and in the work that they do. She mentioned the social and economic benefits, as many Members did. It is not just about social benefits

but economic benefits, such as job creation. I was glad to hear her say that many of the social enterprises are located in disadvantaged communities where perhaps the private sector has moved out or does not want to invest. She highlighted the aspect of payment by results.

Mr Dunne talked about the third sector and addressing social benefits. He said that we should support the growing social enterprise model in Northern Ireland. He also talked about Bryson House and the great potential for those types of initiatives right across Northern Ireland. He encouraged the Minister of Finance and Personnel to explore the potential for the social enterprise sector.

Mr Flanagan, who is not here, talked about the motion being trouble-free and said that it must be some sort of Trojan Horse. He said that it could not just be an ordinary motion, there must be something sinister here and the DUP was up to its moves again. He also talked about social enterprise. He said that all of us see at first hand the great work that goes on in those areas. He talked about rural transport and home help. Volunteers were mentioned, and Mr Flanagan talked about their dedication and commitment.

Mrs Kelly talked about her own background. She certainly has had a long background in community and voluntary work, like many Members in the Chamber. She highlighted credit unions. She praised John Hume, who is obviously the father of credit unions in Northern Ireland. She also mentioned the Gaeltacht Quarter in west Belfast and the tourism work that is done, for example, by the Cultúrlann on the Falls Road. She also made an interesting point about not just buildings but the likes of houses and churches being community assets.

Finally, the Minister talked about the social investment model. He reckoned that, even though there is a wee bit of criticism of the model and fear that it may be a Trojan Horse, we all get it. I think that he is correct: we all get it. He highlighted the major social problems in Northern Ireland. We cannot just go on getting money from everywhere and anywhere. There have to be other funding models. We have to find innovative solutions to these problems. Like many other Members, he mentioned Bryson. He also talked about other models in the world, such as that in GB, where they are tackling major social and economic problems. He mentioned Massachusetts, where they are tackling chronic homelessness. He agreed to investigate many of the aspects of social enterprise and the social investment model.

It has been a fairly healthy debate. Thank you very much.

*Question put and agreed to.*

*Resolved:*

*That this Assembly notes the growing use of the social investment model to tackle a variety of long-standing and extensive social issues; recognises its value in pioneering new approaches and techniques that produce better results for people, shifting risk away from the public sector and only paying on results; and calls on the Minister of Finance and Personnel to examine how such a model could be applied to contracts to help tackle a range of social issues.*

## North/South Implementation Bodies and Areas for Cooperation

**Mr Principal Deputy Speaker:** The Business Committee has agreed to allow up to one hour and 30 minutes for the debate. The proposer of the motion will have 10 minutes in which to propose and 10 minutes in which to make a winding-up speech. All other Members who are called to speak will have five minutes.

**Dr McDonnell:** I beg to move

*That this Assembly notes the review of the North/South implementation bodies and areas for cooperation that has been ongoing since 2007; expresses its disappointment and frustration that the review has not concluded its work more than six years after it started; believes that the expansion of areas of cooperation and implementation across economic, social, educational, health, environmental and other areas serves the interests of the people of the island of Ireland; further notes that the July 2013 North/South Ministerial Council agreed that the review recommendations should be presented to its December 2013 meeting; and urges that there is no further slippage in concluding the review and that its recommendations are actioned urgently.*

It is a great privilege to stand here on behalf of the SDLP to show our comprehensive support for North/South cooperation and the North/South bodies that were established as a result of the arrangements that arose from the Good Friday Agreement. I remind colleagues that the agreement was voted for and endorsed by people across this island, North and South. Let me put this quite simply: the SDLP opposes any disingenuous attempt to weaken, reduce or minimise the importance of the necessary North/South cooperation in the context of the Good Friday Agreement, which is its true and proper context. I find it incredible that the North/South review has been ongoing for seven years without any sign of an outcome. It is surely now imperative that the Office of the First Minister and deputy First Minister commit to its completion by December 2013 at the very latest. However, in recent times, we have seen substantial delays, the failures of the DUP and Sinn Féin in government and their inability or unwillingness to fully commit to and implement the detail of the Good Friday Agreement, which was endorsed by the electorate North and South, as I said.

The Good Friday Agreement is the basis of the mandate that we have for the Assembly's very

existence. Without it, the Assembly could not exist, never mind legislate. Over the past 15 years, we have found ways to ensure that the people of Northern Ireland have a stable devolved Government and the capacity to hold that Government to account within the rules as they are today. However, we have a duty to deepen our relationships not because we are pursuing some political agenda or because North/South cooperation is some sort of Trojan Horse but because it is in the economic and social interests of all our people, North and South. It is in the interests of our people in Northern Ireland to cooperate and to deepen that cooperation with the rest of the island, because that brings with it considerable economic opportunity and the possibility of greater prosperity, which has to be in everyone's interests.

Had it not been for the various North/South institutions and cross-border bodies that were established following the Good Friday Agreement, those opportunities would not have opened up, and these institutions would not work, except in the context of British-Irish institutions and North/South institutions. So, for me and the SDLP, it is absolutely unfortunate that, 15 years on, there are still those in our society and, in particular, in the political community who remain in denial about the nature and significance of the Good Friday Agreement and its potential for political progress and economic prosperity. Unfortunately, there are some who peddle the fiction that the Good Friday Agreement was, in some way, superseded by the St Andrews Agreement. In reality, the St Andrews Agreement was a mere political footnote that moved on the implementation of the Good Friday Agreement by generating a few concessions here and there in one or two directions. The St Andrews Agreement did not, in any way, limit the ambition of the original agreement for cooperation.

We believe that the time has now come to begin to finally realise the full ambition of the Good Friday Agreement. The time has come for the two Governments — the British Government and the Irish Government — to complete urgently the review of the St Andrews Agreement so that we can widen and deepen cooperation and reap its full potential for economic and social benefit. We have been waiting for over six years for that review, and, whether the delay is borne of political hostility, political ineptitude or political doubt, political certainty must now be forthcoming at the North/South Ministerial Council. We will continue to push for that political certainty, and we will continue to push to create and put in

place all the component parts of a real prosperity process that we hope will flow from that.

### 5.00 pm

Full North/South cooperation is, for us, a key element of any prosperity process for Northern Ireland. We will continue to welcome progress wherever it is made, and we will never cease to challenge tardiness or unnecessary delay in the interests of building peace and prosperity on this island. Ordinary people of all political persuasions and none conduct their own forms of cross-border cooperation every day of the week, and anyone trying to erect new barriers on the island would be laughed out of office, as ordinary people go about trade, business and industry wherever they see an opportunity to create a pound or a euro and to create economic prosperity. Yet even now, when the benefits of cooperation are manifold and when world leaders come here to commend us and to encourage us in our cooperation and when we are being held up as an example of political progress and peace-making to the rest of the world, there are still those who contrive to sound as mean-spirited and as obstructive as possible about the whole concept. The opponents of the Good Friday Agreement still seek to limit and restrict cooperation on political grounds or, at the extreme end, even attempt to abolish it. Above all, they seek to deny and diminish the fact that North/South cooperation is an expression of the will of people on this island, North and South separately and together, as they move forward to seek separate, positive, practical outworkings of the cooperation from that 1998 agreement. They seek to hide the political reality that has the backing of the largest mandate that ever existed on this island as a whole, but no one can claim to have any mandate to diminish it. Fifteen years on, there are still those, unfortunately, who remain in denial about the nature and significance of that agreement. There are still some, as I said, who peddle the fiction that it was in some way superseded at St Andrews, when St Andrews was nothing more than a footnote.

The time has come for the two Governments to complete urgently the review of the St Andrews Agreement so that we can widen and deepen cooperation and, particularly for the Northern end, reap its full potential for economic and social benefit. We have waited for over six years for that review, and, whether the delay is borne of doubt or hostility, political certainty must now be forthcoming. The SDLP will continue to push for that certainty and work to build prosperity. We will continue to welcome

progress where it is made and will never cease to challenge in the interests of building peace and greater prosperity on this island as a whole.

**Mr Principal Deputy Speaker:** I call the Chairperson of the Committee for the Office of the First Minister and deputy First Minister, Mr Mike Nesbitt.

**Mr Nesbitt:** I want to emphasise that I speak as a Member of the House on this occasion. I do not know if that impacts on the running order.

**Mr Spratt:** On a point of order.

**Mr Principal Deputy Speaker:** I was informed in this Chair that you wished to speak as the Chairperson, and that is the reason that you were given precedence. I accept your explanation, and I am happy — to anticipate the point that Mr Spratt is about to make — to revert to the normal speaking order.

**Mr Nesbitt:** I am happy to wait for my turn to speak as a Member.

**Mr Moutray:** The motion is simply an attempt by the SDLP to embarrass Sinn Féin. It is a device intended to allow the SDLP to demonstrate its all-Ireland agenda. Put simply, this is a squabble between the nationalist/republican parties in the House.

The DUP supports practical cooperation between Northern Ireland and the Republic of Ireland that is to the mutual benefit of the peoples of each country. Our position has always been that North/South structures must be accountable to the House. Indeed, we sought and secured that accountability at St Andrews. The St Andrews review of North/South structures has been examining the way in which business is conducted by the implementation bodies. The DUP has always argued that we must achieve value for money and that cooperation does not need to be conducted through burdensome and bureaucratic systems. We support cooperation for mutual benefit but not political structures to satisfy those who need a fig leaf to placate a united Ireland agenda. At a time of ongoing assessment of value for money across government in Northern Ireland, it is clear that, economically and politically, there is no sensible case for the expansion of political structures. Our position has always been and remains that we do not support the creation of additional North/South bodies.

The Northern Ireland Executive and the Government of the Irish Republic can do much

good work on the economy, investment, health and other areas that benefit the people of our countries. That can be achieved without costly structures and outside the mould of old political thinking. Given the challenges on the global stage, I am disappointed but not surprised that the SDLP continues to be wedded to the dogma of the past. We will oppose the motion.

**Ms McGahan:** Go raibh maith agat. I support the motion. First, I urge OFMDFM, the Irish Government and the North/South Ministerial Council to conclude the St Andrews review of the North/South implementation bodies and areas of cooperation. OFMDFM is a joint office, and, for our part, Sinn Féin supports the review being concluded as soon as possible.

North/South cooperation is a key element of the Good Friday Agreement that allows us to work together to improve the lives of citizens across Ireland. For example, practical cooperation between North and South has been important in the provision of radiotherapy services at Altnagelvin Hospital that will serve the needs of patients from Donegal and Sligo. The border blocks the natural hinterlands of Fermanagh and Tyrone in Donegal, Monaghan and Cavan, and more needs to be done to ensure that people living along the border corridor have the same opportunities as everyone else. Mobile phone roaming charges is a huge issue in the border counties that affects those who cross the border regularly. It is a significant barrier to the growth of our economy. I am from a border county, so I know the extreme challenges that families and businesses that straddle the border face because of roaming charges. Sinn Féin has championed the cause of having the North/South Ministerial Council address those issues.

Recently, the Department for Employment and Learning outlined the benefits of a strategic investment of £17.2 million that enabled two universities, North and South, to establish 12 major projects to build additional and sustainable research capacity and capability, contributing to the development of the all-Ireland research infrastructure. To name but a few of those 12 projects, the all-Ireland research programme includes research in areas such as a cancer chemistry initiative aimed at developing new treatment options in cancers with high incidence and poor prognosis; research on the economic development of the agrifood sector; and research into the prevention of obesity and diabetes. An evaluation of the impact and benefits of strengthening the all-Ireland research programme highlighted the fact that those projects had introduced effective models of

collaborative working; improved the universities' research capabilities; created 58 jobs, including lectureships, postdoctoral research fellows and associates; and enhanced all-Ireland research capacity, which has resulted in enhanced engagement with research centres internationally. That outcome is important in achieving the Barroso task force objective of achieving a 20% increase in drawdown of EU funding by 2015. Clearly, investment in those 12 research projects has had a positive impact on economic growth, workforce skills, productivity, innovation, research and development and creating jobs.

It does not make economic sense to have an island nation of 6.5 million people split into two separate tax, currency and legal systems and two separate economies, with split populations of 4.6 million and 1.9 million people in competition with each other. We need more cooperation, North and South. The border acts as a barrier to investment and growth that stifles the economic potential of the whole of Ireland. The border separates areas that would not naturally be separated.

For six years, we have waited for the outcomes of the review of North/South cooperation. They have been six years of economic hardship and austerity, in which Administrations across the island have sought ways in which to reduce costs. They have been six years without access to valuable information that would play a vital role in harmonising structures across the island. That will be central to our ability to create a fully integrated, healthy economy and provide services to our citizens, North and South. The border impedes and distorts economic activity, and we need to work together to reduce that distortion.

Many successful businesses and employers cite the border as a key disincentive to extending operations throughout the island. If we had access to the findings of the review, we would have access to evidence that would allow us to enhance cooperation across the island. We would have information about what works and what requires further development. We know that, in some areas, cooperation already happens successfully.

In conclusion, North/South cooperation has made a real difference to many communities on the ground. The North/South Ministerial Council is part of the Good Friday Agreement and the St Andrews Agreement. We have travelled a long journey since the Good Friday Agreement. The establishment of power-sharing government between parties from very different backgrounds and histories and with

very different ideologies has not prevented progress in changing not only the political landscape but the economic, educational, cultural, civic and social landscape.

**Mr Nesbitt:** For the sake of clarity, I emphasise that I do not believe that I have any mandate or authority to speak as Chair of the Committee on this issue, so I will speak as a Member and as an Ulster Unionist. I apologise in advance, Mr Principal Deputy Speaker; I do not think that I will be able to stay for the entire debate. I intend to attend an event marking the twentieth anniversary of the Shankill bombing, which I think is taking place before the debate will conclude.

The issue raised by the motion is important. The fact that it has already taken six years for the review puts it into the category of the ridiculous. However, I regret that I am unable to support the motion. I see in it a tension between words that broadly indicate a lack of confidence in the review. The expression of "disappointment and frustration" and so on at the start of the motion comes up against the final subclause, which calls for a conclusion to the review and for the recommendations to be "actioned urgently". I do not know about you, Mr Principal Deputy Speaker, but I am not for supporting recommendations that I have not yet seen because they have not yet been written.

I will not support the motion, but that is not to say that I have any difficulty with practical cooperation between the North and the South. Indeed, I fondly remember working with the late Sir George Quigley in the early 1980s. Sir George was the man who first came up with the concept of an eastern economic corridor, which was for the benefit of the two economies, north and south of the border. I well remember Sir George talking about the value of procurement. If hospitals south of the border were procuring medicines and bandages from halfway across the world, he asked why Northern Ireland could not supplant those suppliers. He said that that would have been a win-win situation, and it would equally have applied vice versa.

Six years is far, far too long to wait for a review. Some of the six North/South bodies that we are talking about do important work, but there is none that could not do a little bit better. I note that, following its plenary meeting in June last year, the North/South Ministerial Council endorsed some recommendations. The first element of the agreement review is the efficiency and value for money of the bodies.

I have also been studying the report of the advisory panel of experts and advisers to the

review group, with a particular interest in the Special EU Programmes Body (SEUPB), which has been distributing the Peace moneys and, clearly, hopes to be involved in Peace IV. It is interesting to note that, in that expert review, stakeholders of the SEUPB raised concerns about a lack of customer focus, highlighting a lack of clarity and consistency in communication and a particular concern that intermediate funding bodies could be dissuading groups from applying for funds due to the regulatory burden imposed on Peace moneys.

### 5.15 pm

The reviewers also asked, because stakeholders asked them to, that the North/South body consider the merits of an executive board for the SEUPB, even though it would not have the usual control or responsibility of a board because the SEUPB operates on behalf of member states and the European Union. This is important, and the question has to be asked, in any review, how the SEUPB connects into Europe and particularly into the Barroso task force. It has to be asked whether what we currently have in the SEUPB is merely a management body or one that can truly reflect the concerns of the people.

I know that council groupings say that we now need a six-month extension. They say that they are not getting the buy-in of community groups and are looking for an extension. The SEUPB is saying that this is not possible because it is merely the manager of a programme. Do we want history to look back on Peace III and say that, in some parts of Northern Ireland, it failed not because of intrinsic problems but because the process was king? Therefore, I believe that we should have an urgent review and a completion of the review, but, unfortunately, I cannot accept recommendations that I have not seen.

**Mr McCarthy:** On behalf of the Alliance Party, I support the motion. Indeed, we have supported and welcomed the North/South bodies as part of the Good Friday Agreement back in 1998 because it is clearly in our interests to have cooperation with our neighbours in the South of this island. This is especially true for issues such as the economy, crime and the environment, which cross borders. However, it has become clear that we can cooperate with our neighbours on many other issues, such as tourism, healthcare and, indeed, many other important topics. This is the normal state of affairs for almost every country in the world. Cross-border cooperation improves services for

people everywhere, and we in the North of Ireland are no different from anywhere else. We can take advantage of our links to the Republic and Britain to improve life for everyone in this region.

It is obvious that we need institutions for North/South cooperation across the island that provide us with the most effective and transparent mechanism to achieve what is best for all of us. Therefore, any review that has lasted six years and is almost scheduled to come to a conclusion is very long overdue.

**Mrs D Kelly:** Will the Member give way?

**Mr McCarthy:** I will.

**Mrs D Kelly:** Does that not suggest to the Member that there are parties that have seen the findings of the review and are frightened to produce them because it is a good news story?

**Mr Principal Deputy Speaker:** The Member has an extra minute.

**Mr McCarthy:** I support what Dolores said. Maybe they will change their mind as we go along, and we look forward to that.

As I understand it, the recommendations are due to be presented at the end of this year, and I look forward to seeing what the thinking will be on how best cooperation can benefit us all. The review will surely present a series of proposals for reform and, indeed, betterment of the North/South implementation bodies and areas for cooperation. I hope that they will be available as soon as possible thereafter and that the Executive, the British Government and the Irish Government will act quickly on those recommendations and implement them urgently. After a wait of six, nearly seven, years, expectations are high. In some respects, we will have to revisit this debate following the publication of that report to ensure that the Assembly is fully engaged in the debate about reform and then plays the fullest hand in delivering those reforms without delay.

The Good Friday Agreement envisaged sensible cooperation between us and the Republic. There is no point in trying to unpick that agreement now, especially not when cooperation can benefit Northern Ireland and has been seen to do so over the years. What is required now is for that long-overdue report to deliver sensible recommendations and for the British and Irish Governments to work with our Assembly and Executive to make sure that any reform is implemented at an early date. We in

the Alliance Party look forward to the review's publications, and I support the motion.

**Mr Spratt:** At the outset, I will say that I hope that the anticipation for the Alliance Party and Mr McCarthy will not be too much longer. You can always wait in anticipation, and I am sure that, eventually, something will happen. I also hope that the proposer has a safe flight to London. He is not here for the end of the debate. It is nice to see him going out to represent his constituents in South Belfast at the Mother of Parliaments.

I intend to keep my remarks brief because I really do not want to get involved in the family squabble that the SDLP is trying to create. I do not think it is for us to be involved in that. However, at a time when the world is still in recession, I have to question the value of potentially adding more layers of bureaucracy to our systems of government, which are already heavily criticised for that very reason. There would be cost and expense, not to mention more meetings, more reports and more work added to the already heavy workloads of MLAs, whether the press or the public think so. I say that of those right around the Chamber. I suspect that it is merely an opportunity for those on the opposite side of the House to enhance their positions as elections approach next year. I say that to the SDLP.

My party supports cooperation where there are areas of mutual benefit; for example, in health. Bronwyn mentioned the new cancer unit at Altnagelvin in Londonderry. That is something that we all welcome. On Monday of last week, I stood in a House that was united on issues around bowel cancer, because cancer knows no barriers or borders. That is an area where it is sensible to have real and deep cooperation. That is why the Irish Government put some £19 million into the project; indeed, it is being financed by this place as well.

There are other areas of cooperation in road safety, transportation and water issues that my Committee has been involved with. There is every reason for us to cooperate in such areas, where we can, to the benefit of all the people and, indeed, on legislation and offences being committed on both sides of the border and where they can be dealt with. We heard in some of the North/South stuff about cooperation in addressing drug smuggling, human trafficking and all the things that can be dealt with. On road safety, the Driving Change project involves the Northern Ireland Fire and Rescue Service, the fire services from the border counties in the South and a youth-focused organisation called Public

Achievement. That project aims to improve road safety and is funded by the SEUPB and the Department of Finance and Personnel in this place. Those issues are real issues that help people on both sides. Road safety knows no barriers either. However, I do not believe that there is a need to expand the current structures to achieve this; in fact, at a time of financial cutbacks, it would be unreasonable to add further burden to the budget.

The DUP has always been clear that North/South structures must always be accountable to the Assembly, as my colleague said earlier in the debate. The party sought and secured that accountability at St Andrews. The St Andrews review affords an opportunity to look at the way the implementation bodies carry out their business. As I said, it is imperative that they are mutually beneficial as well as being cost-effective, so let us spend the money on the issues that matter to people on both sides of the border.

**Mr Maskey:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. I support the motion. I do so in the spirit in which, I believe, it has been written and presented to the House this afternoon by the SDLP leader Alasdair McDonnell, my constituency colleague. Having heard all of the contributors so far, I do not see the need for the House to divide on the motion. Members may not share a particular aspect of North/South cooperation — I know that Mike Nesbitt referred to recommendations that he has not yet seen being actioned urgently — but the spirit in which the motion has been drafted will allow all parties to support it, if not every single word then at least in spirit. All the parties who have spoken have said that they value North/South cooperation and share the need to make sure that we do things on a better, more constructive and more positive basis, including on a value-for-money basis.

I remind Members that the review flows from the St Andrews Agreement, which, obviously, flowed from the Good Friday Agreement and the failure to have that implemented. Regardless of whether any party, grouping or Member likes any aspect of the Good Friday Agreement or the St Andrews Agreement, they are binding agreements, and they are commitments entered into by all the parties. None of the parties got everything —

**Mr Spratt:** I thank the Member for giving way. We cannot support the motion on the basis of its wording. It asks for an expansion of bodies. It is on that basis that I think I have already made clear the points on the cost-effective

nature of what needs to take place. That is why we oppose the motion.

**Mr Maskey:** I thank the Member for his intervention. I do not read "expansion" as necessarily meaning bureaucracy. It simply means areas of cooperation, and it might mean coordinating policies and sharing institutions. In fact, it might save a lot of money, as well as creating bureaucracy. I still urge the parties to consider looking at this from a more positive perspective, because it does not suggest that there needs to be a different layer of bureaucracy. Indeed, it is far from that.

Hopefully, the review itself will demonstrate the value. I want to repeat this: all Members who have spoken, from all the parties, have indicated clearly their desire to see things working on a basis of cooperation. My colleague Bronwyn McGahan listed areas of cooperation, as did other Members, and joint operations that have benefited all of the citizens of this island. So I commend the motion as a positive attempt to remind all of us, including the Governments, that we need to continue developing in these areas, within this region, across this island, on the basis of mutual cooperation that benefits everybody, so that we are not looking at anything that is not positive or constructive. We are not trying to artificially create some area of cooperation; we are trying to do things on the basis of common sense.

I am disappointed that, 15 years on from the Good Friday Agreement and six years on from St Andrews, we have a situation in which the early enthusiasm, if you like, for the agreement — even around the time of the St Andrews Agreement, people thought we were getting a second wind into the peace process. We had an agreement that would result in the all-inclusive institutions functioning again. There were commitments entered into by all the parties, including the DUP, obviously, which was there and had its own agenda at those negotiations. That is fair enough. It brought its mandate to the table and made its contribution. However, at the end of the day, we made commitments.

### 5.30 pm

Enthusiasm was developed around 1998 and followed through to six years ago. However, when you dampen enthusiasm and dash people's hopes, you end up in the type of situation that we see almost nightly on our streets in Belfast and other parts of the North. I suggest that any of us could see that, if we were to look around the streets today. So, it is

important that we inject further momentum into building the peace process. I have said in the House before that it was frustrating to hear some commentators earlier this year or even at the end of last year talk about how they were fed up to the back teeth listening to people talk about the peace process. Unfortunately, we have been reminded throughout this year that the peace process is far from consolidated and we still have a lot of work to do. That is not just an abstract concept; it is about making sure that all the parties, working with the Governments, clearly signal to people out there that, if we work together, we can tackle problems, whether they are in disadvantaged communities, at a regional level or at an all-island level.

All the parties have a duty and responsibility to work together to tackle the problems that we face, and, if we can fix a problem on the treatment of cancer, if we can fix road safety, if we can fix policing across the island and if we can resolve problems for communities, that is what people elect us to do. If we have to do that by sharing power in these institutions or if we have to do it by working with our colleagues across both these islands, it is very important.

I stress and remind everyone that we have all made commitments and have all made significant political compromises over the past number of years. Let us not continue to do what we have been doing this past year, which is to squander the efforts that people have made and the sacrifices that people have made throughout the conflict over many years. We have a golden opportunity by completing the review of North/South bodies and areas for cooperation. The review will speak for itself. Let us have the review, let us have it completed, let us do an assessment and let us do what we have to do to build on what clearly has been a success, which all the parties' speakers here this afternoon have testified to.

**Mrs D Kelly:** I support the motion, and I must begin by expressing my disappointment that we do not have any ministerial representation from either Sinn Féin or the DUP to hear the debate. I have scarcely been in a place where so many people are in a state of denial. People need to remember —

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

**Mrs D Kelly:** Not just yet. People need to remember that the Good Friday Agreement is an international agreement that the people of Ireland, North and South, voted overwhelmingly in favour of. As many Members will know, this institution exists only because of that

agreement, and it is only one strand of the agreement. May I remind Members, particularly those on the opposite Benches, that the second strand of the agreement was North/South cooperation and bodies, as well as a ministerial council? One cannot operate without the other, and I lament the fact that Sinn Féin has failed so miserably in holding the DUP to account on the delivery of North/South implementation bodies. At least two DUP Members boasted in their contribution about holding, under St Andrews, which was an agreement between Sinn Féin, the DUP and the British and Irish Governments —

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

**Mrs D Kelly:** I will give way when I finish this point. Both those parties agreed the St Andrews approach, where the DUP stated that it was holding to account the North/South bodies. If its holding to account of Ministers is anything to go by, given the power that it has been able to exert over the past few days, I do not hold out much for that boast actually finding any reality.

**Mr Maskey:** I thank the Member for giving way. Does the Member not agree that it is a bit unfortunate that, when all the parties are trying to be constructive across the House this afternoon, the Member chooses to contradict her party leader, who I spoke to before he left the Chamber and who apologised because he had to go to Westminster this afternoon? The Member's party leader made it clear that he was not into attacking other parties but simply wanted to promote the cause of North/South cooperation. So, I ask the Member to refrain from making this a party political issue. Furthermore, will the Member not acknowledge that the First Minister and deputy First Minister are out of the country representing the Executive in this area?

**Mrs D Kelly:** Yes. As Seamus Mallon said recently, they are anywhere but here, where the real problems are.

Mr Maskey is in a delusional state and not just a state of denial. Mr Nesbitt is not far behind him, because he seems to forget that his predecessors were co-authors of the Good Friday Agreement alongside the SDLP. It is much to our regret that moderate unionism, as it has often been described, is resiling from the courage of its predecessors, who gave leadership in the worst years of the Troubles and cooperated to find a solution to our conflict.

In answer to Mr Maskey, it is clear to me and any observer who cares to watch what is going on that Sinn Féin and the DUP have agreed a no-first-strike policy. They have heard what the electorate has had to say about their negativity around the Haass talks. They have answered that call by damping down their Back-Benchers and not actually telling the truth of what is not happening in this region and of the failure to deliver, whether practically, pragmatically or in real terms, the Good Friday Agreement and what people signed up to on a North/South basis. I do not care whether it is pragmatic, but I do care about whether they live up to all the aspects of the Good Friday Agreement.

There are challenges and, indeed, opportunities for us as we build east-west relationships. The Irish Government have been at pains to point out the importance of the relationship with GB. That thawing of relationships has been demonstrated by the visit of Queen Elizabeth II to Dublin and the engagement of the previous president, Mary McAleese, with the royal family and the London Government. We recognise that we cannot be totally independent and must be interdependent. We want to look at the interdependent nature of North/South and east-west relationships. That is what the Good Friday Agreement is actually about.

When people talk about what unionism gave up in entering into the Good Friday Agreement, they forget that nationalism, republicanism and the Irish Government gave up articles 2 and 3 of the Irish constitution. Strand two of the Good Friday Agreement was to look at how those relationships could be built in a non-threatening and friendly way and recognised the fears and misperceptions of unionism and how their rights and needs would be protected when Ireland is united.

It is most unfortunate that Members are in such a state of denial. We in the SDLP have always stood up for the Good Friday Agreement. We have stood up for the wishes of the people of Ireland, North and South. We will continue to do so, whether or not that offends the sensitivities of Mr Maskey.

**Mr Cree:** Much has been said already. The review of the North/South implementation bodies has been ongoing since 2007 and was part of the St Andrews Agreement. There has been a long period of gestation, but we understand that the review recommendations are due to be presented to the North/South Ministerial Council before the end of the year.

There are six bodies in operation. Three have boards of management, and the other three

have chief executives who exercise executive function. Three terms of reference were agreed. The first one is designed to cover efficiency and value for money. The other two are somewhat behind at this point. I understand that work has been done only on the first term of reference but that it is hoped that we will have the full report before the end of the year.

I believe that everyone in the House supports practical, mutually beneficial cross-border cooperation. It is fitting that we continue that work but review the costs incurred by the bodies and ensure that they are as efficient as they can be. At this time, we are considering amendments to the public service pension scheme.

It will be interesting to see whether those same savings will be reflected in the North/South bodies. It will also be interesting to see the number of jobs created by the bodies, and the split between Northern Ireland and the Republic.

The Ulster Unionist Party recognises the value of North/South cooperation, but it must not be seen as anything more than that. The Republic no longer has a claim over this jurisdiction. We are part of the United Kingdom and will remain so until our people decide otherwise, and that is a long way off. Progress and cooperation is not necessarily brought about by the cross-border bodies. We have good relations between Northern Ireland and the Republic of Ireland, and that is how it should be.

We have travelled a long way together over the past 15 years. There is now a maturity in relations with the Republic of Ireland. Apart from the recognition of Northern Ireland's position within the United Kingdom, we have seen the Irish Government apologise for the treatment of their citizens who fought for the Allies in the two world wars. There are now attendances at Remembrance Day events, and apologies were made by our Government at Westminster. Her Majesty The Queen made her own unique contribution on her visit to Dublin.

Let us continue to work together, respecting each other's views. The motion before us today urges that:

*"there is no further slippage in concluding the Review".*

I have no difficulty with that, but I cannot support the suggestion that the "recommendations are actioned urgently." It

has already been said that we need to see what the recommendations contain before we support them.

**Mr Attwood:** I thank everyone who contributed to the debate.

Mr Moutray indicated that he thought that this was some sort of stereotypical exchange, almost, between the SDLP and Sinn Féin. Obviously, I wish to shape it very differently. In my view, the review that arose from the St Andrews Agreement is a matter of political integrity and institutional authority. I say that because the minutes of the NSMC meeting in Dublin in the summer confirm that:

*"Ministers noted that the Terms of Reference 1 is now largely complete".*

That is the first phase of the review; and that:

*"Senior Officials have met and initiated a work programme to take forward Terms of Reference 2 and 3".*

That is the future scoping of North/South opportunities arising from the review,

*"and that they will conclude their work and present a report with proposals to the next NSMC Institutional Meeting in the autumn",*

which means now.

It is my understanding, though I hope I am wrong, that there may not even be an institutional meeting, never mind a report to it or further action taken by the North/South Ministerial Council this Christmas. I say to the Members opposite and everyone in the House that, if, after seven years of doing political business in any aspect of institutional life arising from the Good Friday Agreement, we had not concluded a review, there would be political uproar. If, four months ago, it had been decided that decisions would be taken this autumn in relation to one of the aspects solemnly entered into in the St Andrews Agreement, there would have been a similar reaction. This was not some à la carte approach to making political progress; it was an essential element to bring about the restoration of these institutions. It was not something that you could give up; it was something that you had to embrace. If, this autumn, it transpires that no report is made to the institutional meeting and no report of substance and conclusion is made to the NSMC at Christmas, once again, the integrity of the restoration agreement will be undermined — never mind

that economic and other opportunities will be compromised for all our people.

So I say to the DUP that this is a matter of political integrity and institutional authority, which your party and your First Minister entered into at St Andrews, and that has not been fulfilled thus far. I say to all the other Ministers who are involved in all this work and the Irish Government that it is a matter of political integrity and institutional authority that this review concludes after all this time.

**5.45 pm**

Mr Nesbitt properly referred to the late Sir George Quigley's early work on a north-east corridor, but then became very hesitant about where that work may go. I recommend to Mr Nesbitt and everybody else that they look at the interview with Sir George Quigley in this year's spring edition of 'The Journal of Cross Border Studies in Ireland'. He gave that interview in the early part of this year, a short time before he died.

In that interview, Sir George Quigley, one of the architects of North/South cooperation and the north-east corridor in particular, scoped out where North/South should go. In doing so, he relied on four reports from 2010, 2011 and 2012 that are now in the public domain and which touch on infrastructure, cross-border economic renewal, opportunities for North/South public service provision and general border lands development. Of all those reports, he said:

*"The richness of the discourse takes us into an entirely different world. What is now vital is to get it positioned within the mainstream of government thinking, North and South, and to have governments that are determined not to let a single idea that merits follow-up fall on stony ground."*

Unfortunately, what I heard from the DUP in this debate is that all that good work is going to fall on stony ground. The shape and possibility of North/South cooperation, be it done through an institutional or other way, is immense for all our people. We have to realise that the story of economic policy around the world is that when you are a small economy or one of a number of small economies you have to come together in economic zones in order to punch your weight. The experience of African and Asian countries and the China trade area is that the creation of economic zones that respect borders maximises opportunities for the people you serve. When I hear the DUP and, unfortunately, Mr Nesbitt shape the future in

narrow ways, I say that they should read the words, from shortly before he died, of one of the architects of North/South.

The words of the DUP, of course, only echo the words of the First Minister. In another interview in 'The Journal of Cross Border Studies in Ireland', which was given in the spring of 2009 — he may or may not have changed his mind since then — the First Minister outlined how he saw North/South being developed. He said:

*"I don't think the relationship between Northern Ireland and the Irish Republic has ever been better than it is at the present time."*

That was a position of strength, confidence and authority. Yet, in the answer to the next question in that interview, he revealed his personal and political weakness when he said:

*"My antenna go up if people start talking about that kind of cooperation having to be at a structural and formal level. When people want to formalise it in that way it speaks to me of an attempt to change the constitutional relationship between Northern Ireland and the Irish Republic".*

How wrong he is. Putting that aside, what is really disturbing about his commentary was that he said that if:

*"that cooperation means a Minister lifting up a phone, writing a letter or having a meeting, I don't see any difficulty with that."*

So, the First Minister's view of North/South cooperation is collapsed down to the level of a phone call, writing a letter or having a meeting. What sort of strategy is that, for the people of this island to compete in a more globally competitive world, that you reduce cooperation to a letter, a phone call or a meeting? Therefore, although I believe that we need more institutional arrangements, I recognise that I cannot, perhaps, convince the Irish Government to go in that direction at this stage. However, let us put down a marker: if you think that the Good Friday Agreement and its ambitions or the outworkings of the St Andrews review are reduced to a letter, a phone call or a meeting, disabuse yourselves of that.

In conclusion, and because I am relentlessly positive about this, I turn to the comments that were made by the two youngest and least experienced Ministers in the Executive, and the leadership that they showed this morning and this afternoon in the Chamber. Mark Durkan

took a bold, courageous and right decision in the interests of the Northern Ireland economy. The Minister of Finance and Personnel, at the end of the debate this afternoon, in a marked change from his predecessor, started to veer towards the radical when it came to public and economic policy. His predecessor veered only towards the theatrical. They showed the way to go. I hope that the First Minister and other Ministers who are responsible for a review that has been run into the stand for seven years take a lead from those two gentlemen.

*Question put.*

*The Assembly divided:*

*Ayes 38; Noes 32.*

## **AYES**

*Mr Agnew, Mr Attwood, Mr Boylan, Mr D Bradley, Mr Brady, Mr Byrne, Mrs Cochrane, Mr Eastwood, Mr Flanagan, Mr Ford, Mr Hazzard, Mrs D Kelly, Mr G Kelly, Mr McAleer, Mr McCallister, Mr F McCann, Ms J McCann, Mr McCarthy, Mr McCartney, Ms McCorley, Mr B McCrea, Mr McElduff, Ms McGahan, Mr McGlone, Mr McKay, Mrs McKeivitt, Mr McKinney, Ms Maeve McLaughlin, Mr McMullan, Mr Maskey, Mr Milne, Ms Ní Chuilín, Mr Ó hOisín, Mr O'Dowd, Mrs O'Neill, Mr P Ramsey, Ms Ruane, Mr Sheehan.*

*Tellers for the Ayes: Mr D Bradley and Mr McKinney*

## **NOES**

*Mr Allister, Mr Anderson, Mr Beggs, Mr Bell, Ms P Bradley, Ms Brown, Mr Buchanan, Mr Clarke, Mr Craig, Mr Cree, Mrs Dobson, Mr Douglas, Mr Dunne, Mr Easton, Mr Frew, Mr Gardiner, Mr Hilditch, Mr Irwin, Mr McCausland, Mr I McCrea, Mr D McIlveen, Miss M McIlveen, Mr McQuillan, Mr Moutray, Mr Newton, Mrs Overend, Mr G Robinson, Mr Ross, Mr Spratt, Mr Storey, Mr Swann, Mr Weir.*

*Tellers for the Noes: Mr Moutray and Mr G Robinson*

*Question accordingly agreed to.*

*Resolved:*

*That this Assembly notes the review of the North/South implementation bodies and areas for cooperation that has been ongoing since 2007; expresses its disappointment and frustration that the review has not concluded its*

*work more than six years after it started; believes that the expansion of areas of cooperation and implementation across economic, social, educational, health, environmental and other areas serves the interests of the people of the island of Ireland; further notes that the July 2013 North/South Ministerial Council agreed that the review recommendations should be presented to its December 2013 meeting; and urges that there is no further slippage in concluding the review and that its recommendations are actioned urgently.*

**6.00 pm**

*Motion made:*

*That the Assembly do now adjourn. — [Mr Principal Deputy Speaker.]*

## Adjournment

### Armagh Gaol

**Mr Principal Deputy Speaker:** The proposer of the topic will have 15 minutes in which to speak. All other Members who wish to speak will have approximately eight minutes. I call Mr Dominic Bradley. Members who are moving out of the Chamber should do so quietly and with some respect for the Member.

**Mr D Bradley:** Go raibh míle maith agat, a Phríomh-LeasCheann Comhairle. Tá athas orm an rún seo a mholadh. Táimid anseo le tacaíocht a bhailiú don tionscnamh i gCarcair Ard Mhacha.

*(Mr Speaker in the Chair)*

Thank you very much, Mr Speaker —  
*[Interruption.]*

**Mr Speaker:** Order, Members.

**Mr D Bradley:** I am happy to lead off the debate on the development of Armagh Gaol. I welcome the opportunity that this Adjournment debate gives me to do that. I thought that we may have had a ministerial presence. Unfortunately, that does not seem to be the case. Nonetheless, I am certain that the message will get back to all those who sit at the Executive table.

In May this year, the previous Minister of the Environment, Alex Attwood, granted planning permission for the redevelopment and conservation of the historic jail in Armagh. The jail has a chequered history. Construction of the original building commenced in 1780, and it was extended to become the Armagh women's prison, which closed its doors in 1986.

People may have different memories of the jail. However, the fact that we are looking to develop a building that may, to some extent, have been divisive, in such a way that all the community will benefit is an indication of the progress that we have made as a society — and I very much welcome that progress.

There is no doubt that the jail has a varied and interesting history. Many local historians wrote about various conditions in the jail down through the years. There is no doubt about it — it is one of Armagh's foremost landmarks. It was designed by the same architect who designed the GPO in Dublin; one Francis Johnston. So, there is an ironic connection between the two buildings, but you will be pleased to hear that I will not go into the detail of that.

This is a very worthwhile project that must happen. It has the potential to secure 200 jobs during the period of construction and refurbishment, and 150 jobs when the building is eventually finished. The resources needed to do the job amount to £25 million. That would be a big ask of the Executive, but I am pleased to say that Armagh City and District Council, through its efforts, has secured £18 million of that funding.

A considerable portion of the funding is coming from a private developer who has considerable experience in this type of work. He has converted a jail in the city of Oxford into a boutique hotel, which has proved to be an extremely successful project economically and socially.

Other funds are coming from the council itself to the tune of £2 million. As well as that, there is £2.3 million coming from the Heritage Lottery Fund and other bits and pieces of funding coming from sources such as the Department for Social Development (DSD), the Northern Ireland Environment Agency and Invest Northern Ireland. So, you could say that a cocktail of funding has been assembled, and we now await only the final portion of that cocktail, which amounts to around £6 million. I am here today to ask our colleagues in the Executive to give due consideration to funding this project.

Mr Speaker, you and I have often heard Ministers here talk about shovel-ready projects. At a time when the building industry is on its knees, there is a need to pump-prime it. We heard this morning that, during the recession, the building industry in Northern Ireland lost 30,000 jobs. This project gives us the opportunity to, as I said, pump-prime the industry, albeit in a smallish way. All our efforts combined, both large and small, are important in getting this important industry back on its feet.

As I said, the project will involve establishing a boutique hotel. There are also public realm works that will be done. The location of the jail

is at the head of the Mall in Armagh, surrounded by probably the best examples of Georgian architecture in Northern Ireland. When the project is finished, it will be an extremely impressive sight at the head of the Mall. Not only that, but it will be an economic success and will give economic impetus to the city of Armagh.

The funding is being sought to protect the heritage building and parts of the site. The council and its preferred developer have come to an agreement that a profit-share scheme will be initiated when the hotel becomes profitable. That means that the ratepayers of Armagh will benefit on two counts: from the jobs that the project will provide and from the financial return from that share scheme.

As with all projects, I am sure that this one has its sceptics, but the model has been tried and tested. As I said, the council's partner in the project has immense experience in this type of work. Indeed, look at the Crumlin Road Gaol, which was considered to be an eyesore at one time. It has turned out to be a very successful visitor attraction. Indeed, I heard that it has as many, if not more, visitors than the Titanic Quarter itself. So there is potential in these old jail buildings. That has been proven in the Crumlin Road, and I believe that it will also be proven in the context of the Armagh Gaol building.

We have already brought the project to the attention of all the Ministers round the Executive table. I know that it was considered for funding during a previous monitoring round. Unfortunately, at the time, not all Ministers were on board. I am pleased to say that that situation has changed. I believe that there is now unanimous support for the project across all parties in the Executive and, indeed, on Armagh City and District Council. That is very much to be welcomed. I welcome the fact that all of the major parties are represented here today and support the project.

In the meantime, the council has fine-tuned the business case. It will be completed in coming weeks and sent to the Strategic Investment Board. I am hopeful that it will be accepted by the board. It is a unique opportunity to show that when all parts of government — local and regional government — get together and work together, success can come from that. I ask all colleagues at the Executive table to give very positive consideration to this project when it arrives on their desks in the next number of weeks.

As I said, I am grateful to my colleagues from Newry and Armagh, and the others who have waited for the debate. It is seldom that I get the chance to address a hushed Chamber that listens so intently to all my words. I am taking every advantage of it today.

As I said, it is a shovel-ready project. It can be on site in 2014. I hope that the Executive will take the necessary action to ensure that. Thank you very much.

**Mr Irwin:** First of all, I thank my colleague Dominic Bradley for tabling the Adjournment topic on what is a very important development plan for Armagh city.

It was with some concern that I noted, earlier in the summer, that one party, Sinn Féin, had refused to give its support for an award for funding to support the Armagh Gaol development project to be made in the October monitoring round. The fact that the Finance Minister at the time, Sammy Wilson, had recognised the importance of the project to Armagh city and was prepared to offer financial assistance was of huge importance. The offer, however, was given a cool reception from Sinn Féin at the time. As is recorded in an answer to my colleague Peter Weir MLA from Sammy Wilson in this House, the offer was ready to be made, only for Sinn Féin's mysteriously hitting the brakes on the issue. We are yet to have a suitable explanation of the reason for that delay.

I am a member of Armagh City and District Council. The jail redevelopment has been an important focus for the council for some years. It represents, in real terms, a £24 million undertaking, being led, primarily, by the Trevor Osborne Group, the Prince's Regeneration Trust and Armagh council. Funding opportunities that have been committed to date include 33% from the private developer, around £2 million from Armagh council and £2.3 million from the National Lottery, with the Executive being invited to make a significant contribution of around £6 million. Other funding opportunities are continually being investigated and actively pursued, and there is an overwhelming sense of purpose from all who are involved to see the project through to a successful conclusion.

### 6.15 pm

The location of the jail at the end of the picturesque mall in the city cries out for a project that will see the building restored to pristine condition. Given the success story of

the Oxford jail hotel, which I had the pleasure of visiting a number of years ago — not, might I add, as an inmate — the council is very keen to see a similar asset created in Armagh.

Hotel accommodation in the city, especially for events, and, indeed, at other peak times, is oversubscribed. The city badly needs additional bed spaces. In my opinion, the fact that the jail development offers that, as well as a unique visitor experience, makes the project a real gem for the city. The development would see around 200 construction jobs supported in the area, and, when operational, it would directly create 150 jobs. Those would be important advances for the city in sustaining economic stability and, indeed, promoting growth in the tourism sector.

Armagh is a historic city, and the architecture around the city, including the jail itself, must be preserved. With the expertise of the Osborne Group and the support of the Prince's Regeneration Trust, I believe that that will be achievable.

It is vital that Sinn Féin gets fully behind the project. Indeed, its councillor colleagues on Armagh council have given their support to the project. There is no reason, therefore, why an offer of funding from the Executive cannot be fully agreed. I am aware that a final business case is being finalised at the moment, with the intention of having the document with the Strategic Investment Board within a matter of weeks. I urge that the matter be progressed quickly so that Armagh city can be permitted to fully realise the potential that the site's regeneration would bring.

**Mr Boylan:** Go raibh maith agat, a Cheann Comhairle. Cuirim fáilte roimh an deis labhairt sa díospóireacht seo.

I welcome the opportunity to speak in this debate, and I thank Mr Bradley for securing it. With your indulgence, Mr Speaker, I just want to say a few things in response to Mr Irwin about my party's involvement in this case. I have an office in Armagh city, and a lot of the people who I represent feel that Armagh city has been neglected and that it is in the neglected end of the Newry and Armagh constituency. We have fully supported this project, and I have met a number of people about it. However, I will explain to Mr Irwin why some shadow has been cast over it in recent months.

As he said, my colleagues in the council have fully supported the project, as have I, because I know about the potential benefits that it can bring to Armagh city and district. The two

Members who spoke previously clearly outlined the benefits of the project in creating jobs and securing staff jobs in Armagh, which are badly needed. Research has already been done on the number of bed nights that Armagh will need, and the project would certainly secure them. So, as I said, I am fully supportive.

However, I want to say a few things about this. At the end of this whole process, we will receive freedom of information requests and questions about public funding, public moneys and accountability. That is what this is about. So, my starting point is that I support the project. Mr Bradley already mentioned that there is a cocktail of funding for it, but we have to account for every single penny of public moneys, no matter what project it is. I just wanted to delve into that a wee bit, because, although Mr Bradley set the tone for the debate very well and welcomed everyone to speak on this, the second Member to speak threw down a challenge. Having an office in Armagh city itself, I deal with people there every day, and I am very familiar with the city.

As a Sinn Féin representative, I take this opportunity to say that I fully support, in principle, the potential investment in Armagh city and district and the potential redevelopment of the Armagh Gaol site.

There is absolutely no doubt that the jail site is of significant importance to the city and people of Armagh, and the building is in urgent need of some sort of development to safeguard and preserve its existence. The building is an integral part of the fabric of the city physically and as part of social history, not least given the significance of the role played by the women prisoners during the blanket protests of the 1970s and 1980s. Proposals to regenerate the building and the surrounding area are undoubtedly extremely exciting and encouraging, and we look forward to the presentation of a business case on the proposed project. The business case is the key to it all, and Mr Bradley said that the council will now bring it forward. I support what he said, and we hope to support fully the business case when presented.

The scope of the project is suitably ambitious and a structural investment capable of being the catalyst for much-needed regeneration and development in the area. That having been said, and without wishing to be in any way critical of the proposal, it is imperative that the project be viable and sustainable in the long term and that the development complement rather than threaten the existing businesses in the area. In that respect, we look forward to the

presentation of the business case to provide reassurance.

It goes without saying that we cannot become blinded by the opportunity prospects to such an extent that we do not take proper account of the risks associated with such a development. In particular, the prospect of having another hotel in such close proximity to the existing hotel could perhaps create conditions in which neither building can thrive. I do not want to put a dampener on this, because we are supporting Mr Bradley, but it is my and my party's belief that in the business case we have to be accountable.

Members have mentioned the amount of money that has been secured and said that there is good private sponsorship behind all this, and we do not have any problem in supporting that. A remark was made at council, but unfortunately I am not on the council any more. It is a pity that I was not at the council when the remark was made. Leaving that aside, my fellow councillors will no doubt respond to that remark in time.

In summary, we look forward with anticipation and interest to seeing the business case for the development, and provided that it provides backbone to the development proposals, we are happy to support any project that will bring jobs to Armagh or that will regenerate and revitalise the mall, which is a beautiful part of Armagh city.

**Mrs Dobson:** I congratulate Mr Bradley on securing this evening's debate. As we know, Armagh Gaol is a listed building that was constructed in 1780 and closed in 1986. It is considered one of Northern Ireland's most important historic buildings, and it is certainly a landmark building in the city of Armagh.

The jail originally comprised three separate prisons, but it is probably known most prominently as a women's prison. Indeed, it was Northern Ireland's only women's prison during the Troubles until it closed and all prisoners were transferred to Maghaberry in Lisburn. The number of female political prisoners grew from two in 1971 to more than 100 between 1972 and 1976. I also note that, owing to the growing prison population during the Troubles, Armagh housed male remand and sentenced prisoners as well. The jail has a distinct history and an importance to the city.

In May, Armagh City and District Council granted planning permission to build a four-star hotel within the old jail in Armagh. That followed an 18-month planning process. At that

time, it was reported that 90% of the £23 million of funding had been secured. The plan was for the hotel to retain the features of the jail with each en suite bedroom created by joining three cells together. As well as a boutique hotel, the jail development was also to include public spaces, 28 apartments, restaurants, commercial space, and a heritage and community centre.

This obviously has the potential to be a huge redevelopment scheme that will benefit the whole of Armagh and the surrounding area. It will also contribute to the tourism potential of the Armagh area, providing much-needed tourist accommodation in the city and attracting people from near and far. As with all sites of a sensitive nature, particularly those linked to the legacy of the Troubles, it is important that sensitivity is displayed at all times in how it is developed and that there is buy-in from right across the community. I believe that to be the case in this example.

As we heard in the media today, and as local people know only too well, the site remains undeveloped, despite the millions in funding earmarked for the jail. As Kevin Sharkey remarked on 'Good Morning Ulster', weeds are growing out of the roof and walls of the building. I am sure that that was not what was envisaged in May, when planning was approved.

I was encouraged to hear the chief executive of Armagh council state that a business plan would be finalised in the next two to three weeks, and that it would confirm that it is a £25 million project. However, gap funding of around £6 million still needs to be found, and, until that happens, the whole project remains unable to progress and, therefore, in doubt.

I again thank Mr Bradley for securing the Adjournment debate. Like others, I sincerely hope that the necessary funding is secured to take forward the refurbishment and renovation of Armagh Gaol.

*Adjourned at 6.26 pm.*





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