

# Official Report (Hansard)

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# Northern Ireland Assembly

Tuesday 22 November 2011

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

*Members observed two minutes' silence.*

## Executive Committee Business

### **Employment and Support Allowance (Work-related Activity) Regulations (Northern Ireland) 2011**

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

*That the Employment and Support Allowance  
(Work-related Activity) Regulations (Northern  
Ireland) 2011 be approved.*

The regulations put in place a new requirement for employment and support allowance (ESA) claimants in the work-related activity group to undertake activity that will help them to move closer to employment. The regulations build on the provisions that already exist to require employment and support allowance work-related activity group claimants to attend work-focused interviews. The regulations will enable work-related activity to be required at the discretion of specially trained employment advisers in the Department for Employment and Learning.

Work-related activity is an activity that helps the claimant to obtain work, remain in work, or be more likely to obtain or remain in work. Following on from the work-focused interviews, the employment adviser will agree on a personal action plan with the claimant, with the primary aim being to help the person to move into or return to employment as quickly as possible. For some claimants, that might be quite straightforward and the transition to work can happen very quickly. For others with more complex health barriers to employment it might take longer, and claimants might need to avail themselves of services and programmes to help them progress towards employment before they are ready to make the full transition back into the labour market.

The Department for Employment and Learning's (DEL) disability employment service has made programmes and services available to help those with health- and disability-related barriers to work. They include the condition management programme, which is a voluntary work-focused rehabilitation programme funded by the Department for Employment and Learning and managed by the disability employment service, which aims to help claimants on incapacity benefits to return to and to sustain employment; Workable (NI), which is a programme to assist those with complex disability-related barriers to employment to find and to keep work; Access to Work (NI), which offers individually assessed long-term or one-off support to help a disabled person to carry out their job; occupational psychology service assessments, which enable those with disabilities to have a comprehensive employment assessment, to examine their strengths and weaknesses in relation to work and to gain guidance on suitable employment and support needs; and formal training for disabled people in residential settings to meet the needs of those trainees who are unable to progress in mainstream training environments.

I will now explain briefly the changes that will be introduced by this statutory rule in the context of the existing requirements when someone makes a claim for employment and support allowance. Since 2008, most employment and support allowance claimants have been required to attend a work-capability assessment, which looks at what customers can do in relation to work and identifies whether it is reasonable, in light of their physical or mental condition, for claimants to engage in work-related activity. Claimants who cannot undertake work-related activity are placed in a support group and will not be covered by these new regulations. Those claimants assessed as able to carry out work-related activity are placed in the work-related activity group. Until now, being in the

work-related activity group has simply required claimants to attend regular work-focused interviews. Many claimants welcome that engagement with advisers, and it is important that support is provided to individuals with a limited capacity for work to allow them to take real and active steps to improve their chances of securing employment.

I think that we would all agree that it is not acceptable to write people off on a lifetime of benefits because they have a health condition or a disability. Indeed, many of those with health conditions can sustain and make progress in employment. There are people in Northern Ireland who are trapped in poverty and worklessness often over several generations; that cannot be ignored, and it needs to be addressed. Evidence shows that work is good for physical and mental well-being, that it can be beneficial for individuals with health conditions and disabilities, and that being out of work can contribute to poorer health and other negative outcomes. It is important that claimants with health conditions get the support that they need to prepare them for a return to work, and that, in return, claimants who are capable of undertaking steps to prepare for a return to work should do so.

The regulations provide for a written action plan that will record and monitor actions that claimants are expected to take. The nature of any work-related activity will be agreed in consultation with claimants, and advisers will work closely with them with an emphasis on identifying what activity will work for individual claimants. That activity will always be reasonable, realistic and relevant to claimants' special circumstances, with an overall aim of helping claimants to move closer to a return to work.

It should be noted that claimants will not be required to undertake medical treatment, nor will they be required to apply for or to take up work. However, claimants will be expected and encouraged to take up the support that is offered and to participate actively in their journey towards employment. There will be an emphasis that, for most people, employment and support allowance is a temporary benefit, and a reinforcement of the principle that with the receipt of benefits comes personal responsibility.

Employment and support allowance claimants in the work-related activity group receive a work-related activity component, which reflects

the efforts that they are expected to make in seeking opportunities to improve their employment prospects.

Receipt of that top-up is dependent on their undertaking the activities that are required of them. Carrying out work-related activity as directed reflects just such a demonstration, and so will, via this legislation, become a condition of receipt of the work-related activity component.

If a claimant fails without good cause to undertake activity as instructed, a decision will be taken on whether that failure calls into question their continued receipt of the work-related activity component. If it is decided to impose a penalty, the work-related activity component will, in the first instance, be reduced by 50%. If, after four weeks, the claimant has not demonstrated that they have re-engaged with the work-related activity, reduction in the work-related component would increase to 100%.

Claimants will always be provided with the opportunity to show good cause for failing to carry out work-related activity. However, this legislation does not include a long list of suggested acceptable reasons for failure, as might have appeared previously, and this does not, in fact, in any way reflect a tightening up of acceptable reasons — quite the opposite. It emphasises the flexibility that is available to decision-makers in using their discretion to judge each case on its merits. The claimant will always have the capacity to reinstate the work-related component of their benefit by re-engaging with their adviser and undertaking activity, either as previously instructed or through a suitable agreed alternative.

Active engagement with the labour market represents the best opportunity for the future for those claimants with some capacity to work. Taking practical steps, in the shape of carefully considered work-related activity, is the best route towards that goal. Allowing flexibility for advisers in supporting claimants — while establishing a fair but effective framework around responsibility and sanctions — will be the first step in transforming employment and support allowance into a forward-looking, active benefit that balances support, obligation, flexibility and conditionality.

**Mr A Maskey (The Chairperson of the Committee for Social Development):** Go raibh maith agat, a Cheann Comhairle. The Committee has agreed to support the statutory rule. I will outline some

of the points that the Committee dealt with thoroughly.

The Committee regards its scrutiny role as very important, and it has been thorough in examining this issue over the past months. Indeed, at its meeting on 2 June this year, the Committee had its first sight of, and considered, the proposed statutory rule. I can safely say that all members of the Committee came at this against the backdrop of what are, in many cases, their fundamental concerns about British Government proposals for what they call welfare reforms. People are sceptical about many such proposals, which come from a policy that is ideologically driven from London. Notwithstanding that context, which it is important to set out in the House, the Committee had fundamental concerns about how this statutory rule may be implemented.

Committee members' important primary concerns were around whether staff who will carry out some of those interviews will be sufficiently trained or skilled to recognise difficulties in respect of mental health issues of, for example, bipolar disorder, depression, autism or such illnesses. Committee members were concerned that the officials carrying out work-related interviews will not be sufficiently skilled in those matters to make proper assessments.

The Department came back with responses, and the Minister has outlined some of those assurances. The Committee was given assurances that DEL staff will be properly skilled and have had to take certain training modules. On the basis of the assurances that were given, the Committee agreed, on 8 September, to support the statutory rule being laid.

#### 10.45 am

**Mr P Ramsey:** Further to the Committee Chair's point about specially trained disability advisers, I chair the all-party group on learning disability, and, for a long time now, people have been deeply worried about the fact that there are not sufficient numbers of disability advisers to adequately deal with the range and complexity of disability issues across all the constituencies in Northern Ireland. Does the Member concur that that is the case? Will the Minister give an absolute assurance that the Department will look into that to ensure that the issue is addressed?

**Mr A Maskey:** I thank the Member for his intervention. He makes a very important point.

That is why Committee members — my colleague Mickey Brady was most vocal on the issue — considered the issue at length and questioned departmental officials about it specifically. We were given an assurance.

I have to put on record the fact that many members of the Committee have serious concerns about the process by which people arrive at work-related interviews. Indeed, it is safe to say that there have been a number of reports in the public domain quite recently in which the organisation Atos Healthcare has been severely criticised. Members of the Committee, therefore, sought an assurance from the Department and directly from the Minister that the people who conduct work-related interviews, the principle of which no one has any difficulty with, are properly and appropriately trained to make sure that they conduct their assessments and their work with claimants with the highest integrity. Having been given those assurances, the Committee, as I said, unanimously consented to the statutory rule being made. Of course, given that the Committee takes its scrutiny role very seriously, it will seek to monitor how that is delivered in the time ahead. The Committee endorses the statutory rule, despite the reservations that I outlined and to which the Member referred, and which the Minister sought to address in his opening remarks. The Committee will continue to do that.

I will wear my party cap for a moment or two. Our party, including our Members on the Committee and the rest of our party colleagues, is very concerned about the issue. As I said, we are very focused on the fact that the so-called welfare reform programme is being ideologically driven by the Government in London. It is about driving down benefits, expenditure and so on and so forth. In the first instance, it is an attack on people who claim benefits. That being said, my party wants to work with the Department and the Minister. Indeed, my party colleagues and I will meet the Minister shortly after this morning's debate. We want to work with the Department and the Minister to see how we can alleviate the most negative impacts of some of the changes coming down the track. We will, of course, have to discuss many of them in the House in the time ahead.

My party is very anxious to make sure that the people who are entitled to benefits get them and that the people who require and



want support to get back into work get the appropriate level of support from, in this instance, the Social Security Agency or staff in DEL. We will continue to monitor that.

On behalf of the Committee, I confirm that it is content that the rule be made. The Committee is determined to monitor that in the time ahead to make sure that what the Minister assures us will happen does happen.

**Mr Easton:** Will the Minister explain how employment advisers will decide whether claimants are required to undertake work-related activities?

**Mr Speaker:** Order. I just want to try to get the procedure in the House right. There are no questions to the Minister, because it is not a ministerial statement. It is a statutory rule, which is treated more or less like a Bill as it travels through the House. There is no time limit on what we are dealing with this morning. Does the Member want to carry on or has he finished?

**Mr Easton:** I just wanted a bit of clarification on that small issue.

**Mr Durkan:** Like the Chair of the Committee, I wish to speak with my party hat on.

My party also has issues with the whole onset of welfare reform and, in this respect, with the migration of claimants from incapacity benefit to ESA. We should welcome any measures to ease that transition for vulnerable people. It is important that we do what we can to get people who are able back to work. There is no doubt that some people abuse the system. That needs to be rooted out. However, we are concerned that the new system will abuse other people. We are concerned that, given the inordinately high percentage of incapacity benefit recipients in the North compared with that in the UK, people will be deemed to be able to work when they quite simply are not.

As more and more welfare reform legislation comes to the House, debate will become less about party politics and all about parity politics. The legislation that we debate today is certainly not punitive when compared with other stuff that will be coming over the hill. We support the regulations.

**Mr Brady:** Go raibh maith agat, a Cheann Comhairle. As the Chairperson said, many reservations were expressed in Committee. After

it sought reassurances from the Department, the Committee endorsed the statutory rule. Basically, these regulations deal with people who actually reach the stage at which they have work-related interviews. The difficulty is how they reach that stage. That relates to the work-capability assessment, which, I accept, is a different issue. Perhaps it needs to be dealt with another day. However, those issues are linked. It is difficult to get away from that.

Since 20 June 2011, Atos, the private company that has carried out work-capability assessments, has come under a lot of criticism. Indeed, last night, part of a news item on Channel 4 highlighted that. Recently, I dealt with a constituent who underwent one of those assessments. That person was deemed not to have mental health problems because, according to the healthcare professional, who was a nurse, not a doctor, they did not appear to actively rock back and forth in the chair during the assessment. I received a copy of that report. It is bizarre to say the least.

I urge the Minister to consider that. In its response to the Committee's reservations on that particular legislation, the Social Security Agency stated that it is fully committed to high standards of decision-making. So it should be. It went on to state that it has in place specific training packages for decision-makers and a decision-making forum in which staff can share best practice. Again, that is how it should be. However, although I accept that it is a different issue, the Minister should address the fact that people arrive at interviews for the work-capability assessment because they have been assessed through particular tick-box exercises.

**Mr McCausland:** I thank Members for their contributions. I am, indeed, pleased that, as the Committee Chairperson outlined earlier, when the matter came before the Committee, it received support from all of the political parties, albeit with reservations and concerns about how all of it would work in practice. That cross-party agreement is valuable and important. I thank the Chairperson for the positive way in which the Committee has dealt with the regulations.

Individual Members raised a number of points. In particular, the question was raised about the training of staff, especially on mental health issues. DEL, which has responsibility for work-focused interviews, advises that staff in jobs and benefits offices and jobcentres are fully



trained to deliver the work-focused interview service to claimants. The pathways employment service advisers and team leaders undergo a health and disability module, which is delivered by the Department's occupational psychology service. It covers the area of mental health and employment. That was enhanced in preparation for the introduction of ESA to cover more severe mental health issues such as psychosis and very severe depression.

The Disability Employment Service recognised the need for advisers to be provided with skills and a framework to provide support to claimants who are at risk of suicide. Consequently, it procured PIPS programmes to deliver a programme of suicide-awareness training to all pathways advisers and team leaders across the DEL network. The Department's occupational psychologists worked closely with pathways teams to offer support on a case-conference basis, analysing and discussing the most complex cases such as mental ill health. Advisers can also refer such claimants for occupational assessment in order that suitable jobs and support needs are identified. DEL has been instrumental in building links between specialist disability organisations and the pathways adviser teams in order that claimants with conditions such as mental ill health can avail themselves of local and appropriate support as and when necessary. That is included —

**Mr F McCann:** Will the Minister give way?

**Mr McCausland:** Yes, OK.

**Mr F McCann:** I have a couple of points. Alex said that, at the Committee, we asked the Department to reassure us that all eventualities would be covered. However, quite a number of organisations that deal with people with mental illness and disabilities are seriously concerned about the progression of the legislation, and some people raised a concern that, when people are sent to jobs to bring them back into the workforce, they are being paid £10 a week for stacking shelves in supermarkets. Do you not think that that might be doing somebody out of a full-time job and allowing businesses to get workers on the cheap?

**Mr McCausland:** I will conclude the point that I was about to make, which was that, as part of the staff training, a number of mental health organisations, including Action Mental Health and Mencap, have made presentations to and

had discussions with advisers in local offices throughout the year.

A lot of the focus is on mental health; that seems to be the area about which there is most concern. That is understandable because it can be difficult at times to understand the mental state of a person who comes into an office because, quite often, such conditions can fluctuate. A person may have a particular state of mind in the morning and be different in the afternoon. There are fluctuations even within the day. So, there are concerns about mental health problems, which are particularly prevalent in Northern Ireland, and, as the Member will know, there is a much higher level of mental health issues in some constituencies than in others. I assure the Member that, as far as possible, I am confident that considerable concern is being given to this and that considerable efforts are being made to ensure that, if people have mental health difficulties, they will be taken into account as far as possible.

I am sure that, as time goes on and as we work at this, issues will crop up —

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

**Mr McCausland:** I will just finish this point. I am sure that, as the work goes on, people will come across issues where things do not work out as they should, and lessons can be learned from that. When any change happens in any system, there are always difficulties and hiccups on the way. We need to make sure that we learn from those, and, if there are cases where the system does not operate as it should, it is important that they are brought to the attention of officials so that they can be looked at and so that lessons can be learned.

**Mr Durkan:** I thank the Minister for giving way. Could the Minister give similar assurances as he gave on the mental health issue about conditions with fluctuating degrees of severity such as Parkinson's disease and MS?

**Mr McCausland:** I am sure that the Member will appreciate the point that I have just made that, when any new change takes place, there are always difficulties and hiccups on the way and lessons to be learned. It is important that those are learned. So, I assure the Member that there is an awareness of the importance of not only mental health issues but other issues as well, and the Member has highlighted one in which

the condition of the individual changes from time to time.

I assure the Member that good cause for not being able to attend and, perhaps, the appropriateness of some work will be taken into account.

#### **11.00 am**

Work-related activity was raised as a point, and, in the initial statement, I emphasised that any work-related activity would have to be reasonable, realistic and relevant. Fra McCann asked whether someone being put into work would do someone else out of a job. I am not aware of the wages that are to be paid to people, but, obviously, if you were to put someone into a situation, there would be fewer hours of work for someone else. I will ask officials to look at that issue, and I emphasise that some of it is more the responsibility of DEL than DSD. We will encourage a look at the nature of the work that people are put into. Quite often, when people have been out of work for a very long time and the skills base needs to be built up, it is difficult to find the work that is most appropriate for them.

Members raised the issue of disability advisers, and I will speak to the Minister for Employment and Learning about that. Mickey Brady raised points about work capability assessments. I am meeting some folk after the debate about that, when we can discuss those matters.

Alex Easton asked how employment advisers would decide when to require a claimant to undertake work-related activity. The defined work-related activity for fresh claimants is that they have to go through six work-focused interviews. Following on from the work-focused interviews, the adviser will agree a personal action plan with the claimant, with the primary aim of helping the person to move into or to return to employment as quickly as possible. Therefore, the disability employment service will have in place a support model consisting of disability employment managers and occupational psychologists. They provide the advice, support and guidance to the advisers who serve the claimants in the jobs and benefits and jobcentre network. They will also deliver training and coaching on topics such as disability awareness, addressing barriers to employment, caseload management and so on. That support will enable advisers to make evidence-based decisions that may result in a

claimant being able to take part in work-related activity.

I trust that I have dealt with the issues that Members raised, but, if I have inadvertently failed to do so, I will write to them in due course. I commend the motion to the House.

*Question put and agreed to.*

*Resolved:*

*That the Employment and Support Allowance (Work-related Activity) Regulations (Northern Ireland) 2011 be approved.*

## **Land Registry (Fees) Order (Northern Ireland) 2011**

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

*That the Land Registry (Fees) Order (Northern Ireland) 2011 be affirmed.*

This order, under section 84 of the Land Registration Act (Northern Ireland) 1970, seeks to adjust fees charged by Land Registry to ensure that the fees cover the costs of registration activity. That is in line with the requirements of the Act. The fees set down in the order will replace those that are currently in force under the 2010 fees order.

Members will wish to note that the statutory rule itself is brief. It increases fees that, in accordance with the statutory regulations, have been endorsed by the Land Registry rules committee, chaired by a High Court judge and including representatives of the Bar Council and the Law Society of Northern Ireland. I hear Members tittering behind me, and I am not so sure that that is an endorsement, but that is how it has been endorsed. Under the Land Registration Act (Northern Ireland) 1970, there is a legislative requirement for Land and Property Services, in relation to registration services, to recover fully the costs of the service provided.

Recent indications are that income in this financial year will not cover costs. The shortfall is due mainly to a decline in workload as a result of the depressed property market and to a fall in property prices. Lower property prices result in lower registration fees. There has also been an increase in the registration directorate's apportionment of departmental costs for administration services provided to LPS. Those factors, together with the increases in salary costs for registration staff due to the recent equal pay settlement, outweigh the efficiencies previously achieved in LPS.

The draft order will increase registration fees by up to 20%. However, it will retain a discounted fee for applications that are submitted electronically via the e-registration method. E-registration has been a great success. The increase in take-up has risen from 15% to 73% in-year. The e-registration system enables solicitors to make applications online, and it contains validation processes that assist in ensuring that the applications are complete before they are submitted. The system has benefits in

registration services for the solicitors who use it, as well as for citizens, as it ensures that registrations are carried out more efficiently. The e-registration system has improved the applications that are submitted. It has enabled LPS to make efficiencies in postage and staffing, as well as facilitating quicker turnaround times. It is, therefore, important that the new scale fees retain that incentive to ensure that the efficiencies that have been made already are fully realised.

Following the completion of legislation earlier this year, except for a small minority of cases, the Land Registry will no longer require the lodgement of land certificates to complete property transactions. It is anticipated that that will speed up registration processing time and reduce LPS overheads for the storage and management of documents. Some customers may still wish to use land certificates and request new certificates in situations where, for example, land is subdivided. However, to support the implementation of the earlier legislation, which will facilitate full electronic registration, it is proposed to levy enhanced fees for the production of new land certificates, updates to existing land certificates and the issuing of certificates of charge.

Other charges include an increase from £3.50 to £4 for the standard search fee. There will be an increase of 50p for copy maps and documents, excluding uncertificated copy folios. The fee for section 53 applications, which are very complex, will be increased to £250, and the fee for any application that requires a registrar to rule on any matter will be increased to £200. The proposed changes will result in the fee for the current average house price sale rising from £240 to £300. Members should, however, note that that fee is £90 less than the average £208 fee for a house sale transaction that existed when properties were selling at considerably higher prices.

Higher property prices generate greater fees for Land Registry, and considerable efficiencies have been introduced to registration services to drive down the costs and overheads of the organisation. Members should also note that the proposed order will have the lowest scale fee for home registries for properties that are being transferred in the maximum price bracket.

Although I consider that any fee increase should be avoided where possible, I am content

that the draft order strikes the right and fair balance. I am also content that it is continuing to encourage fee reductions for applications lodged in electronic format, which will continue to drive further efficiencies and deliver improved customer services. In line with the convention of giving the legal profession prior notice of the implementation of new fees, I propose that the new order come into effect from 1 February 2012.

My Executive colleagues and members of the Committee for Finance and Personnel were advised of my intention to make the statutory rule. No comments were received on the proposed introduction. The Committee was content with the statutory rule. Therefore, I recommend that the Land Registry (Fees) Order (Northern Ireland) 2011 be affirmed.

**Mr Murphy (The Chairperson of the Committee for Finance and Personnel):** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire. I thank the Minister for his opening remarks. The policy proposals contained in the statutory rule were considered by the Committee on 21 September 2011. The Committee noted that the rule seeks to prescribe land registration fees to ensure that, as far as is practicable, they are set at a level that will produce an annual amount sufficient to pay all salaries, remuneration and other expenses relating to the operating costs of the Land Registry, which is part of Land and Property Services.

The Committee formally considered the statutory rule that is before the Assembly today on 9 November 2011, together with the accompanying report from the Assembly's Examiner of Statutory Rules. The Committee agreed to recommend that the Land Registry (Fees) Order (NI) 2011 be affirmed by the Assembly. Therefore, I support the motion.

**Mr Girvan:** I, too, affirm the motion. I agree that the cost of delivering the service must be covered by the fees received. In light of the comments made by the Minister about the downturn in the housing market and the resulting revenue reduction incurred, I see no alternative to the implementation of what is, in the overall scheme of things, a small proportion of the purchase price of a property or the transfer of the deed across and registration thereof.

This has probably been the only course of action that we could take. Processes have been put in place to improve efficiency in the Department to ensure that the digitisation of maps and the

transmission of that have improved, as well as the establishment of the e-registration process. It is good to see that solicitors are availing themselves of the e-registration process, which means that they can pass on the reduction in cost and save money for their clients. It is good to encourage people to use and take advantage of that portal.

The DUP supports the motion.

**Mr Wilson:** I am pleased that there has been consensus of support across the Assembly for the regulations. I thank the Committee for Finance and Personnel and its Chair, Conor Murphy, for the positive manner in which they have dealt with the statutory rule.

In my opening comments, I made clear the reasons for the proposals. The service is sold to the public and, of course, is of benefit to those who are purchasing properties. Like any other service that is available from professional sources, it has to cover its costs; it is not subsidised. That does not mean that we have been lax in the costing of this service. We have sought ways of driving efficiencies through the system. We have cut staff, and we have looked at ways of reducing overheads. The use of e-registration has been one of the big ways of reducing overheads. That is in addition to the other efficiencies that would have been passed on through the normal savings that LPS would have been required to find.

I thank Members for their support and commend the motion to the House.

*Question put and agreed to.*

*Resolved:*

*That the Land Registry (Fees) Order (Northern Ireland) 2011 be affirmed.*



**11.15 am**

## **Registration of Deeds (Fees) Order (Northern Ireland) 2011**

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

*That the Registration of Deeds (Fees) Order (Northern Ireland) 2011 be affirmed.*

The order, under section 16 of the Registration of Deeds Act (Northern Ireland) 1970 seeks to increase the Registry of Deeds fees in line with the rise in the overall costs of delivering services. The fees set down in the order will replace those currently in force under the Registration of Deeds (Fees) Order (Northern Ireland) 2007.

The 2007 order introduced zero charging for records prior to 1 January 1990. That was set on the premise that the searching of those records would continue to decline over time. The volume of searching has not declined as expected, and the continued use of records has necessitated investment to replace the memorial microfilm and microfilm readers, which are now beyond repair. To offset that investment, the new fees order will include charges for permits, which will allow searchers to access pre-1990 records on a daily, monthly or annual basis.

The draft order proposes to increase many of the registration fees by £2. For example, the fee for a special certificate of registration will increase from £13 to £15; a certified copy memorial that was filed under the Registration of Deeds Act will rise from £15 to £17; and the fee for registration of an entry for satisfaction of a mortgage will go up from £8 to £10. Other proposed changes include searching fees. Electronic records that have been filed since 1 January 1990 will now include a fee of £7 for every set of up to 90 results where the customer searches via the internet. Where the customer searches via the agency's facilities, a fee of £10 for every set of up to 90 results will be incurred. In addition, the fee for a common or negative search is to increase from £25 to £30.

The fee increases will ensure that the costs of delivering the Registry of Deeds services are covered by the fees charged. I confirm that consultation has taken place with the Law Society of Northern Ireland. In line with the convention of giving the legal profession prior notice of the implementation of new fees, I

propose that the new order will come into effect on 1 February 2012.

My Executive colleagues and members of the Committee for Finance and Personnel were advised of my intention to make the statutory rule. No comments were received on the proposed introduction. The Committee was content with the statutory rule. Therefore, I recommend that the Registration of Deeds (Fees) Order (Northern Ireland) 2011 be affirmed.

**Mr Murphy (The Chairperson of the Committee for Finance and Personnel):** Go raibh maith agat, a Cheann Comhairle. Gabhaim buíochas leis an Aire arís. I again thank the Minister for his remarks. The policy proposals contained in the statutory rule were considered by the Committee on 21 September this year. The Committee noted that the rule seeks to prescribe the fees to be taken in respect of documents lodged for registration in the Registry of Deeds and of entries, records, examinations, inspections, certificates and copies that are made and other matters that are done in that registry under the Registration of Deeds Act. The Committee did not have any issues to raise in respect of the policy proposals.

The Committee formally considered the statutory rule that is before the Assembly today at its meeting on 9 November 2011 together with the accompanying report from the Assembly's Examiner of Statutory Rules. The Committee agreed to recommend that the Registration of Deeds (Fees) Order (NI) 2011 be affirmed by the Assembly. Therefore, I support the motion.

**Mr Girvan:** I, too, support the motion that has been put forward by the Minister. I thank him for bringing it to the House this morning. I appreciate that some of the figures that have been mentioned are modest. We appreciate that, in this time of austerity, we are attempting to just cover the cost of delivering the service. In doing so, we have attempted to keep everything at as low a level as possible. As far as the Committee is concerned, I agree with the Chair. I was present at that meeting, and I agree that that was the case. On behalf of the DUP, I support the motion.

**Mr Wilson:** Once again, I am pleased with the consensus of support across the Assembly for the regulations. Again, I thank the Committee for Finance and Personnel and its Chair, Conor Murphy, for the positive manner in which they have dealt with the statutory rule.

Question put and agreed to.

Resolved:

*That the Registration of Deeds (Fees) Order (Northern Ireland) 2011 be affirmed.*

## Private Members' Business

### Sports Clubs: Rate Relief

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

**Mr Swann:** I beg to move

*That this Assembly recognises the benefits which community and amateur sports clubs bring to local communities; notes the vital role which they play in encouraging participation in sporting activities and the contribution they make in promoting healthy lifestyles; and calls on the Minister of Finance and Personnel to raise the rate relief afforded to these clubs from 80 to 100 to ensure parity with equivalent clubs in other parts of the UK.*

I thank the Business Committee for allotting time for me to raise the issue, and I thank the Minister for his presence. It is with great pleasure that I bring the motion to the House. I do so not without care and consideration but after conversation and consultation with a number of the main sporting bodies in Northern Ireland: the Irish Rugby Football Union (IRFU), the Gaelic Athletic Association (GAA) and the Irish Football Association (IFA). However, rate relief is also a priority for many small, community-based sports clubs. I saw an opportunity to bring their requests for rate relief equality with their counterparts in other parts of the UK, under the community amateur sports clubs (CASC) scheme, before the House today, and I am aware that I am not the only Member to have been approached by one if not all of those representative bodies on the issue. I am also aware that it is high on the list of priorities for the all-party Assembly group on rugby. The motion is also timely, in recognition of the announcement by the BBC this morning of the possibility that Northern Ireland may face an "obesity tsunami" in our young people. The motion could in some way tackle that as well.

The Programme for Government that was launched last week makes several specific commitments for sport over the next few years:

to develop sports stadiums, as agreed with the IFA, GAA and Ulster Rugby; to host the World Police and Fire Games; and to host a significant golf tournament. That is all very commendable, but what is missing is the recognition of the benefits of sport and leisure to the longer-term health and well-being of our society. Commitments to increase support for grass-roots participation are also lacking.

Unfortunately, my colleagues and I are not able to support the amendment at this stage. However, that is not to say that the situation may not change during the debate, depending on the comments made by Mr Hamilton and his colleagues. We feel that “to examine” is not the same as “to raise”, but of greater concern is the fact that the amendment would not even commit the Assembly to keeping the status quo.

The amendment is not strong enough and weakens the proposal to the point at which the Department of Finance and Personnel (DFP) could roll back on prior decisions on rate relief. Having brought the motion to the House, I would find it hard to stomach if our amateur sports clubs could face less than 80% rate relief as a result. I am sure that Mr Hamilton will reassure me otherwise, but I and my colleagues, before we could support the amendment, will need to hear how long such an examination would take and how soon we could work with clubs to increase the benefit of sporting activity using the finances that would become available to local clubs.

I pay tribute to the vast amount of work being carried out by the main sports governing bodies in setting their targets on participation. We need to be equally supportive in this place. I also pay tribute to all the parties in the Assembly that recognised the value of grass-roots sports in their manifesto. I hope that they demonstrate that here today by supporting the motion.

Sports clubs play an essential and significant role in the development of sport in Northern Ireland. Clubs impact on sport by providing opportunities for participants to enjoy positive sporting experiences, and they provide environments where, in partnership with governing bodies and other agencies, young athletes can be supported to realise their full potential in their sport. In all, 29% of 16- to 17-year-olds and 59% of 11- to 16-year-olds are members of at least one sports club. In the overwhelming majority of cases, the clubs are operated by

enthusiastic and dedicated volunteers who perform a range of coaching, management and administrative roles, as well as many others. It is estimated that 37,233 volunteers dedicate their time to formal volunteering opportunities in sports clubs, of whom 18,095 are involved in at least one a week. A conservative estimate of the monetary value of the contribution made by volunteers in sports clubs is that it is in the order of £180,950 a week or well over £9 million a year. The Sport and Recreation Alliance's findings support the proposition that government's investment in supporting the sporting voluntary sector has a return of up to £30 for every £1 invested.

The previous Committee for Culture, Arts and Leisure carried out an inquiry that came to the conclusion that the Executive needed to champion participation in sport and physical activity and ensure that all relevant Departments were assigned targets for facilitating participation opportunities under the next Programme for Government. The Committee recommended that the Department of Health, Social Services and Public Safety should invest more of its budget on preventive health measures that involved participation in physical activity as a means of reducing obesity-related illness and the associated financial cost to the health service over future years.

We should also note that the positive health and well-being from participation and social interaction goes far beyond simply addressing obesity and has a major impact on positive mental health. Mr Weir said yesterday that there was a danger that we could produce young people in Northern Ireland with the most able thumbs if they only rely on Xboxes. That is why we want to support amateur sports clubs: to get those young people not just into our libraries but out on to the sports fields.

**Mr Weir:** Obviously that is an issue that my colleagues will develop later, but I expressed concern that we would have a generation that are very skilled with their thumbs and nothing else. One of the problems is that, if we carbon-copy what is in England, we will actually get lots of sports clubs spending their time filling in an enormous number of forms because what is there in England is not automatic across the board but is discretionary. That is one of the areas that will need to be looked at. I am sure that my colleagues will develop that point when they speak on the issue.



**Mr Swann:** I thank the Member for his intervention. My colleagues will likewise expand on that subject later, so I hope that he is still here to pay attention.

The previous Minister, Nelson McCausland, addressed the Committee as part of that inquiry and stated:

*"As the Committee will be aware, Sport Matters estimates that an additional £134 million will be needed over the next 10 years to achieve all the aims of the strategy. It also recognises that no one organisation can singlehandedly meet that shortfall. All public, private and voluntary stakeholders have a role to play. However, it is important for central government and the Northern Ireland Assembly to set the example. If the Executive are to fulfil their commitments to sport and physical recreation in Sport Matters and deliver the wider benefits, Ministers and Departments need to look imaginatively at ways of supporting each other practically and financially."*

The Current Minister of Culture, Arts and Leisure, in response to a question I asked last week, said:

*"One of the contradictions that sports clubs have pointed out to me when I have met them is that, because many of their sports are not funded, they must fundraise, particularly for additional activities. They spend most of their time fundraising. They did not volunteer to be fundraisers; they volunteered to be coaches, to wash kits and to turn up and do whatever they can. I do not know how that balance will be struck for many of those clubs, but I encourage Sport NI to take a more prominent role in helping clubs. Some pressure needs to be taken off them so that they can get on with doing the work that they want to; after all, they volunteered and gave up their free time to do that." — [Official Report, Vol 68, No 6, p349, col 2].*

Sport NI, in its report 'Bridging the Gap', states:

*"Sport and physical recreation, including the provision of quality sports facilities, can have a profound effect on peoples' lives, whether it's future athletes being inspired by world-class performances, or older people and women becoming more active. It also plays a role in improving health and well-being, education, and contributes to improving social cohesion."*

The report also identifies the current lack of provision needed to meet that demand, a shortfall of 142 badminton courts, six swimming pools, 612 tennis courts, three athletics tracks and 2,221 acres of grass pitches, which could be 829 grass or 207 synthetic sports pitches or

a mixture of the two. We recognise the demand. We also recognise the financial constraints within which we operate.

Sports governing bodies in Northern Ireland want to develop their sports and the infrastructure. They recognise the financial situation and want to play their role. The motion is about starting the process of working smarter with a joined-up government to get to the point that we all want to reach.

### 11.30 am

**Mr Hamilton:** I beg to move the following amendment: Leave out all after "Personnel" and insert

*"to examine the rate relief afforded to these clubs."*

I thank Mr Swann for tabling the motion. In moving the amendment, I will split the motion into two parts. At the start of the motion, there is recognition, and at the end, there is a call to action. In my speech, I will deal with aspects of the motion, but probably more so towards the end.

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

All Members will subscribe, wholeheartedly and 100%, to the first part of the motion, which stresses the obvious value of amateur sports clubs to society in Northern Ireland. We watch sport on television and see professionals at the height of their game, but we sometimes forget that the backbone of sport in Northern Ireland, as in any society, is the amateur sports club. Amateur clubs have by far the greatest number of members and are rooted in every community in Northern Ireland. Were it not for amateur clubs producing talent, professional clubs at the higher end of the game would not be able to do their job. We focus on the big money-making teams and forget that were it not for the bedrock of amateur sport, the professional end would not be there at all.

I have seen that in my constituency. I see some of the volunteers about whom Mr Swann spoke, who freely give up their time for nothing other than love of the sport in which they are involved. They give up not only Saturday afternoons but week nights; sometimes they give up entire weekends for trips to away matches. There is an admirable dedication that we should wholeheartedly support. It can be seen at a local level. I saw it when I was Chair of the Social Development Committee. Under that Department's remit for volunteering, I found out

just how big the sector is. One way or another, tens of thousands of people are involved.

On a personal level, my eldest son, although he is only five years old, goes to an amateur football club once a week to train, and hundreds of kids, from five to 15 years of age, go to that club to train every week. Were it not for that club and others like it in the locality, goodness only knows where some of those older kids might be and what they might be doing. We should all recognise that issue. Amateur sports clubs play a key role not only in promoting health, combating obesity and maintaining good physical fitness but in ensuring a more stable society in Northern Ireland.

There is no dispute with the first part of the motion, and there is not much dispute with the sentiments of the second part.

**Mr Humphrey:** I am grateful to the Member for giving way. I agree entirely with his comments on the role of local sports clubs in the community. Does he agree with me that, particularly in urban areas, they can provide a huge resource in giving young people a diversionary role and directing them away from negative elements in the community to a positive situation?

**Mr Hamilton:** The Member is absolutely right. It is no coincidence, for example, that a lot of midnight football is played in urban areas. That distracts kids from things that they may be involved in — or could become distracted and get involved in — and engages them in an activity that they all love and can unite around. Certainly, sport plays a key role not only in our towns and cities but across Northern Ireland.

I will make two general comments on the second part of the motion before I make a specific point, and I hope that the Member and his colleagues can unite around the amendment rather than the original motion.

There are risks involved in singling out good causes. We all recognise amateur sport as a good cause, but there is a risk in the Assembly asking for automatic rate relief, or some automatic action, that will cost the Executive money. All sorts of good causes could be singled out, and every one of them would be seen as worthy and deserving. Very soon, there could be an exceptionally complex rating system, and millions of pounds would have been given up.

That leads me to my second general comment about the costs involved. It is estimated that through the 80% rate relief, about £4 million is given to amateur sports clubs in Northern Ireland. It would cost about £1 million if that percentage were increased. Some might say that £1 million is not a terribly large amount of money, but in the context of all the reliefs that are offered by the rating system in Northern Ireland, we have to acknowledge that there is a cost there. The motion does not deal with that; that is not a weakness in itself but it is an issue. There are only two ways to deal with it. You either forgo the revenue and say that we, as an Executive, have £1 million less to spend on all sorts of things or you put the burden on to some other ratepayers.

**Mr McClarty:** Does the Member not also agree that there is a cost in not doing it? The health and well-being of young citizens would be adversely affected, and that would have an impact on our health service.

**Mr Hamilton:** You could make that argument with virtually anything. You could say that there is a cost in not doing something in relation to all sorts of causes. I go back to my first point: before you know it, you have chipped away at your rating system and made it more complex in the process.

The value of amateur sports clubs to society has been recognised in the relief given to sports clubs. It was recognised in 2004 when the relief that they received was extended from 65% to 80%. We give lots of reliefs to all sorts of organisations, particularly businesses. Indeed, some amateur sports clubs benefit from small business rate relief at the minute.

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

**Mr Hamilton:** I want to continue.

They will benefit further from the extension when we pass the legislation in the House.

The tail end of the motion refers to bringing us into line with the rest of the UK. As an avowed unionist, that is something that I always look to do. I am always keen to have parity with the rest of the United Kingdom as often as possible. However, in this instance, I am not convinced that it is entirely to the benefit of amateur sports clubs in Northern Ireland. I will explain why.

Amateur sports clubs in Northern Ireland get 80% relief automatically. As long as it is an

amateur sports club without any professional aspect, it gets that relief. That is not the case in Great Britain, where the system is very complex. Amateur sports clubs in Great Britain have to jump all sorts of registration hurdles with HMRC. They have to register as a charity or with Community Amateur Sports Clubs, an organisation that advises its members that doing that is sometimes not necessarily to the benefit of a club.

Mr Weir made a valid point in his intervention. A lot of people who are involved in clubs do it for the love of the sport. They know that there is some administrative burden on them. When we took through legislation on the registration of clubs last term, my experience was that people involved in those clubs do not want more and more administration and bureaucracy pushed on them. Having to register with HMRC or the Charity Commission would do that. We have to bear in mind that, for that reason, it may not be in the interest of some clubs.

The issue with the 20% additional discretionary relief is that it is discretionary and not always applied. Indeed, a great number of clubs in Great Britain do not get it. In some cases, the local authority uses its discretion, and restrictions are put on membership and the membership fees charged, which takes you into a whole debate about what is a worthy sport or club and what is not.

To say that we should move to 100% automatic relief as in the rest of the UK is not accurate, hence the amendment put forward by me and my colleagues that we should examine the rate relief. Our argument is that the system in Great Britain is not necessarily to the benefit of clubs.

**Mr Swann:** Mr Hamilton, will you give me an assurance that you will not look at it the other way and go back to 65% rate relief?

**Mr Hamilton:** I heard that point being made, and I intended to address it in the final minute that I have. As far as I am aware, there is no intention to do that. The Minister can answer much better than me, although perhaps it will be my responsibility at a later stage. There is no intention to go in the opposite direction. The fact that the rate relief increased from 65% to 80% shows that there is recognition of the value of amateur sports clubs.

Our point is that the GB system is much more complex and discretionary than our system.

Clubs in Northern Ireland may be better off with a guarantee of 80% than a hope of 100%. Indeed, some already benefit from small business rate relief, and they will continue to do so.

The Member is a member of the Committee for Culture, Arts and Leisure, and he mentioned the Department of Culture, Arts and Leisure (DCAL) quite a lot. In taking the issue forward, there is an onus on DCAL to come forward with evidence to back up the case.

**Mr Deputy Speaker:** Bring your remarks to a close, please.

**Mr Hamilton:** Thank you, Mr Deputy Speaker. If DCAL brings that evidence to the Finance Minister, there will be every scope to look at the issue and to look at getting a system that will be to the benefit of clubs, not to their detriment.

**Mr Sheehan:** Go raibh maith agat, a LeasCheann Comhairle. I cannot disagree with much of what the previous two Members who spoke said. Let us face it: sport is good for society. Health benefits are accrued from it and it gives young people a focus in their lives. As Mr Humphrey said — *[Interruption.]* Sport takes young people off the streets when they may be involved in other activities that would have a negative impact on communities.

I speak with experience from my own club, and I suppose that I should have declared an interest as a member of the GAA. Every Saturday morning, you go along, and there are 150 to 200 kids between four and 14 years of age, and volunteers give up their time willingly to help to coach those young people, to take them to matches, to provide kits for them and to provide transport to matches. However, the difficulty is that, in the current climate, the cost of new kits for amateur sporting clubs has gone up, as have the costs of heating clubs, providing electricity and fuel for transport. Therefore, amateur sporting clubs are in a difficult position. It is not just the GAA. I do not want to focus solely on the GAA. Every weekend, soccer clubs and rugby clubs do the same. Amateur boxing clubs are another resource in our community, particularly in deprived and disadvantaged areas in Belfast. They take the kids off the streets at night, train them, provide a healthy lifestyle and give them a focus in their lives.

We all know of the health benefits of being involved in sport. Mr Swann mentioned the report on the radio this morning, which suggests

that an obesity tsunami will be coming down the tracks in five or 10 years. We have everything that is associated with obesity, such as stroke, cardiovascular disease, certain types of cancer, and so on. Unfortunately, in the report by the Committee for Culture, Arts and Leisure in 2010, Sport NI reported that participation in sport and physical activity is actually falling. Mr Swann also said that the Executive need to champion sporting and physical activity. One way of doing that is by providing 100% rate relief.

Of course, we need to look at the cost, and there is a cost in everything. The argument was developed to a certain extent about the dividend from any investment made in sport. My belief is that the dividend from a relatively small investment in amateur sporting clubs will be immense. We do not want added bureaucracy, and I am sure that there is some way of developing a system that can be easily resolved by amateur clubs.

We support the motion, and if it is not contradictory, we also support the amendment.

**Mr D Bradley:** Go raibh maith agat, a LeasCheann Comhairle. Éirím le tacaíocht a thabhairt don rún atá faoi bhráid an Tionóil inniu. I support the motion. I declare an interest as a member of St Patricks Gaelic Football Club, Carrickcruppen.

As previous Members who spoke said, sports clubs make a huge contribution to our society, which benefits all of us in many ways. Obviously, physical activity contributes greatly to health and well-being and saves society millions of pounds annually. More importantly, it saves hundreds of lives. On the other hand, physical inactivity is costing millions of pounds, year on year. The more people we can encourage into sport and physical activity, the more money we will save and the more lives we will improve and save.

#### 11.45 am

This is about more than simply saving money. Sport and physical activity improve people's lives in so many other ways. They improve people's mental health; create social capital, which is the cement that binds society together; and create a more cohesive society. Those who participate in sporting activities that are provided by sports clubs benefit from the physical activity, but they also learn other important skills. They learn values like teamwork, loyalty and selflessness, which, in turn, are transferred into other areas of their

lives, such as family, school, workplace and community. Those have a multiplier effect that gives tremendous added value to society as a whole. Although those who participate in sports activities may learn their skills on the field of play, they do not pick them up off the ground. It is through the interest and hard work of dedicated coaches who voluntarily give of their time and effort that they gain those skills. That in itself is a priceless contribution to our society.

Our young people are the main but not the only beneficiaries of sport, which can lift them out of cycles of inactivity and into positive healthy trajectories, which, in turn, improve their mental, physical and emotional well-being. The benefits of sport are not confined to young people. Across the age ranges, people benefit from the work of sports clubs through engaging in physical activity, but also through the social and cultural interactions and outlets that clubs and organisations provide.

It is impossible to place a monetary value on all those benefits but if it could be done, it would amount to a vast sum of money. Although the debate is, to some extent, about money, there are more important things involved, which are beyond the reach of money and which cannot be bought and can never be paid for, regardless of the contribution that government makes, welcome as it is. No government scheme, no matter how well designed and marketed, could replicate the work of the amateur sports club or organisation, fuelled as it is by the enthusiasm of the individual for the game and funnelled through the group activity of the club.

However, government has a role, and it is not to try to colonise the activity of the amateur clubs and organisations. That would be wrong, even if it were achievable. In my view, government's role is to act as a catalyst to provide the resources that can make it easier to make things happen. Government has contributed very usefully and generously to sports development here through Sport NI, which falls within the remit of the Department of Culture, Arts and Leisure; neighbourhood renewal, through the Department for Social Development; and physical education and coaching schemes in the Department of Education. I am sure that OFMDFM has contributed through various community relation initiatives. This is an opportunity for the Department of Finance and Personnel to make a further contribution by extending rate relief for sports clubs to 100%.



Mr Hamilton said that there is a cost to all of this. I hope that I can deal with that. In 2010, 77.6% of rates debt was achieved.

**Mr Deputy Speaker:** Bring your remarks to a close, please.

**Mr D Bradley:** That exceeded the 75% target by 2.6%, which was an increase of around £2 million.

**Mr Deputy Speaker:** Time is up.

**Mr D Bradley:** If we can continue to lessen rates debt —

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

**Mr D Bradley:** — we can use the money gained to pay for this measure.

**Mr Lyttle:** I, too, congratulate the proposers of the motion, and I welcome the opportunity that it presents for the Assembly to recognise the contribution that community and amateur sports clubs make to the health and well-being of men, women and children across Northern Ireland. I also welcome the call that it makes for additional support for our clubs, but I, too, would prefer that we afford the Minister an opportunity to examine the proposals in more detail.

As an amateur soccer player, with, admittedly, ever-decreasing success levels, and as a coach and a committee member, I am acutely aware of the vital contribution that volunteers make in our community and sports clubs. As has been mentioned, it is very often the local social or amateur sports club that is the hub of the physical and social activity of a community. It is a place where many people sacrifice their time and effort to ensure that our children and young people gain values and skills that allow them to achieve their true potential. It is also a place where lifelong and community-based learning allows people to achieve self-esteem and routes to employability that otherwise would not have been possible. I believe that, as an Assembly, we must be passionately concerned to do all that we can to ensure that that contribution is both recognised and resourced so that such positive experiences and outcomes can be delivered to as many people as possible.

We heard about obesity in the news today, and recommendations from the Chief Medical Officer also suggest that adults in Northern Ireland take part in at least 30 minutes of moderate physical activity five times a week. However, the reality is that closer to 35% do so,

meaning that little over a third of our population comes close to achieving those targets. If we compare those figures with 57% of Australians and 70% of the Finnish population, we begin to understand part of the reason why our health system is struggling to meet demand. We need to support our volunteers and communities to help us to change that scandalous situation. We must, therefore, recognise the preventative role that regular participation in sport can play in reducing the cost of inactivity to the health service, as well as the significant well-being and employability benefits that it can bring.

I have been fortunate to be involved in participation for most of my life. I am aware of the excellent community and sports clubs in my constituency, East Belfast, including Ridgeway Rovers under-12 soccer team, which recently defeated Swords Celtic to become all-Ireland champion in its age group. I had to get that mention in there.

On a serious note, it is that type of exchange and achievement that serves to highlight the important role that clubs play in the social fabric of our communities. The benefits of well-resourced community and sports clubs can be wide-ranging. Only last week, the Minister of Culture, Arts and Leisure highlighted the significance of volunteering in Northern Ireland and outlined the Department's efforts to increase opportunities throughout the region. The Northern Ireland Federation of Clubs reports that its own private-member, non-profit-making sports, social and recreational clubs provide volunteering opportunities for around 6,500 people. Figures reveal that clubs also provide job opportunities for many more. It has also been mentioned that enhancing and developing community cohesion is arguably more relevant in our community than in any other area of the UK or Ireland.

For all those reasons, I congratulate the proposers of the motion but I also accept that the amendment would afford the Minister of Finance an opportunity to properly examine this important issue and, I hope, return to the House with a full statement on improving community and sports club rate relief as a matter of urgency. I ask the Minister, and, indeed, the Executive, to consider in his examination the wide-ranging benefit that community and sports clubs deliver and to ensure that we offer them the fullest support possible.

**Mr Girvan:** I support the amendment. The motion highlights the benefits of sport to our community and is a good opportunity for the House to debate those benefits and the amateur clubs that deliver them. Those benefits are wide and varied.

I just asked my colleague beside me whether a darts club would be classed as amateur. There are a number of things about the motion that we need to look at seriously. We cannot look at the matter as being one for the Department of Finance and Personnel in isolation. As already alluded to, the Department of Culture, Arts and Leisure has a key responsibility in identifying which clubs should, or should not, benefit from rate relief. I appreciate that we have moved from 65% to 80% rate relief across the board without putting clubs through all the bureaucracy. For those clubs that are able and have the capacity to fill in forms, tick boxes and ensure that they have the correct registration, we have taken an approach that allows 80% rate relief across the board.

Mention has been made of what has happened in the rest of GB. Having had experience with some of the clubs based there, I can say that it is quite evident that they have a number of hoops to go through before they can achieve 100% rate relief. Not a large percentage does, and local authorities have some involvement in that as well. From that point of view, there are aspects that we need to look at seriously.

The costs associated with this would remove a certain amount of money from use in other areas. I am not saying that we have to throw the baby out with the bath water. However, some of the revenue generated could be used to support our hospitals, roads and schools. Rates are our only tax-gathering power in Northern Ireland, so we have to make very good use of them. We cannot hark back to what happened in the days when we received everything from the Exchequer in London. If we were able to fund this, it would be a penny out of —

**Mr Beggs:** Does the Member accept that there is a cost when a large number of people do not participate in sport? It is reflected subsequently in ill health and in our health systems. There is a cost to the public purse if we do not encourage participation in sport.

**Mr Girvan:** I appreciate that, and I take on board that there are health benefits from being involved in sport. There are also health risks

for those involved in sport. It depends on who is taking part. For instance, if you want to play rugby with me, I might end up slightly worse off. I look round the Chamber and I notice, with interest, that people have declared their involvement in certain clubs. Sometimes, I wonder whether that involvement is in only the social aspect of the club, and I say that with tongue in cheek.

I believe that there is merit in our having the debate today. We should not look at the Department of Finance and Personnel in isolation because other aspects need to be examined. The Minister of Health, Social Services and Public Safety was present this morning, and I appreciate that if people get involved and engage in sport, they can offset some of the illnesses that they may have in later life. There are great benefits to be gained from that. We should not take only a broad brush approach on this matter; there are private clubs that generate revenue due to paying members, and there are those that have a commercial aspect as well, in that they generate revenue from the hire of their facilities. All those aspects need to be considered. I think that the issue has to be looked at in the round. I still feel that we have taken the proper approach as regards clubs having 80% rate relief. I am not ruling out a full review to see whether there is a way to include other clubs and other ways of increasing rate relief for them. They can take advantage of the charities aspect, and I know that a number of them have done so.

## 12.00 noon

**Mr McLaughlin:** Go raibh maith agat, a LeasCheann Comhairle. I endorse the sentiment of the motion, and I congratulate our Ulster Unionist Party colleagues on tabling it. My party looked carefully at the motion and considered tabling an amendment. However, we decided simply to address our questions in the context of the debate and on the basis of supporting the motion. The amendment is constructive and helpful, and we will support it.

I will follow up on some of Paul Girvan's comments. If Members think about it, they will see that the reference to community and amateur sports serves to give them a broad definition. The Minister may give us some examples of the difficulties that such a broad definition might create. We should accept from the beginning that the differential between

80% and 100% rate relief will not make a significant difference to programme spend for the Executive. Indeed, we should factor in the cost of collecting those revenues and measure the health and social benefits of amateur club membership, as Members have repeatedly addressed. I am a lifelong member of the Seán Dolan's Gaelic Athletic Club in Derry. Therefore, I know the benefits, and Member after Member can testify to them. There is no difference between us on that. However, we might want to reflect on practical or operational issues, and the amendment provides that breathing space while allowing the parties in the Chamber to express their positive intent. This is a positive motion, and it is meant to address an issue that has health and well-being implications for our entire community. On that basis, we should find the ways and means to support it.

As Members have said, there are different types of club. We know about workplace social clubs. Over the years, such clubs emerged out of the industrial era that our economy experienced a generation ago. Nevertheless, some of those clubs continue to exist and have taken on different forms over the years. It is a necessity that we look at whether the existing system can be improved by providing additional relief. However, we might create additional problems that have not manifested themselves yet. If possible, we should establish the cost benefits as well as the social and well-being benefits, and doing that will take an assessment in the round. Therefore, my party supports the amendment.

I hope that the Members who tabled the motion will consider the note of caution that is being sounded and take another look at the motion. We may find ourselves involved in disputes and arbitration processes over which clubs are entitled to qualify. At the end of the day, it might end up being more costly than we had originally intended. We should try to preserve the original intention and find a way of moving forward.

**Mr Humphrey:** I declare an interest as a member of Woodvale Cricket Club, although I am long since retired. I thank the Members who tabled the motion, and I support the amendment.

The issue of 100% rate relief has been raised before, particularly by the GAA in a co-ordinated lobby in 2005-06. That lobby was followed equally effectively by the lobby of the Grand

Orange Lodge of Ireland and the Orange Community Network about the derating of Orange halls and community halls such as scout halls. I declare an interest as a founding member and a former board member of the Orange Community Network who was involved in that lobby. In the Orange fraternity, over 200 activities exist across the 600 halls in Northern Ireland, and 4,500 groups operate in those halls. Orange halls were, obviously, the very first community centres.

As other Members have, I commend the clubs that work — particularly in an urban context — in socially deprived areas on interfaces and close to interfaces for all the diversionary work that they do. It is absolutely vital. At the outset, I pay tribute to the clubs in my area, including Shankill United FC, which got to the semi-final of the Steel and Sons Cup this year and were beaten by a wee amateur team called Bangor FC. I also pay tribute to Woodvale FC, which won the IFA Junior Cup this year; Albert Foundry FC, which won the Clarence Cup in 2010; and, of course, Woodvale Cricket Club, which reached the Northern Cricket Union Junior Cup final and were beaten on the last ball. They were robbed. I also pay tribute to the former Minister of Culture, Arts and Leisure for the amount of work that he did in ensuring that sports facilities and investment in those facilities were high on the agenda and for recognising, as he did on many occasions, that the provision of sporting facilities is vital to addressing the problem of obesity in Northern Ireland as we go forward.

We must remember that the rates relief scheme does not apply to bars and restaurants in amateur sports clubs. Members mentioned that the 80% rates relief that clubs get is the same as the mandatory relief that exists in the rest of the United Kingdom. However, that is not an entirely true and accurate picture. In GB, the mandatory relief is 80%, regardless of the membership fee, and clubs qualify regardless of paying policies. That has been the case since 1978. To gain the 80% rates relief, clubs must be non-profit-making, engage in sport and have no professional players. It is important to remember that 100% rates relief in GB can depend on the local authority; it is not a universal or blanket policy. Therefore, whether clubs get 100% relief and are exempted from paying the extra 20% depends on local government



**Mr Swann:** In the Minister's review, which may come forward, is there a possibility that the decision on whether that 20% is granted could be taken away from local authorities and dealt with directly by the Department?

**Mr Humphrey:** I am sure that, in summing up, the Minister will deal with your point. The position that I have set out relates to the mainland, but the Minister can deal with that when making his comments.

Clubs that are registered with Her Majesty's Revenue and Customs as a charity or a community amateur sports club can receive mandatory 80% rates relief. However, many do not avail themselves of it, due to the huge obligations that are placed in their way and the lack of capacity that may exist in those clubs. It must be remembered that the clubs or associations that have the capacity and the expertise to fill in the forms and to see the process through are the ones that will benefit. Many of the clubs that we are talking about, in the communities that we represent, simply do not have that expertise. Therefore, it would be prudent of the House to support the amendment and for the Minister to come back at a future date —

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

**Mr Humphrey:** I am just coming to the end. It would be wise to allow the Minister, having listened to the debate, to come back at a future date with suggestions that may be of benefit to amateur clubs in Northern Ireland. We must remember that they are amateur clubs, and the capacity does not always exist.

**Mr Cree:** I was interested in Mr Humphrey's history of the issue. For the record, I will also cover that history, with slight variations.

Rates relief for sports and physical recreation facilities was granted under article 31 of the Rates (Northern Ireland) Order 1977. Since 2002, sports clubs that do not wish to register as charities can receive rates relief under that order if they register as community amateur sports clubs. Initially, such registered clubs here were granted a maximum of 65% rates relief. That changed with the introduction of the Rates (Capital Values, etc.) (Northern Ireland) Order 2006, which increased that level to 80%. However, the situation of clubs in the rest of the UK is different. For clubs in England and Wales, section 64 of the Local Government

Act 2003 provides 80% mandatory rates relief, and it enables local authorities to provide an additional discretionary 20% rates relief. In Northern Ireland, proposals to increase the level of discretionary rates relief were postponed and were to be considered as part of the review of public administration. However, as you will know, Mr Deputy Speaker, unfortunately that process stalled, and clubs lost out on the benefits that could have accrued from that relief.

The current rates revenue collected from clubs classed as sport and recreation organisations is £1.4 million. That is 0.14% of the total rates collected. Compared with the overall amount collected, that does not appear to be a lot, but it represents many hours of quizzes, ballots, car boot sales and sponsored activities by clubs across Northern Ireland of every sporting type. It represents a loss of opportunities to buy new equipment, provide coaching standards and develop new facilities. Mr Weir referred to form filling. However, the time spent on those fundraising activities exceeds by far any time that is likely to be spent on form filling.

**Mr Humphrey:** I am grateful to the Member for giving way. I agree entirely with what he said about the time and effort that have to go into fundraising. However, not only time is required to fill in those forms, but expertise, which many amateur clubs will simply not have.

**Mr Cree:** I thank the Member for that intervention, and he is right. Although not a member of a sporting club, I help people to fill in forms, and I am sure that he is happy to do the same in North Belfast.

In 2009, research carried out on behalf of the Sport and Recreation Alliance reported that the average Northern Ireland sports club had experienced a reduced annual income of £4,179, while the average income of a UK club increased. In the same survey, 23% of Northern Ireland clubs reported a financial deficit for the year 2008-09, and 11% more had experienced deficits in the previous financial year. I refer Members to the Central Council of Physical Recreation (CCPR) report of 2009. According to that study, clubs in Northern Ireland are 6% more likely than the UK average to own their facilities, making rates and other associated overheads increasingly important and detrimental to the sustainability and development of such clubs.

The additional savings to sports clubs that 100% rate relief would bring can be demonstrated by taking the Belfast Indoor Bowls Club as an example. It would retain an additional £1,865 a year — a significant saving for any community sports club. That club is a great example of how sports clubs benefit society at large, and it is particularly important when we consider it in light of sports participation by older members of the public. As it stands, the rates costs are being passed on to members, many of whom currently live on the state pension.

The potential benefits to sports clubs of being able to avail themselves of 100% rates relief are many. Such benefits would enable the further realisation of increased and improved community involvement, health, well-being and athletic development. This is an opportunity to empower local people to develop communities by removing a major financial barrier without making an actual financial investment. In the past, my party expressed concern that the investment in spectator infrastructure over the next few years must be followed by investment in facilities to increase participation. Instead of taking money with one hand, passing it through the systems of government and giving it back bound up in red tape with the other, let us start to think more strategically about how we invest in the future of sports development and leave the resources that we currently take in rates in the community, where they will generate long-term benefits. Mr Hamilton referred to all the likely good causes and to the fact that, obviously, all good causes could not be supported. However, I contend that amateur sport is not just a good cause; it is an essential ingredient of society.

**12.15 pm**

**Mrs McKeivitt:** I welcome the motion and congratulate the Members who tabled it. I am delighted to speak because, like most Members in the Chamber, I have witnessed at close hand the community benefits that amateur sports clubs bring to their neighbourhood. I take the opportunity to congratulate Burren GFC on reaching the Ulster club final, albeit that it will be against Crossmaglen. However, it is great to see two clubs from the Newry and Mourne area reach that stage.

The calculated cost to implement the change that is proposed will undoubtedly be far outweighed by the cost benefit and savings to

the Department of Health, Social Services and Public Safety by having the young and old in our communities living healthier lives. Approximately 100 sporting and recreational activities are listed under prescribed recreation and qualify for rate relief. The activities listed can involve strenuous activity such as hurling, hockey or camogie or a more relaxing activity such as yoga. No matter what the activity, the benefits that it brings to an individual's well-being and quality of life are enormous. Clubs providing those activities and facilities are not just looking after the individual but improving the well-being of the whole community.

During this discussion, we should recognise the contribution of the many volunteers in sports clubs across the North in many activities who have given a lifetime of service to their sport, club and community. Indeed, many of those clubs, rural and urban, such as my local GAA club, are much more than sporting organisations. They are often at the very heart of community life, with facilities made freely available for wakes, funerals, special occasions, senior citizens' activities, school events, youth clubs, indoor bowling and so forth.

The motion calls on the Minister of Finance and Personnel to raise the rate relief afforded to those clubs from 80% to 100% to ensure parity with equivalent clubs in other parts of the UK. We all recognise that the provision of 100% rate relief in the UK is discretionary and that it is up to a local authority to decide whether it should be awarded. I also note that the Finance Minister has indicated in the past that responsibility for that could be passed to local councils following the introduction of the RPA. Rate relief should be introduced in full and should not be discretionary. If a club or group meets the criteria for rate relief, it should be given that 100%. I would also guard against waiting for the introduction of the RPA and passing the responsibility to local councils. That would be an act of gross folly. Just imagine the lobbying that local councillors would face from various clubs. Why would one club or, indeed, one sport get preference over another? How would it appear if a certain sport qualified for relief in one council district but not in a neighbouring one? The ramifications would be horrendous.

I fully support the motion, but rate relief must be implemented fairly and equally across all sports and districts. The people who will administer

the relief are the same people who do so today — those in Land and Property Services — and their criteria should be as it is today: if a club qualifies for 80% relief, it will receive 100% relief. By supporting the motion today, we are supporting the many sports clubs across the country that are experiencing severe financial challenges and have been put in jeopardy during the economic crisis. We are obligated to support them and to do all in our power to increase participation in sport and physical activity.

**Mr Wilson (The Minister of Finance and Personnel):** I thank all the Members who took part in this useful debate. Some Members engaged in acrobatics by supporting both sides of the argument, so there has even been some sporting activity in the House today. Most Members spoke about the benefits of sport, and I have absolutely no doubt that all that they said is correct. As one can see, I do not personally benefit a great deal from sporting activity. However, I know the value of sports clubs and sporting activities in my constituency, as Members said, not just to those who are very able at sports but to those who simply want to dabble or to send their youngsters along. Additional qualities, such as discipline and friendship, are acquired from engaging in sporting activities, and it helps to keep youngsters away from harmful endeavours and so forth. So I do not think that anybody would disagree with the first part of the motion or, indeed, with the preface to almost every Member's speech. That is my first point.

My second point is this: of course the Executive ought to encourage sporting activities for all the reasons that Members gave. The Executive are keen to encourage all sporting activities because of their benefits not only for medical conditions but for education and for addressing antisocial behaviour. It is far better to engage in preventative measures than to deal with a problem once it has arisen. Engaging youngsters and older people in sporting activities can lead to a reduction in pressure on the budgets for health, education, policing etc. Therefore, the Executive already invest considerably in sporting activity.

I do not want to go through all that the Department of Culture, Arts and Leisure does through Sport NI and other activities, nor what is done by the Department for Social Development or the Office of the First Minister and deputy First Minister. However, I will say that a range

of Departments are already engaged in helping to promote sport and sporting activities in Northern Ireland, not just at professional level but at amateur and local level. On top of that, a lot of money comes from local councils. Therefore, it is wrong to give the impression that the only thing that can be done is to give help through the rating system.

Let me outline the help that is already afforded through the rating system. First of all, a wide variety of clubs already qualify for 80% rates relief. On top of that, they can qualify, as many do, for relief on the 20% balance. At present, 170 clubs qualify for small business rates relief. I trust that, when the new proposals come before the Assembly, I will have Members' full support.

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

**Mr Wilson:** I will give way in a moment or two. Let me just finish the point.

Under the new proposals, another 155 clubs will benefit from small business rates relief. In effect, that will put the relief on rates up to 84%.

**Mr Swann:** I thank the Minister for giving way. In my opening remarks, I said that my party could be convinced about the amendment. As the Minister is leading into proposals that he will bring to the House, I will point out that Ulster Unionist Party Members come to the House to listen to measured arguments and debate; we do not come with our mind already made up. Will the Minister give me his personal commitment that the rates relief will not drop below the 80% level as a result of any future review and that any increase that is applied to that 80% after a review will be automatic and will not require the paperwork and form-filling that has been mentioned?

**Mr Wilson:** Let me deal with the first point. I can, of course, speak only about the current Programme for Government and the policy that exists over the current four-year budgetary period. There are no plans to change the level of relief under the Programme for Government. Nor, indeed, is there any assumption in the Budget provision for the next four years that there will be a lowering of the rate of relief in order to earn additional revenue. I do not expect that the Member anticipates that I would give a commitment beyond that because to do so would be foolish. If he were any kind of inquisitor at all, his next intervention would be to ask me how I can prophesy what will happen

during the next four years. The simple answer is that I cannot. I give the commitment that he has asked for in that regard.

Considerable help is already given through the rates system. Do not forget that the regional rate has been frozen for the past four years and will be for the next four years. That, in turn, will reduce the amount of additional money that clubs would have had to pay had we gone for an increase in rates over that period.

A number of Members suggested that the change would not mean very much — an increase of just £1 million or, probably, £6 million, if bar and restaurant facilities were included — and that, surely, that money could be found. Some Members, of course, simply skirted around that question. Others made suggestions on how the money could be raised, although I will not say whether they were helpful or useful. I accept that, if there were a compelling argument for the motion before us, it would not be an insurmountable task to find that amount of money. However, we would then have to explain to other people who are looking for relief why we have put sporting clubs above, for example, small shopkeepers who are finding themselves under huge pressure during the current recession or above other activities that would plead a special case. So it is not just a question of “Why not give it to clubs?”; you then have to say why you have given that activity priority over some other activity.

A number of people mentioned form filling and so on. As I see it, the real crux of the motion is that Members really ought to be aware of the implications of what is proposed. The current system in Northern Ireland is very simple: if you qualify as a sporting club because you are amateur or a charity, you will qualify automatically for the 80% relief. In GB, not every club gets 100% relief. There are considerable conditions attached, and the more you look at the complex position in GB, the more you could find that, if we were to go down the route that has been suggested in the motion, it could disadvantage a large number of clubs.

A number of Members have explained the position pre-2004, when clubs that were in operation qualified for a discretionary 80% relief, and local authorities could then decide to top that up for worthy clubs. Since 2004, the conditions have been that a club must be registered with Her Majesty's Revenue and

Customs as a community amateur sports club; must be a registered charity and a community amateur sports club; and must bring benefits to the community. Membership must be open to the whole community with no discrimination against those who wish to use the facilities, and fees cannot be set at levels that exclude the local community. The clubs must be organised on an entirely amateur basis, and their main purpose must be to provide facilities for and promote participation in one or more eligible sports that are recognised by sports councils. That would exclude an awful lot of clubs that experience rates relief here, and there will be obligations in running the sports clubs.

All of that has resulted in two things. First, it is estimated that, since 2004, only between 10% and 15% of clubs have registered. So, immediately, by moving away from our automatic system to a system that attaches all those conditions, you create a barrier, which may well be down to the fact that clubs do not wish to have that level of interference in how they are run or, as Mr Cree and others said, do not want anything that immediately means that an awful lot more information is required, more forms need filled in and bureaucracy is increased. The clubs that qualify for the additional 20% — local authorities make that decision — have to be deemed worthy. How do you qualify as a worthy club? The local authority will probably set criteria, and clubs will have to show how they meet them. Once again, you get into the issue of the additional burden on clubs to prove that they qualify under those conditions.

It may well be that, in light of a review, people think that it is better to filter out clubs like that and have a system that puts the onus on clubs to prove that they meet all those conditions. However, I suspect that many small clubs and, indeed, even some larger ones may decide that, because of the degree of interference involved, they do not want to go down that route. Let us learn from the GB experience. Where we have wide coverage of 80% relief in Northern Ireland, you might find that you have a much more limited coverage of 80% relief and, on top of that, you have the 20% discretionary top-up that can be exercised by local authorities.

If it is done by local authorities, it creates a problem. We have a dual system of rates here: the regional rate and the district rate. Should the district authority set the criteria for the district part of the rate? Local authorities might



set different criteria. What would that mean for the regional rate? Should we have the same criteria or varying criteria, or do we exempt the regional rate from the 20% part? Those are the kinds of complex issue that need to be dealt with if we are going to make a decision on the matter. Some Members have suggested that it should be taken away from local authorities and should be done by LPS. Again, whether it is done by two bodies or one body, you still have the issue of how you set the criteria, how clubs qualify and what the implications of that are for the clubs. Will you find that clubs simply walk away and say that they do not want to be part of the scheme at all?

I am not averse to looking at the scheme. Any review, I suspect, will be undertaken not by my Department but by the Department of Culture, Arts and Leisure. A case has been made, and I want to outline today — I hope that I have — that the issue is not as simple as it might appear. It would not automatically mean that every club would have 100% relief. It might mean that many clubs that currently qualify would not qualify or would not seek to qualify in the future, and, in fact, we might find that we have a consequence that we never intended to have in the first place.

I have given an assurance that, at least over the period of this Programme for Government and this Budget, my opposition to the Member's motion is not the first step towards removing or reducing the relief. It is genuinely a much more complex issue than he has suggested. Bearing in mind that assurance and all the points that I have made, I ask Members to oppose the motion and support the amendment.

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

*The debate stood suspended.*

*The sitting was suspended at 12.32 pm.*

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

**2.00 pm**

## Oral Answers to Questions

### Employment and Learning

#### Further Education: Community Groups

1. **Mr McNarry** asked the Minister for Employment and Learning to outline any plans he has to engage with local community groups to develop new courses to be delivered at further education facilities. (AQO 808/11-15)

**Dr Farry (The Minister for Employment and Learning):** I fully support the continued efforts of further education colleges, as the main providers of education in communities throughout Northern Ireland, to encourage people to access their provision. All six colleges deliver a wide and varied curriculum, tailored to meet local needs, through their main campuses and network of community outreach centres strategically placed throughout Northern Ireland.

My Department recently made a significant investment in a range of new cutting-edge college campuses in a number of areas. Colleges will continue to engage with local community groups to ensure that those facilities and services are utilised fully and that the learning demands of communities are met locally.

In recognition of the valuable role that voluntary and community groups can play, the Department developed the learner access and engagement pilot programme, which allows further education colleges to contract with voluntary and community groups for the provision of learner support. The Department commissioned a longitudinal evaluation of the pilot and a recent interim report indicates that the learner access and engagement pilot programme has resulted in new and more effective partnerships between colleges and non-statutory organisations. The final evaluation report, which is due in December 2011, will help to inform future policy decisions post-March 2012, when the pilot ends.

**Mr McNarry:** I thank the Minister for his answer. I find very encouraging what is under way. Does every college have a dedicated outreach

officer in touch with community groups and are they developing ideas with primary and post-primary schools along the lines that we would expect, namely, in collaboration between his Department and the Department of Education?

**Dr Farry:** I thank Mr McNarry for his supplementary question and, indeed, his interest in the issue. I certainly hope and assume that each college has such an outreach officer. With regard to the wider issue, I take very seriously opportunities for collaboration with the Department of Education, schools and further education (FE) colleges. We have the entitlement framework, which addresses some of the specific issues around access to courses. The two Departments are working on finalising a 14 to 19 framework, which will, hopefully, move beyond the confines of the entitlement framework.

**Mr McElduff:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. In light of serious concern in rural communities, not least at the consequences of the recession, particularly for the construction industry, what new courses are delivered at FE colleges that may help unemployed people with construction skills to make themselves more employable in other potential areas of economic growth?

**Dr Farry:** It is important to emphasise that we recognise that there is a large rural dimension to Northern Ireland, and the scope of community engagement is significant. I think we have 600 community outreach centres across Northern Ireland, so that, hopefully, takes on board that issue.

With regard to construction, a whole range of further education opportunities are available. One of the strengths of our further education sector is that it extends across almost the full spectrum of the skills agenda in Northern Ireland. We have a lot of people with construction skills. For that reason, it is not a priority skill area because we already have the capacity within Northern Ireland. It is important that we stimulate demand for those with the skills. Equally, however, those who wish to train in other skills need to be encouraged, and there are plenty of opportunities for people to look at different courses if they want to try something different.

**Mr Dallat:** I am sure the Minister will join me in acknowledging the transformation in many people's lives brought about by the collaboration

between community groups and further education colleges. Does the Minister agree that there should be a review of that delivery to ensure that there is consistency across all colleges?

**Dr Farry:** It is important to bear in mind that our FE colleges are autonomous and they will wish to shape their own curriculum provision to suit their own areas, although, of course, there are expectations of a certain commonality across Northern Ireland. We have the learner access and engagement pilot programme, which is being evaluated and which, hopefully, will address some of those issues.

It is also important to reflect on some of the things that Mr Dallat talked about, such as the type of engagement and the creativity that is out there. We have, for example, partnerships with the community on mental health issues, English lessons for speakers of other languages and support for Traveller groups. So, there is a lot of creativity in the type of engagement that exists with the community.

**Mr Agnew:** What work is being done to make enrolment for FE courses flexible? I am thinking particularly about people who have come out of the justice system midterm or who are just after a pregnancy and looking to get into a course midterm. Is work being done to ensure more flexible enrolment?

**Dr Farry:** Again, that points to the real flexibility that the FE sector offers. It is there to meet the needs of a very diverse range of customers.

There are some particular areas in which we could always look for improvement. I am particularly interested in following through with the justice issue, because it is important that we focus on the rehabilitation of offenders. Virtually everyone who goes to prison will, at some stage, come out, and it is important that they are integrated back into society. If the chances of reoffending are reduced, community safety will obviously be enhanced.

**Mr Principal Deputy Speaker:** I should have announced that questions 9 and 12 have been withdrawn and will require written answers. Question 11 has been transferred to the Department of Agriculture and Rural Development for written answer.

## Higher Education: Equality and Employment Legislation

2. **Lord Morrow** asked the Minister for Employment and Learning whether all universities and higher education facilities, including teacher training colleges, are complying with current equality and employment legislation.

(AQO 809/11-15)

**Dr Farry:** Yes, there is a legal obligation to do so. Higher education institutions, including the teacher training colleges, must comply with all legislation relating to equality and employment, including section 75 of the Northern Ireland Act 1998. Furthermore, the financial memoranda between my Department and the higher education institutions stipulate that they give:

*“due regard for all legislative requirements placed upon them”.*

In addition, the institutions provide an assurance statement to the Department twice a year stating that they are complying with all relevant legislation.

**Lord Morrow:** I thank the Minister for his reply. Minister, quite recently you provided me with a policy statement as adopted on 22 October 1998 by St Mary's University College. Can you explain why, on 22 September 2011, some 13 years later, the Protestant workforce at the college comprises only 7% of the total workforce? How do you plan to deal with that inequality? Do you accept that equality not only needs to be done but needs to be seen to be done?

**Dr Farry:** I thank Lord Morrow for that supplementary question. I recognise that St Mary's University College is an equal opportunities employer. At the same time, we have a situation where 8% of its total workforce comes from a Protestant background.

In collaboration with the Equality Commission, the college has a religious affirmative action plan, which is reviewed on a three-yearly basis. The college is also actively promoting the recruitment of Protestant staff on the “Employment Opportunities” section of its website.

I believe that St Mary's is conscious of the need to improve that situation. The balance of the workforce is something that I have concern about. Obviously, it is important to recognise that a whole range of historical and societal factors have led to the situation that we are

in today, but that does not mean that there does not have to be change. Change needs to come soon. I want to impress on the House and, indeed, on Lord Morrow that St Mary's is very conscious of that issue and of the need to address it in the very near future. I have certainly made those points to the college.

**Mr Eastwood:** Given the ongoing and historical problems, will the Minister give us his assessment of the PwC report into redundancy procedures at the North West Regional College?

**Dr Farry:** I think that that is a very broad stretch of the subject of the core question. A draft report is in place, and I will hopefully have the chance to review the full report in the near future. I am more than happy to make representations to the board of governors in a very general sense about the need to address concerns about human resources issues at the college. However, it is equally important to stress that the college is autonomous and that it, not my Department, has direct responsibility for those issues.

**Mr Allister:** The Minister refers to societal pressures and history that might explain the St Mary's situation. Could the same not be said historically of Stranmillis, and yet it has been remarkably successful in attracting a cross-community workforce, in that 30% of its workforce, including its teaching staff, comes from the Catholic community? In contrast, as has been pointed out, St Mary's is stuck in the rut of 8%. Why is that?

**Dr Farry:** I thank Mr Allister for his supplementary. The statistics are as he outlined. It is fair to say that more progress has been made in Stranmillis over time. Of course, it is important that we bear in mind that Stranmillis is a non-denominational institution and has a mixed student enrolment. I reiterate that St Mary's needs to travel on a journey in respect of the balance, but it is committed to travelling along that path. Others have travelled slightly further due to a whole range of issues, including the nature of our society, geography and where institutions may be located. The whole House will want to observe that progress in the years to come.

## St Mary's University College, Belfast: PA Consulting Group Report

3. **Mr Sheehan** asked the Minister for Employment and Learning why his Department



did not respond to the PA Consulting Group report on the future sustainability of St Mary's University College, Belfast. (AQO 810/11-15)

**Dr Farry:** A copy of 'A Report on the Way Forward', which was produced by PA Consulting, was sent to my Department in December 2010, and the permanent secretary responded to it in February 2011. In essence, the response was an acknowledgement that the Department had received a copy of the report. At that time, it was not appropriate for the Department to comment on the report as its recommendations had not been agreed or accepted by the college's governing body.

It is my understanding that the report informed the production of a draft college institutional plan, which was agreed by the governing body in June 2011. Since then, I have had several meetings and discussions with members of the governing body and senior staff of the college, which have proved very informative.

**Mr Sheehan:** Go raibh maith agat, a LeasCheann Comhairle. Gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for his response. On page 73 of the PA Consulting report, recommendation 2 states that there should be a small-scale expansion of liberal arts student numbers at St Mary's University College. Can the Minister tell us his Department's attitude to that recommendation?

**Dr Farry:** I thank Mr Sheehan for his supplementary. I hope to make a statement on teacher training issues to the House in the very near future. For now, it is worth saying that I do not have any immediate plans to increase the number of liberal arts places at St Mary's. It is important that the House understand the context of those places. St Mary's is a university college that is, essentially, based around teacher training; liberal arts are an expansion beyond its core area of business. There could be an argument that such courses should be consolidated elsewhere in the university system, so we have to take great care in how we approach the issue.

It is also important to bear in mind that the provision of liberal arts places in St Mary's goes a considerable way towards aiding the college's finances. In effect, liberal arts act as a significant subsidy to keep the college viable when it would not be otherwise. Those are all issues that the House needs to reflect on. As Minister, I am certainly reflecting on them.

**Mr Storey:** Minister, you made reference earlier to the fact that St Mary's was on a journey. What evidence have you based that on? There is absolutely no evidence to suggest that it has even commenced the journey —

**Mr Principal Deputy Speaker:** I remind Members that we are on the next question; we are discussing the report.

**Mr Storey:** Yes. I will come to that, Deputy Speaker. In relation to —

**Mr Principal Deputy Speaker:** It is a question, not —

**Mr Storey:** Will the report include an explanation as to why St Mary's will not allow students from Stranmillis to do the Catholic certificate at St Mary's? That forces our students to go and have it paid for in Glasgow. Surely that is not the indication of a university on a journey.

## 2.15 pm

**Dr Farry:** I thank Mr Storey for his supplementary question. Clearly, St Mary's is a major focus of attention here today. I have had some very frank meetings with St Mary's where my officials and I raised a range of issues, of both a financial nature and relating to equality of opportunity. St Mary's has engaged in a constructive and creative way and is alert to a number of the issues and concerns raised by Members and in the wider community.

I am minded of the differential access to the Catholic certificate between students that attend St Mary's and those who attend Stranmillis, and I hope to say more about that next week. St Mary's has engaged with me on that issue.

**Mr Nesbitt:** Does the Minister accept the report's premise that enrolment is key to sustainability, and, if so, what is the actual hard number that represents the minimum enrolment to secure the future sustainability of St Mary's?

**Dr Farry:** Enrolment figures are critical to the sustainability of any institution. It is important that it is clear to the House that the initial teacher training numbers are set by the Department of Education but that my Department funds those allocated places. Beyond that, my Department pays a premium on top of the initial funds for each teacher training place, and that also goes to the viability of the colleges. There is also the support of the liberal

arts grants at St Mary's and other forms of support that go to Stranmillis, so the teacher training institutions attract a wide-ranging funding package. We need to ask ourselves whether we are best using the financial resources at our disposal in what is a difficult financial context for us all and bearing in mind the other pressing demand-led pressures within the Department.

**Ms Lo:** The bottom line is that we have far too many teacher training institutions. Does the Minister intend to carry out a review on the sustainability of the sector?

**Dr Farry:** I thank my colleague for that question. I have seized upon teacher training issues at the moment: there is the Stranmillis/Queen's merger, but there are also issues around the system as a whole. It is fair to say that my starting point is to ensure that we have a world-class teacher training system in Northern Ireland. We owe nothing less to the future schoolchildren of Northern Ireland as well as the future teachers of this society. It is important that the institutions are there to reflect the demands and needs of society rather than the other way round. We have to consider a range of issues, and I hope to return to the House over the next week or two to make a full statement on these issues.

### Apprenticeships: North Belfast

4. **Ms P Bradley** asked the Minister for Employment and Learning how many students are enrolled on apprenticeship programmes at further education colleges in the North Belfast constituency. (AQO 811/11-15)

**Dr Farry:** The Newtownabbey campus of the Northern Regional College is the only further education college located in the North Belfast parliamentary constituency, and 90 apprentices are based there. In addition, 826 apprentices with addresses in the North Belfast parliamentary constituency avail themselves of apprenticeship training through a range of training organisations including private training providers, those in the community and voluntary sector, the Newtownabbey campus of the Northern Regional College, and other colleges.

Furthermore, because of the economic downturn, the Department established provision for the programme-led apprentices as a short-term measure. That programme provides

training at level 2 based on the respective apprenticeship frameworks to unemployed young people who are unable to secure employment to follow an apprenticeship under ApprenticeshipsNI. There are currently 463 programme-led apprenticeships in the North Belfast constituency.

**Ms P Bradley:** I thank the Minister for his answer. What is his assessment of the ApprenticeshipsNI programme in equipping these people for further employment in the workplace?

**Dr Farry:** Apprenticeships Northern Ireland is the core apprenticeship scheme that my Department has. It is very important that we invest in apprenticeships in Northern Ireland. The difficulties with that scheme are that it is demand-led and that we need the buy-in from employers to provide places. It was for that reason that, under a previous regime in my Department, programme-led apprenticeships were established to reflect the fact that some people were not able to find the employment-based route in order to take forward an apprenticeship. The Member will also be aware that we have managed to ensure the restoration of essentially 50% funding for adult apprenticeships. On the back of that, we have launched a review of adult training to see how we can better target the resources available for adults in order to maximise the benefit for both the individuals and the future needs of the economy.

**Mr Principal Deputy Speaker:** I understand that there may be some problems with the amplification system. I ask Members to speak clearly into their microphone so that they are picked up right.

**Dr McDonnell:** How high a priority does the Minister set by investing in and maintaining apprenticeship programmes generally? Let me put it another way: what plans does the Minister have to put us in a position to take advantage of any potential in the future of an upturn in the construction industry?

**Dr Farry:** I thank Dr McDonnell for his question, and I assure the House that I take apprenticeships incredibly seriously. I would like to be able to pump as much resource into them as possible. Apprenticeships Northern Ireland is, of course, demand-led, so the Department will respond to demand as it changes. Equally, it is important that we recognise that we are in

a very difficult financial context right across the Executive, including within my Department. In particular, we are currently wrestling with a very heavy demand for the employment service. That is also about finding means of getting people who are out of work into work and ensuring that we invest in their lives and how they can make a contribution to the economy. Within the means that we have, we will certainly direct as much as we can to the front line in relation to training.

**Mr Swann:** I think that I am close enough to the microphone. Will the Minister give his assessment of the creative apprenticeship scheme set up in April 2011?

**Dr Farry:** At this stage, it is something that we will need to take a bit longer to do, rather than doing it after six or seven months. Perhaps Mr Swann will return to the House with that question in a few months' time, and I will give him a more rounded answer.

### Incapacity Benefit

5. **Mr P Ramsey** asked the Minister for Employment and Learning whether his Department has employed any new advisers for the reassessment of incapacity benefit.  
(AQO 812/11-15)

**Dr Farry:** In recognition of the need for reassessment and to make transition as smooth and as painless as possible, my Department's employment service has secured funding for an additional 24 front line staff for the period to 31 March 2012. That is made up of 19 advisers and an additional five staff to provide administrative support. The Department's human resource branch is in the process of filling those posts as demand gradually rises due to the reassessment of incapacity benefit.

As the number of clients engaging with the Department's employment service increases due to the reassessment of incapacity benefit, it is likely that further additional front line staff will be required. I will ensure that the situation is kept under review and future funding is sought as necessary to ensure that sufficient resources are in place to deal with any increases.

**Mr P Ramsey:** I thank the Minister for his response. Given the expected migration of so many, possibly thousands of people, from long-term sickness benefit to jobseeker's allowance, will the Minister assure the House that there will

be adequate staff with the capacity and training to deal with the range and complexity of learning and mental health problems that will come around?

**Dr Farry:** We expect around 76,000 individuals to go through the process of reassessment. We estimate that around 7,500 individuals will make the full migration to jobseeker's allowance. In relation to the issue of staff, I will certainly push for additional resources if those are required. I will certainly not shirk in that regard. The Member also made a broader point about mental health issues. That reflects some of the discussion earlier about the Social Security Agency, which does the initial reassessments.

It is important that we are sensitive to the individual needs of all customers coming through our doors. I have impressed that upon the employment service and upon my officials, and they are acutely aware of it. Training is being given to staff to make sure that they pick up on those issues and that they are sensitive to the whole range of people's mental health issues.

**Mrs Overend:** I thank the Minister for his responses. The reassessments of incapacity benefit will have a direct effect on the numbers looking for employment. Will the Minister detail the consequences of not being awarded his full bids in the October monitoring round for the Steps to Work programme? What effect does he believe that will have on the delivery of its goals?

**Dr Farry:** I thank Mrs Overend for her question. There is considerable pressure on the employment service, and it is important that the whole House be aware of that. Unfortunately, we had to freeze recruitment on the Step Ahead programme, which is the most expensive of our offerings. It was necessary because resources were tight and so that we could focus on other aspects of Steps to Work and maximise the numbers that we can process. We are still in difficulties in ensuring that we can live within budget, given demand this year. We are looking carefully at how we manage budgets internally, and I will have no hesitation in making future monitoring round bids to meet any shortfall.

**Mr F McCann:** I thank the Minister for his answers until now. The Minister said that he is happy with the level of training given to those who carry out the focused interviews. That

is OK, but some people suffer from mental illnesses such as paranoia, autism or bipolar disease, among others. Is the Minister confident that if such people become distressed during interviews, those conducting the interview can look after them and deal with any such situation?

**Dr Farry:** I thank Mr McCann for his supplementary question. People will be trained to anticipate and respond to the type of scenarios that he points out. This is about treating everyone who comes through the door as an individual, not just a number or statistic. Each is an individual with his own hopes, aspirations and the capacity to make a contribution to society. In many cases, they have a very strong willingness to enter into work. Equally, people have a range of barriers that might prevent them from accessing work; therefore it is important, for a whole range of reasons, that our staff are sensitive to them. It is not just about how we manage an interview; it is also about how we address those issues and encourage people to think about entering the workforce.

### Regional Colleges: Capital Requirements

6. **Mr Lynch** asked the Minister for Employment and Learning to outline the current capital requirements of regional colleges.  
(AQO 813/11-15)

**Dr Farry:** Over the past 11 years, there has been significant capital expenditure in further education; however, the six colleges still have a range of estate requirements. Bids for those have been made in the investment strategy for Northern Ireland No 3. The projects are at various stages of development; some have business cases prepared while others are continuing to work on their business cases.

The estate needs are as follows: for the Northern Regional College, there are the Ballymoney, Coleraine and Ballymena campuses, and there has been little significant investment in the estates of that college; for the Southern Regional College, there are the Portadown, Lurgan, Banbridge and Armagh campuses; for the South West College — which will be of most interest to Mr Lynch — there is the Fairview campus in Enniskillen. That college has submitted a business case that has been assessed by the Department. There are a number of issues to be resolved by the college,

but those should be dealt with in the near future. For the North West Regional College, there are the Strabane, Tower, Courtyard and Springtown campuses; the college also wishes to develop a new campus at Clondermot in the Waterside. For the South Eastern Regional College there is a new Performing Arts Centre and Technology Innovation Centre in Bangor. For the Belfast Metropolitan College, a new campus at Springvale is being built. There is also a need to address deficiencies at the Castlereagh campus, which wishes to develop a sports and drama facility.

Capital funding for the further education colleges over the next three years totals £26.3 million, of which £18 million is contractually committed; some £8 million remains unallocated. It will be used for minor works, and all colleges will be invited to bid for an allocation.

2.30 pm

## Enterprise, Trade and Investment

### Invest NI: Small and Medium-sized Enterprises

1. **Mr F McCann** asked the Minister of Enterprise, Trade and Investment why the number of jobs created by Invest NI in small and medium-sized enterprises in 2010-11 was the lowest in the last five years.  
(AQO 823/11-15)

**Mrs Foster (The Minister of Enterprise, Trade and Investment):** In the past financial year, Invest NI offered assistance of over £29 million to 2,820 small and medium-sized enterprises (SME) projects. That resulted in the promotion of 1,500 new jobs, a slight drop from the previous year, when 1,700 new jobs were promoted. A number of factors contributed to that downward trend, including increased difficulty for businesses in securing bank funding and companies delaying their expansion plans as a means of minimising the impact of the economic downturn on their core business.

**Mr F McCann:** I thank the Minister for the response. However, figures prove that SMEs do not get support from the Department proportionate to the role that they play in the economy. Will the Minister agree to review the investment made in SMEs and foreign



investment, with a view to ensuring that SMEs get support from Invest NI proportionate to their role in the economy?

**Mrs Foster:** I thank the Member for his supplementary question, because it gives me an opportunity to say that, in the previous Programme for Government period, 59% of all Invest NI support — or £254.8 million — was offered to locally owned businesses. There is a perception that the majority of Invest Northern Ireland's investment is foreign direct investment, but that is not true. I have to say that that perception is aided by some Members who keep on saying it. I really wish that Members would look at the figures: nearly 60% of all of Invest Northern Ireland's support in the previous Programme for Government period went to small and medium-sized businesses.

**Mr I McCrea:** The Minister just referred to the previous Programme for Government. The Programme for Government announced last week refers to the promotion of over 25,000 new jobs. Will the Minister assure the House that she is committed to ensuring that small to medium-sized enterprises are a focus for her and that the target audience will be new business start-ups?

**Mrs Foster:** I thank the Member for his question. If we look at the breakdown of the 25,000 jobs announced in the Programme for Government and detailed in the economic strategy, we see that 5,900 are to come from foreign direct investment; 6,300 from expansions by locally owned companies, which relates to our ongoing work with the Boosting Business programme that, as the Member is aware, has been rolled out right across Northern Ireland; 6,500 as a result of new business starts; and 6,300 as a result of the jobs fund. The jobs fund is going very well, and there will be more announcements on it in the very near future.

**Mr Swann:** Why, six months after the launch of a short-term employment scheme with a £19 million budget, have so few, if any, small and medium-sized enterprises grasped the opportunity to employ additional staff?

**Mrs Foster:** Again, that is not true. Only one large company, Capita pensions in north Belfast, took advantage of the jobs fund. To date, any other companies that availed themselves of the jobs fund were small companies. Around 13 jobs were created at a couple of companies in Londonderry. Creative Composites in Lisburn

is an SME and created 30 new jobs in Lagan valley. To date, we have promoted 400 jobs through the jobs fund. As I said in the Chamber last week, 1,300 jobs have been approved, and there will be announcements on those in the very near future.

**Mr McGlone:** Will the Minister please give us some detail of the loan fund suggested in the Programme for Government, particularly with regard to small and medium-sized enterprises? What are the criteria for that loan fund, and where will those be announced?

**Mrs Foster:** We have approvals in place for the £50 million growth loan fund. The loans will be targeted at viable SMEs in the manufacturing and tradable services sector that need additional funding to realise their growth potential. Essentially, we want to assist firms that are trying to grow but cannot get the funding to do so because of the banking crisis. We identified that gap, of which the Member is well aware. We had to find an innovative way in which to close the gap. In the very near future, we plan to begin a procurement process to appoint an FSA-approved fund manager to manage the fund. Loans will typically be between £50,000 and £500,000, so we are not talking about huge sums of money, but it is money that cannot be had elsewhere.

Small businesses across Northern Ireland tell me that they are having severe difficulties in accessing funding. That is why I found it rather strange to hear a representative from one of the banks on 'Stormont Live' last night saying that we needed more enterprise in Northern Ireland. That is absolutely right. We do need more enterprise in Northern Ireland, but it would be lovely if the banks stepped up to the mark and helped those small and medium-sized businesses to invest in their companies and to grow. However, Invest Northern Ireland has had to come forward with a growth loan fund. A few technicalities need to be sorted out, and, once that happens, we will make a fuller statement. I know that people are waiting for that.

## **Economy: Euro Zone**

2. **Mr P Ramsey** asked the Minister of Enterprise, Trade and Investment for her assessment of the impact that the economic uncertainty in the euro zone is likely to have on our economy. (AQO 824/11-15)

**Mrs Foster:** Uncertainty across the euro zone is dampening economic growth around the world. We are not immune from those impacts, as we have strong trade links with the euro zone. With only modest growth projected across the euro area, our exports, for example, are likely to be affected by muted domestic demand for our goods and services in the euro zone.

**Mr P Ramsey:** I thank the Minister for her response. What measures could the Minister or her Department put in place to support local businesses exporting to euro zone countries against the backdrop of the current economic crisis?

**Mrs Foster:** I thank the Member for his supplementary question. He is right to be concerned about that issue because 49% of our manufacturing exports are to the euro zone, 29% of which go to the Republic of Ireland, and 21% go to the rest of Europe. That is why the economic strategy refers to a deepening of our export base. The strategy also mentions the diversification of our export base, and it is hugely important that we look to new markets outside the euro zone. Therefore, as the Member will know — he has probably heard me speak about this before — Invest Northern Ireland is taking a trade delegation to Brazil in the very near future. We also want to look at Russia, India and China. He will also know that I returned from Kurdistan only a couple of weeks ago.

It is about looking for new markets as well as supporting companies in their current markets. That is why I welcome last week's PricewaterhouseCoopers report, which highlighted the fact that the best potential way to grow our economy is to raise the share of our exports focused on developing economies outside the euro area. We have taken that on in our economic strategy.

**Mr Flanagan:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Has the Minister given any consideration to providing InterTradeIreland with additional support to get cross-border trade back into a position of growth?

**Mrs Foster:** It would be more useful for me to concentrate on deepening and diversifying our export base than looking to a base with which we already do a lot of business. As I said, our exports are at almost 30%. It is fine if firms want to look to the Republic of Ireland for their first export experience, but, from a sustainability point of view, we really need to encourage them

to look wider into the global village so that we do not have huge export activity in the euro zone and then have to deal with the consequences.

**Mr Givan:** With the uncertainty in the euro zone, would the Minister be concerned if the instability continued and some countries ended up having to withdraw from using the euro? What impact would that have, particularly on the financial markets and the banks in the United Kingdom and their current levels of lending to the domestic market?

**Mrs Foster:** I thank the Member for his question, but it could probably be more expertly answered by my colleague the Minister of Finance. However, if the euro were to break up, there would be wide implications for Northern Ireland, including a major impact on the banking sector. If we think of the countries that have given sovereign loans to Greece, Italy and Spain, we can see that the implications for the rest of us are absolutely huge. It may lead to a run on banks in weaker European countries, causing wider liquidity problems for us in Northern Ireland. My goodness, have we not enough liquidity problems as it sits? Be under no illusion: what happens in the euro zone will have an impact on us in Northern Ireland. That is why we very much need to keep an eye on what is happening, keep in contact with Her Majesty's Treasury and take advice in relation to how the United Kingdom economy goes forward.

**Mrs Overend:** Does the Minister agree that the euro zone is not the only threat to our economy from Europe? What specific action is the Minister taking to argue against the potential loss of cohesion funds from 2014, as Northern Ireland is currently classed as a more developed region for 2014-2020?

**Mrs Foster:** I understand that my colleague the junior Minister was at a Joint Ministerial Committee meeting on Europe yesterday and cohesion funding was raised. The Member is right to say that the euro zone and the financial difficulties there are not the only difficulties that we face from Europe: a lot of funding for various schemes comes from Europe. Obviously, I am concerned about the debate that is going on about the selective financial assistance regional aid or, in other words, the cutting down of the 100% availability of that to Northern Ireland and the consultation that has just finished in relation to it. I also continue to be concerned about the number of regulations that come to

us from Europe via Whitehall and the impact that they have on our small businesses. The cumulative effect of all of that is that Europe has a disproportionate impact on Northern Ireland. Therefore, we need to be proactive in Brussels to make sure that we argue our case forcefully.

## Credit Unions

3. **Mr Nesbitt** asked the Minister of Enterprise, Trade and Investment to outline how she has addressed the concerns of credit unions, following the publication of the HM Treasury and the Financial Services Authority joint consultation paper 'FSA regulation of credit unions in Northern Ireland'. (AQO 825/11-15)

**Mrs Foster:** In 2009, the Committee for Enterprise, Trade and Investment's report on the role and potential of credit unions in Northern Ireland recommended that regulatory responsibility for credit unions in Northern Ireland should be transferred to the Financial Services Authority (FSA). The FSA and Treasury joint consultation on the transfer of the regulatory function closed at the end of October 2011. I share some of the concerns raised by the sector as part of that process and have written to the Treasury Minister responsible, asking that a number of the proposed changes to the regulatory regime be reconsidered.

**Mr Nesbitt:** Will the Minister assure the House that she will do what she can to make sure that credit unions in Northern Ireland continue to receive what they have described in their submission as "peace of mind" through their interaction with her Department?

**Mrs Foster:** I thank the Member for his question. The relationship between the credit unions and officials in my Department has been very good. They have a close relationship, and they have worked well over the past number of years. However, as the Member will realise, regulation by the FSA was to enable credit union members, with the additional consumer protection of the FSA scheme, to get access to the Financial Ombudsman Service and to create the ability to offer a wider range of services to the people who use the credit unions. Those issues were the genesis of the very good work that was carried out by the Committee for Enterprise, Trade and Investment.

We want to see the credit unions grow in Northern Ireland. They are a vital part of our financial capability here in the Province. That is why I have written to Mark Hoban, Financial Secretary to the Treasury, and pointed out some of the difficulties with the scheme as it sits. I hope that he will take on board those factors. The credit union regime in Great Britain is completely different to the credit union societies in Northern Ireland. They are much more prevalent here and do a lot of very good work, and I very much hope that he takes on board what I have said, what I know the Committee for Enterprise, Trade and Investment has said and what I know very many credit unions throughout the country want us to say.

**Ms Gildernew:** Go raibh míle maith agat, a LeasCheann Comhairle. I welcome the Minister's response and the fact that she has written to the FSA, but I do not think that that peace of mind will be available, given that the FSA is regulating. I have spoken to directors of credit unions, and they are very concerned about the accountability structures that they will be under. Is there any way we can have a regional variation on the rules here, given the importance of our credit union sector and the fact that many people involved in the credit union movement work voluntarily?

## 2.45 pm

**Mrs Foster:** I recognise what the Member says. This whole debate originated when credit unions, of which there are many in our constituency, wanted more powers to be able to interact more meaningfully with their communities and deal with issues like child trust funds, which they were not able to do under the existing regime. That is why it was felt that they needed to be FSA-regulated. However, I recognise some of the problems that have arisen, particularly in relation to the capacity of some of our credit unions. Some of them work in a very small but very meaningful way, and it is about how we as a Department can help them with capacity building. I have asked Mark Hoban to look at that issue. I have also asked him to look at a reduction in the maximum deposit limit, the proposed limits on the investment maturity period and the proposals to limit credit union borrowing. All those things need to be looked at again, and I hope that he takes the opportunity to do that.



**Mr Dunne:** Following on from the previous answer, can the Minister advise what help DETI can give to small credit unions to ensure that they are able to cope with the additional bureaucracy and regulation? Does she acknowledge the role that credit unions play in community building?

**Mrs Foster:** I have absolutely no problem in acknowledging the role of credit unions throughout the years in many communities across Northern Ireland. As well as writing to the Minister concerned at the Treasury, I have spoken to the Minister of State at the Northern Ireland Office, Hugo Swire, and raised with him our concerns about the difficulties that we face. It is really a balancing act. We want to be able to offer more services, but we recognise that there may be capability issues with some credit unions. They may find the burden of being regulated by the FSA onerous. It is about trying to close that gap, and my officials in DETI and I will work proactively to see how we can close that gap. However, we have to work with Treasury officials as well on this matter.

## Titanic Centenary

4. **Mr Gardiner** asked the Minister of Enterprise, Trade and Investment for an update on preparations for the 2012 Titanic centenary celebrations. (AQO 826/11-15)

**Mrs Foster:** Next year will be a momentous one for Northern Ireland, with a series of significant dates, commemorations and anniversaries. The key anniversary will be the centenary of the maiden voyage of Titanic in April 2012, and we will of course see the opening of the new £97 million Titanic Belfast visitor experience, which itself is a significant marker of the centenary. This will be an opportunity to clearly identify Belfast and Northern Ireland as the home of Titanic.

I recently launched NI 2012: Our Time, Our Place, which is an exciting year-long programme of major international and national events. This includes significant recognition of the Titanic centenary, both celebrating the shipbuilding achievement and commemorating the maiden voyage and the lives lost. The programme will provide a real platform to change perceptions of Northern Ireland on a world stage and provide significant economic benefits.

**Mr Gardiner:** I thank the Minister for her reply. However, given that 2012 will mark the loss of

life associated with the sinking of the Titanic, I have to ask why the major celebration was not the launch of the ship, the anniversary of which was last year.

**Mrs Foster:** As I have always said to the House, this is about celebrating what is going on in Belfast in 2012 but also commemorating the lives that were lost on the Titanic. I am sorry that the Member has not seen the plans. If he had been at the all-party working group on tourism on Monday morning, he would have seen the plans for not only celebrating but commemorating. It is about that balance. We want to celebrate what happened in the past, and we want to look to the future for Northern Ireland and recognise the great work that happened at that time. Do not forget, Mr Principal Deputy Speaker, that she was all right when she left Belfast.

**Mr McKay:** Go raibh maith agat, a LeasCheann Comhairle. The Minister will be aware that the Titanic ported not only in Belfast but in Cobh, County Cork. Will she explore what work can be done with Cork County Council and the Dublin Government to ensure that the product in Belfast is signposted in Cork? What work of mutual benefit can be done in both areas?

**Mrs Foster:** As you know, the Northern Ireland Tourist Board is responsible not just for Northern Ireland but for marketing in the Republic of Ireland, and it has been working through its office in Dublin to see how we can sell the story of the Titanic in the Republic of Ireland. There is a lot of work going on there, and I am happy to share it with him in correspondence. I do not have the details here, but I know that the Tourist Board has been doing a lot of work through its Dublin office.

**Dr McDonnell:** Does the Minister agree that there is substantial potential for a successful marina development in the Titanic Quarter in Belfast that could go alongside the various Titanic celebrations?

**Mrs Foster:** A huge programme of work is going on in the Titanic Quarter, as the Member is aware. I am not sure whether he is talking about something specific that he is aware of. Certainly, there are great plans to develop the Titanic Quarter, and we will see those in the work on the signature project, the building offices and the slipways, as well as in work on the rest of the harbour. It is my hope that, when people go to the Titanic signature project, it will be seen

as a real destination to visit. As well as that — I take up the point made in the previous question — there is a need to signpost visitors to all the other attractions around the Province, so that people do not just come to Belfast but go out and around Northern Ireland and take in all that we have to offer. There will be a lot going on next year.

**Ms P Bradley:** I was one of those who attended the launch of the all-party group on tourism on Monday morning, and I heard, at first hand, from the Tourist Board and the Minister about the exciting plans for next year. How will the celebrations affect not only the greater Belfast area but Northern Ireland as a whole?

**Mrs Foster:** The Member wants to know how I am going to help Dervock; I will have to come back to that.

There is a programme of major events. There will be around seven tier 1 events, as we are calling them, and those will be international events. However, there are also tier 2 events, which will go across the Province. It is my hope that other new or existing events will come forward to fit into the 2012 themes of the giants of Northern Ireland, which is a very wide theme that can cover a lot of issues, or Titanic Belfast and maritime heritage, which covers our coastline. So, this is a Northern Ireland gig; it is not just a Belfast gig. I very much want everybody across Northern Ireland, from Enniskillen to Belfast, to get involved to make sure that we get the most out of it.

### Invest NI: Job Creation

5. **Mr Allister** asked the Minister of Enterprise, Trade and Investment, of the jobs promoted by Invest NI in the last five years, how many jobs have been created and how many are still in existence. (AQO 827/11-15)

**Mrs Foster:** Invest Northern Ireland does not presently measure job creation. However, in line with the IREP recommendation, I have asked that there be a greater focus on project outcomes, and new systems are now being developed. Once they are in place, it is intended that Invest Northern Ireland will be able to provide a half-yearly update on the number of jobs created as a result of any offers made since April 2008. Following the completion of a full data collection exercise, it is expected that

Invest NI will be in a position to present the final analysis of job creation by spring 2012.

Invest Northern Ireland currently has some 1,500 employment-related letters of offer in process, each of which has its own implementation plan, job creation profile, delivery date and control period. Provision of precise point-in-time job creation data is complex and open to misinterpretation without an in-depth understanding of the job creation profile of each of the individual projects that were supported during the period in question.

**Mr Allister:** I think that many people will be amazed that the Minister does not know how many of the jobs that Invest NI says it promoted over the past five years it in fact saw created and how many still exist. Surely that knowledge is essential to measure promises of future job creation and to see how the people who are making the promises actually performed in the past. It might be welcome that they are now beginning to put in motion measures that may answer those questions, but why have we lived through a system in which we do not know how many jobs were actually created? We certainly know how many were lost, but is it not time that the Minister knew how many were created?

**Mrs Foster:** It is disappointing that the Member does not recognise that the matter is being dealt with. The IREP report made proposals on all those issues, and 95% of them have been implemented. This one is in the process of being implemented and will be in place by spring 2012. Of course, the Member cannot acknowledge when progress is going on. He just cannot acknowledge that we are dealing with the issue. Instead, he reverts to what I read of his Radio Ulster piece of work, in which he said that we were interested only in foreign direct investment. We are not interested only in foreign direct jobs. I have already detailed the number of jobs coming from our companies, from business start-ups and from the jobs fund. Yet again, however, the Member cannot acknowledge that that is the case and seeks to mislead the Assembly on the 25,000 jobs. The matter is being dealt with, and it would be nice if he could acknowledge that.

**Mr D McIlveen:** I will come back into a slightly more optimistic world. Will the Minister outline how much investment has gone into North Antrim recently as a result of Invest NI? Does she agree that the Member for North Antrim

might have been a bit better informed had he stayed in the Chamber and listened to details of the economic strategy as those were being put forward last week?

**Mrs Foster:** The Member for North Antrim was down to speak on the economic strategy, so it was disappointing that he left the Chamber and did not take the opportunity to raise a question with me on that occasion. However, I am happy to say that, if the Member had been here, he would have heard me refer specifically to the tremendous work by Wrightbus in Ballymena on the London bus and to the research and development being done there. As well as that, in the hotel industry, the Adair Arms Hotel is investing £1.6 million, and I understand that the Galgorm Resort and Spa is investing in new jobs. Those are just three examples of what is going on in North Antrim. There is a lot of activity, and there is more that can be done. Of course, there is always more that we can do. I have asked all Invest NI offices right across Northern Ireland to be more proactive in working with small and medium-sized businesses.

**Ms Lo:** Very often, public procurement here tends to favour large companies parachuted in from England. How much help can Invest NI give to our home-grown companies to make them more competitive and win the big contracts?

**Mrs Foster:** The Member is right to raise the issue of procurement as a barrier to small and medium-sized enterprises, and we have been concerned about it. InterTradeIreland does some work with companies here. Some of its programmes — for example, Go-2-Tender and Network and Getwork — are, essentially, for small businesses so that they can get into the system and learn how to tender for government contracts. As well as that, the Boosting Business initiative brought forward by Invest Northern Ireland intends to get alongside those companies and give them any help that they need. Therefore, there will not be an exclusive use of Invest NI's time. Instead, it will look at ways that it can help small companies. I am sure that procurement will be one of the issues that will come up time and time again.

## Agrifood

6. **Mr McCartney** asked the Minister of Enterprise, Trade and Investment what work her Department is undertaking to promote the agrifood sector. (AQO 828/11-15)

**Mrs Foster:** On 10 October 2011, I attended the Northern Ireland pavilion at Anuga, Cologne, and launched a new Northern Ireland red meat export initiative with the English Agricultural and Horticultural Development Board and Quality Meat Scotland. Twenty-six Northern Ireland companies participated at that international trade event, including three of Northern Ireland's largest red meat processors: Dunbia, Foyle Food Group and Linden Foods.

In these challenging economic times, the Northern Ireland food and drink processing sector continues to be the biggest contributor to the manufacturing sector, with a growth of 8.3% in turnover last year from £3.4 billion in 2009 to £3.7 billion in 2010. To sustain that growth, my Department, through Invest Northern Ireland, continues to promote the Northern Ireland food sector internationally through a comprehensive programme of trade missions, exhibitions and events. In the past two months, 128 food sector companies were promoted outside Northern Ireland at trade events.

**Mr McCartney:** Go raibh maith agat, a Phríomh-LeasCheann Comhairle. Gabhaim buíochas leis an Aire as an fhreagra sin. I thank the Minister for the information that she gave in her answer. I am told that a report on how we can improve the agrifood sector across the island of Ireland has been ready since May 2011 but remains unpublished. Does she share my concern at that?

### 3.00 pm

**Mrs Foster:** I am not responsible for the publication of reports, including the agrifood report produced by InterTradeIreland, which I think was what the Member referred to. However, if the Member checks online, he may find that that report has been published.

## Private Members' Business

### Sports Clubs: Rate Relief

*Debate resumed on amendment to motion:*

*That this Assembly recognises the benefits which community and amateur sports clubs bring to local communities; notes the vital role which they play in encouraging participation in sporting activities and the contribution they make in promoting healthy lifestyles; and calls on the Minister of Finance and Personnel to raise the rate relief afforded to these clubs from 80% to 100% to ensure parity with equivalent clubs in other parts of the UK. —*

*[Mr Swann]*

*Which amendment was:*

Leave out all after "Personnel" and insert

*"to examine the rate relief afforded to these clubs."*  
*— [Mr Hamilton]*

**Mr McQuillan:** I rise to wind on the amendment proposed by my colleague Simon Hamilton. I, like many other Members, agree with the sentiment of the motion. However, in the current economic climate it would be hard to defend such a decision, which would ultimately see money being cut from somewhere else to pay for it. After all, sport is an issue for the Assembly and not one for local government. Where would the money come from? Would it come from health, education or roads? I am happy to hear suggestions, but I heard none during the debate.

When the Conservative Party campaigned prior to the 2010 general election, its members shouted about the Labour Government spending more money than the nation was bringing in. That led to a Budget deficit, which became a major focus of the Conservative Party's manifesto, and, it must be said, of the Ulster Unionist Party in the form of UCUNF. When the Conservatives formed an alliance with the Liberal Democrats in the wake of the general election, which produced a hung Parliament, the Conservative-led Government pushed forward an emergency Budget and a spending review that was published in October 2010. That resulted in our Executive having less money to spend, despite growing pressures on the health service, social housing, education and roads. My party fought against those cuts while others stood on the sidelines, and that was reflected in the endorsement of my party in the May elections.

Community and amateur sports clubs contribute a significant amount to society and to their communities, and I value their contribution to society in Northern Ireland. Such clubs not only provide a function in the promotion of healthy lifestyles, especially by tackling childhood obesity among our young people, but they also help to reduce crime and antisocial behaviour. They have also been proven to promote good relations between all sections of society in Northern Ireland, which is the centrepiece of the cohesion, sharing and integration policy for tackling sectarianism and racism. Many of the clubs also act as community hubs and provide a centre for communities. However, many community centres are exempt from paying rates as they not revenue-generating.

Although the Minister of Finance and Personnel would like to assist all worthwhile causes across society, we must take into consideration the financial constraints that the Assembly must operate under. At present, 700 clubs benefit from the 80% rate relief, the cost of which is met by the Department of Finance and Personnel (DFP) at a total cost of £3.8 million each year. Increasing the relief would result in an additional cost of £1 million each year, and if the relief programme was extended beyond sporting clubs, it would cost an additional £6 million each year. That would only put an additional burden on the Northern Ireland Executive at a time when we need to spend our block grant wisely amid a major worldwide economic crisis.

It is worth stating that the Northern Ireland Executive have, in fact, frozen the regional rate for some years now, and that has gone some way to limiting the burden on community and amateur sports clubs. The amendment does not change the nature of the motion; it simply asks the Minister of Finance and Personnel to examine the case for increasing the rate relief that is afforded to such clubs.

I will now move on to summarise some of the points that were made during the debate. Mr Robin Swann proposed the motion and said that he did so after consulting various sports clubs. He went on to say that the Programme for Government makes several commitments to sport but that commitment is lacking at a grass-roots level. Mr Swann also said that he would not support the amendment as it would weaken the motion, but that he might change



his mind, depending on what he heard from the DUP Benches.

Mr Simon Hamilton proposed the amendment and he thanked Mr Swann for tabling the motion. He said that no one in the House would argue with the first part of the motion; he went on to commend the volunteers in sporting clubs for giving up their time. He also said that clubs help with obesity and play an important role in society.

In an intervention to Mr Hamilton, Mr Humphrey said that sports clubs can help kids to turn their lives around, and, in a further intervention, Mr McClarty said that there would be a cost if we did nothing. Mr Hamilton replied that sports clubs already receive 80% relief. He gave a commitment that clubs would continue to receive that level of rate relief and that there was no intention of going back to the previous level of 65%. The Minister reiterated that commitment in his contribution.

Mr Sheehan said that he agreed with the two previous Members; he also said that it was positive for kids to be involved in sport and that it gave them a focus in life. He gave the example of his own amateur sports club, which is finding it very difficult. That point was agreed with by nearly all Members who spoke.

Dominic Bradley said that, through improving health and well-being, implementing 100% rate relief would save £1 million in the long run. He also said that kids learned values from sport that they then applied in other walks of life.

Chris Lyttle said that he is an amateur sports player. He agreed with the amendment and the motion but said that the amendment would make the motion better because it would give the Finance Minister a bit of scope.

**Mr Principal Deputy Speaker:** Will you bring your remarks to a close?

**Mr McQuillan:** I certainly will. The Finance Minister said that he welcomed the debate. He gave a commitment to Mr Swann that he would not roll back rate relief and that it would stay at 80% for the lifetime of the Programme for Government.

**Mr Principal Deputy Speaker:** I call Mr Danny Kinahan to wind on the motion.

**Mr Kinahan:** Thank you very much, vice principal Speaker — vice Deputy Speaker. That is always a hard one to get around, deputy principal.

I am pleased to wind on the motion. I am amused that Mr Lyttle said at the beginning of the debate that, for all his life, he has been involved in sport. When he reaches my age, he would like to be able to say the same. However, there comes a time when the body will not do what you want it to. I think that we have heard every Member here declare an interest in sport, except perhaps for the Minister, but he has the same fine figure that I have. We may all need to take part in a little more sport.

I remind Members that our motion recognises the benefits that community and amateur sports clubs bring to communities, and everyone here today has recognised that. The motion also notes the vital role that clubs play:

*“in encouraging participation in sporting activities and the contribution they make in promoting healthy lifestyles”.*

Once again, almost everybody who spoke agreed on that. However, the nub of the motion was the call on the Minister of Finance and Personnel:

*“to raise the rate relief afforded to these clubs from 80% to 100% to ensure parity with equivalent clubs in other parts of the UK.”*

Members took various angles on their agreement or disagreement, but what we ask for is simply a proposal that will increase the funds that sporting bodies already have to hand by reducing the rate burden.

**Mr Principal Deputy Speaker:** I remind Members not to walk in front of Members who are speaking.

**Mr Kinahan:** Thank you. To go back to my point, we are really asking the Minister to reduce the rate burden, and to do so in that way rather than through calling for other forms of funding for sporting bodies.

To be gloomy for a little while, most of us talked about the need to be fitter and healthier. This morning, the BBC reported that an “obesity tsunami” was coming our way. Other figures have also come out —

**Mr Dunne:** No pun intended.

**Mr Wilson:** I think that the waves are rolling around here.



**Mr Kinahan:** If they are listening at all.  
[Laughter.]

Each year in Northern Ireland, 2,100 deaths are attributed to inactivity. Tackling obesity could save the health service £8.4 million and reduce sickness absenteeism by 170,000 days — think of the money that is behind that. We are also told that 10 years of life could be added to our average lifespan.

**Mr Humphrey:** I am grateful to the Member for giving way. Thank you. He will obviously be aware that our colleague the former Minister of Culture, Arts and Leisure delivered quite a considerable amount of money to sporting facilities and the sporting infrastructure in Northern Ireland, and that will greatly help to address the issues that the Member has just raised. Does he accept that, as arose in the debate, there is no rate relief parity across the United Kingdom? It very much depends on the local authority on the mainland as to whether there is 80% or 100% rate relief.

**Mr Kinahan:** Thank you very much. I am intrigued by the point, but we are back to splitting hairs. In this case, we are not looking for exact parity; rather, we want parity with the 100% relief so that clubs do not pay any rates, and we want to find a way in which to do that.

I go back to my summary, which is gloomy but important, because it shows what we will save if we get a healthier society. We know that, through a better lifestyle, cancer in two thirds of those who get it can be prevented. There would be less cancer if we exercised more or changed our diet. We should know that 7% of all diseases, one third of cases of coronary heart disease and stroke, and 60% of cases of hypertension are significantly related to obesity.

We heard from many Members about all the other emotional, mental and physical benefits that come from having a healthier lifestyle and participating in sport, all of which are phenomenally important. I am looking at the Minister and wondering why he is smiling at me. We feel that raising the level of rate relief is a very small price to pay. What we are asking for today will cost only £800,000, which is, using the Minister's figures, 20% of the £4 million. Just think of the money that would be saved if people in the community were in better health. Look at the amount of money that will be coming in now as a result of the rates being charged on vacant buildings in, for example,

Ballymena. That new rate will generate £2 million, so the £800,000 needed can easily be paid for. Today, we are requesting that the Minister find a way to do this. We believe that reducing the rate burden is a no-brainer.

I will now look at some of the points raised. Mr Hamilton divided the motion into two parts: recognition and action. Taking the sports theme, we could liken it to a game of two halves. We definitely won the first half and played extremely well in the second half. Mr Hamilton mentioned that amateur sports groups are the backbone of our society but that there is a risk in singling out one good cause. He said that there is a complex weighting system in the UK. Nevertheless, we are asking the Minister to find a way of aligning Northern Ireland with the rest of the UK, though we do not have to provide rate relief in the same way. Mr Hamilton is not convinced that it is worth doing, given all the hurdles and barriers that are put in the way in the rest of the UK. I say that we can do it, just in a different, much easier way and with less red tape.

Mr Sheehan said that participation had gone down but that the dividend of having a healthier society was immense. Mr Bradley said that inactivity was costing more and more. He also said that people learn about teamwork and loyalty when they play sports at clubs and that there are many more benefits to be gained, be they mental, physical or emotional. We really cannot put a monetary value on that.

Mr Lyttle, when he was not telling us about the football prowess of Ridgeway Rovers, highlighted the fact that amateur sports clubs are at the centre of the community. He indicated that he will not support the amendment. He said that the Minister needed more time to explore the issue, and that is really what we are asking him to do.

Mr Girvan said that we should not pin all the responsibility for this on just the Department of Finance and Personnel but on the Health Department and others. He also said that supporting the amendment would mean that local authorities would have to jump through massive hoops. However, my party is saying that we need to find a way of ensuring that we do not put hoops in the way.

Like many others, Mr McLaughlin said that sports clubs are at the centre of the community and that — he was actually making our point for us — the small amount that it would cost to

make up the little differential in the fund could easily be found in the Budget. Many more good points were made. Mr Humphrey mentioned Orange halls and the 200 activities provided by over 2,000 groups. I could go on and on. We all recognise the benefits.

I will move on to the Minister's remarks. He said that no one would disagree with the first part of the motion. On the second part of the motion, he said that the Executive, through the Budget, already invest in sporting activities and that he does not agree that the rating system should be changed. He said that an extra 20% of rate relief meant that it could be 84% for more. I want to move away from that, except to mention the best of the Minister's comments, which was his assurance that, over the next four years that he has control of, the rate relief would not be reduced below 80%. We are very grateful for that. Today, we ask him to look at how the rate relief could be increased to 100%.

### 3.15 pm

The Minister also said that he was unable to examine the issue. Instead, he suggested that DCAL should look at it. My party suggests that the issue is bigger than that: it is about joined-up government, reducing bureaucracy and tackling problems at their source, rather than tackling their symptoms.

**Mr Wilson:** Perhaps the Member misunderstood the point that I made. The activity to which he refers comes primarily under the Department of Culture, Arts and Leisure's (DCAL) remit. The reason why I said that is not because I do not believe that there is some interplay between any review that DCAL might undertake and implications for DFP, but simply because it is the lead Department. That is why I suggested that DCAL would take that forward.

**Mr Principal Deputy Speaker:** Time is up. We have to move on.

**Mr Kinahan:** Thank you very much. My party —

**Mr Principal Deputy Speaker:** You gave way in the last minute. You lost the remainder of your time.

**Mr Swann:** On a point of order, Mr Principal Deputy Speaker. Earlier, Mr Kinahan gave way for another Member. Surely he should be given an extra minute.

**Mr Principal Deputy Speaker:** The Member had 10 minutes to make his winding-up speech. No additional time will be allocated. I was watching the clock.

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

*Main Question, as amended, put and agreed to.*

*Resolved:*

*That this Assembly recognises the benefits which community and amateur sports clubs bring to local communities; notes the vital role which they play in encouraging participation in sporting activities and the contribution they make in promoting healthy lifestyles; and calls on the Minister of Finance and Personnel to examine the rate relief afforded to these clubs.*

*Motion made:*

*That the Assembly do now adjourn. — [Mr Principal Deputy Speaker.]*

## Adjournment

### **Flooding: Clogher Valley**

**Mr Principal Deputy Speaker:** I advise Members that the Speaker has received a letter from the Minister of Agriculture and Rural Development to say that she is unwell and unable to respond to the Adjournment debate. Unfortunately, on this occasion, it has not been possible for one of her ministerial colleagues to respond to the debate on her behalf. I am assured that her officials are in the Gallery and that they will respond to any questions that are raised in the debate.

The proposer of the topic for debate will have 15 minutes. All other Members who wish to speak will have approximately 10 minutes.

**Lord Morrow:** Thank you, Mr Principal Deputy Speaker. I have noted your comments on the Minister's non-attendance and her inability to respond to the debate. I understand and accept that there are good reasons why she cannot be in the House to respond to the debate. However, we will continue. I welcome the opportunity to bring before the House the unfortunate issue of flooding in Clogher valley.

In bringing the topic to the Chamber, I am conscious that, during recent heavy rainfall, there were many serious flooding incidents throughout Northern Ireland, not just in Clogher valley. However, in my constituency of Fermanagh and South Tyrone, the Clogher valley area has perhaps suffered as much and indeed more than many others. We have heard of and seen the destruction that has been caused by severe flooding in areas such as Beragh. I want to bring to the attention of the Department and, in particular, the Rivers Agency the serious incidents that have occurred in Clogher valley, where flooding has now occurred on a number of occasions.

One particular incident occurred at Carnall Presbyterian Church, which flooded suddenly while mourners waited in their pews for a funeral service. Indeed, I understand that the funeral service in the church was unable to go ahead in the manner in which it had been

originally planned. I ask Members to take a minute to grasp how distressing it was for the family and friends who were attending that very sombre occasion and found themselves having to deal with the funeral service being disrupted by elements that were outside their control. The trauma of a death in the family is difficult enough to cope with, but imagine having to deal with that and then face the unexpected devastation of flooding while trying to take your loved one to their final resting place on this earth. We are appealing to Rivers Agency to take all necessary steps to ensure that there is no reoccurrence of such incidents.

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

I feel that one way forward would be to make available information on areas that are susceptible to flooding. That information must be easily accessed by all areas of media, be it through a computer, a telephone or in person. Indeed, I feel that Rivers Agency should be proactive in alerting residents to be aware of the fact that their property lies in or near a flood plain. If that information were available at all times, preventative steps could be taken to minimise or greatly reduce the damage and destruction caused by flooding. In a separate incident, a section of a farmer's agriculture building was partly washed away, and the remainder was severely damaged as a result of the flooding in Clogher valley. Of course, there were also incidents of homes being flooded, and the devastation that that causes is never fully understood until one finds themselves caught in such a situation.

I accept that it is not entirely a matter for Rivers Agency but is, rather, a cross-cutting issue that involves the Department of the Environment (DOE), the Department of Agriculture and Rural Development (DARD) and the Department for Regional Development (DRD). Each Department has a significant and useful role to play. The issue of overflowing rivers spilling on to our roads also has to be tackled. We often hear that those floods happen once every 100 years but, in recent times, it is happening much more frequently. I trust that DARD will apply itself to ensuring that the infrastructure is adequate to deal with any potential flooding, and that there is joined-up thinking in the various Departments. Local councils could also play a useful role in co-ordinating.

Recently, there was a meeting — I want to emphasise this because it was a tragedy — of Dungannon and South Tyrone Borough Council, and the various agencies were invited to come along and listen to councillors' concerns and respond accordingly. One agency that refused to attend was Rivers Agency. On being invited, its response was:

*“Rivers Agency staffing levels could not accommodate the workload associated with meetings of district councils to discuss emergency planning in detail.”*

We welcomed Roads Service, the Southern Trust, the PSNI and Northern Ireland Water, but Rivers Agency, the most important body in a situation such as that, was missing. Surely it is unacceptable — I believe that it is — that the lead agency in situations such as the one that we are discussing today refuses to attend a council meeting where councillors want to question and receive detailed answers as to why their constituents were left adrift. Surely that is unacceptable by anybody's standards. That was a big disappointment and sent out the completely wrong message to the people of Clogher valley, to Dungannon and South Tyrone Borough Council members and to the community further afield.

I have since submitted a written question to the Minister asking for a projected costing of the attendance of a Rivers Agency representative at an evening council meeting. It will be interesting to see what the Department says, and I am looking forward to receiving its reply. I did not realise that there was as much involved in sending a representative to a council meeting to give an account of themselves, and I believe that what we were told could be or was close to an excuse. We will not pre-empt the Department's answer, but we will certainly wait with bated breath to see what it says. I do not for a moment accept that Departments are so bereft of resources that they are unable to come to a council meeting and give an account of their stewardship.

If the Minister were here today — I acknowledge that she is ill and that it is impossible for her to be here — I would impress on her the importance of Rivers Agency's role in this matter. I am asking for an assurance that the issue will be investigated thoroughly as a matter of urgency, because it is totally unacceptable that any Department or agency should refuse to hear the concerns of constituents via their

elected representatives, by whom I mean local councillors. It should be said that none of the other agencies, which also face straitened times, proffered any such excuse and were in attendance that evening.

It was notable that Northern Ireland Water sent representatives, who put forward an explanation of its role in situations such as those that we are discussing. Northern Ireland Water was questioned about the new arrangements that it has in place following last year's disastrous lack of responses to people's plight during the big freeze, but full marks to it on this occasion. It presented a comprehensive report on how it intends to deal with a similar situation, should it arise in the future. We commend the agencies that attended and record our appreciation, but a question mark remains over the Rivers Agency's commitment and attitude when it comes to dealing with public representatives, including local councillors.

Although I have been very critical today of the Rivers Agency and its attitude and lack of attendance at the recent council meeting, when I spoke to its representatives by telephone, they were keen to come to the Clogher valley. I am aware that, since our council meeting, they have met councillors in the area and discussed some of the serious issues that concern district councillors and members of the general public.

The Minister has given a commitment that she will respond to the debate, a transcript of which she will receive. She has given an assurance that she will respond in writing to the debate. I look forward to receiving the same, together with assurances that the issues that have been raised today will be addressed and that we will hear from the Rivers Agency of new measures and steps so that the people of Clogher valley, particularly those who have been affected, will not have to endure a reoccurrence of the surge and devastation that was caused during that awful time of flooding.

**Ms Gildernew:** Go raibh míle maith agat, a LeasCheann Comhairle. I welcome the opportunity to have the debate, and I thank the Member opposite for bringing it to the Floor of the House. The debate is timely, given some of the unfortunate difficulties in the Clogher valley in recent times. I pass on my best wishes to the Minister, who is not well. She would have been here if she had been able. I know of her personal commitment to the issue. In fact,



recently, on the evening that she visited the residents in Beragh, she also diverted off the road on her way back to visit a householder in Ballygawley who has been flooded three times in three years. That resident's home is beside St Ciaran's College, and the Member will know where that is. St Ciaran's College has been flooded on a number of occasions, which has been very disruptive not only to the school community but to preparation for exams, and so on.

Flooding is horrendous and traumatic. Recently, on a night of very heavy rain, one of my children asked me what we would take with us if our house were flooded. He wanted his farm set to be rescued, and I said that I thought that the baby pictures might be more important. There you go; we all have different priorities. It brings the thought of water flowing through your home and washing away the possessions that you scrimped and saved to buy or things that cannot be replaced such as photographs and memories of your children's younger days. I have been to homes that have been flooded and seen the devastation, and people were stoically trying to pick up the pieces. When I visited the O'Rourke's' home in Ballygawley, they had set quite a bit of their furniture on crates to try to lift them out of the flood water.

Unfortunately, that was not enough, and most of their furniture was destroyed. The house was absolutely beautiful: you could see the curtains and wallpaper. It was a lovely home, and to have it destroyed by flood waters for the third time in three years was absolutely devastating. It was devastating on a personal level for a family who reared their children in that home and cannot imagine living anywhere else. At the same time, they said to me that evening that it used to be great to lie in bed and listen to the rain on the window and know you were safe and warm inside. However, once you have been flooded, that is never a comfort. Hearing that rain on your window is such a threat because you know that, when you get up in the morning or possibly in the middle of the night, your living room will be under 2 ft of water. The fear that, every time there is heavy rainfall, your home will flood again is absolutely horrifying for a lot of families. That fear cannot be overstated and is probably worse than the fear of fire because, if it happens to you once, you think that there will always be the chance of it happening again.

### 3.30 pm

Minister O'Neill, on that evening when she was in Beragh, visited that home in Ballygawley. I was very appreciative that she did because all the hype and talk was about Beragh. Although I understand that that project needs to be done and a lot of families were badly affected in Beragh, families and a school community were also affected in Ballygawley. I wanted to ensure that the Minister understood the challenges that we faced in our constituency as well. She was very sympathetic that evening and understood where the O'Rourke's were coming from.

I know from experience that it is very hard to know that you do not have enough money for all the flood alleviation work that you want to do and it is devastating to see the consequences of that. A flood alleviation scheme for Ballygawley has been earmarked and in the pipeline for a period of time. The road infrastructure that was built recently would have had an impact on the timescale, but I am very hopeful that we can get the flood alleviation scheme for Ballygawley and St Ciaran's through in the not-too-distant future.

We also have to recognise and understand the topography of the wider Clogher valley. It is very high up, and the water rushes down Sliabh Beagh. Indeed, not too long ago, I visited another family who live on the banks of the Fury river. That family had built a home. They knew the river and knew that it could get very high at times but there was no history of flooding, at least in that area. As a precautionary measure, however, that family spent £11,000 putting in gabions — crates filled with stones — along the river to shore up the bank. They also erected a fence for the safety of their young children.

One night, a year or two ago, the Fury river got very high, came rushing down the mountain and washed away £11,000 worth of work that the family had invested in to protect their home. Engineers who went out to look at that felt that that work would be enough to secure the land at the home. When I visited recently, the crater that was left behind when the river rushed through was only a number of feet from their back door. I saw the home in Magherafelt on the TV news last Friday. I am sure that other Members did also. I know how worrying and scary it must be to see your back step literally washed into the river. It really is horrendous.



I welcome the fact that we are having this debate on flooding, specifically in the Clogher valley. I could talk ad nauseam about other examples of flooding. It is an issue that we want to highlight. We want to encourage the Minister to put in whatever resources she can or to persuade the Minister of Finance and Personnel to make more resources available so that flood alleviation work can be carried out on many of those schemes. Flooding may not directly affect thousands and thousands of people, but it can affect people in a way that has devastating consequences for their family and their peace of mind.

I am delighted to be here for the debate. I look forward to receiving the Minister's response in writing. I believe that, by working proactively and together, we can find a solution to this problem and ensure that those families get the peace of mind that they so truly deserve. Go raibh míle maith agat, a LeasCheann Comhairle.

**Mr Elliott:** I thank Lord Morrow for bringing this topic to the House, and I apologise for not being in the Chamber for his entire introduction.

Clearly, this is a huge issue. I listened to Lord Morrow and Michelle Gildernew talk about flooding not only in the Clogher valley area but further afield. It has been a massive problem over the past number of years. If you will permit me, Mr Deputy Speaker, I will highlight some of the broader aspects about flooding and then talk about the Clogher valley issue in particular.

We have witnessed over the past number of years the serious amount of damage from flooding that there has been to this society and to businesses. We can add to that the clean-up costs and the losses that some of those businesses incurred. In the agriculture industry, we have had a long-running debate about the flooding that happened a couple of years ago, which destroyed the crops, particularly the barley, wheat and potato crops. I accept that you cannot mitigate every instance of flash flooding; that is impossible, because it can happen so quickly. However, there are recurring problems that we seem to be having about which more could be done. That must start with ensuring that, whenever new work is proposed, regardless of the Department responsible, we take cognisance of the longer-term affects that that work may have and of its potential to lead to flooding. In other words, if you are making a new road, you should make sure that you have a

bridge that is high enough to avoid the water. If there is construction work ongoing, you should make sure that it will not affect an existing floodplain and push a flood risk on to someone else.

I have to say that, for quite a number of years, Departments have not had the necessary foresight. Whenever flooding happens, the Departments take no responsibility whatsoever for it. I see that as a huge problem. There needs to be a joined-up approach in the Executive and between Departments to ensure that we are not left with situations that Departments cause.

There are a number of areas in which there is recurring flooding. In some of those areas, the problem can be resolved quite easily. Like Lord Morrow, I am concerned that the Rivers Agency is not prepared to spend what may in some cases be very small amounts of money to alleviate the problems. Some of the issues have been touched on, but there are several cases in the Clogher valley area. I know of one home in particular that has, I am assuming, been flooded at least six times in the past three years. It is desperate, as Ms Gildernew said, to see the water coming in through the front door and going out through the back door and to see the whole ground floor of the house flooded, causing huge damage. In some cases, the flooding problems could be resolved fairly simply and with small amounts of money, but the agency is not prepared to do that.

There was one instance where a local football club made flooding conditions in an area worse. A local resident explained to the Rivers Agency the problems that would arise from the development, and they have arisen. Even though the Department and the Rivers Agency were warned that there could be flooding, they still allowed the development to go ahead, they still allowed the club to fill in the land, they still allowed it to divert the river or put some sort of pipes in and they allowed the local residents' laneway to flood. It does not flood just once a year; it floods very regularly. The husband in the household in question is very ill and has to go for regular treatment in hospital. His family have huge problems getting him in and out of the home, and often they have to transport him by tractor through the flooded area. That is in south Tyrone.

Once you deal with cases like that, you can offer very few excuses for the Rivers Agency. It now

refuses to even meet the family to try to resolve the issue. There are opportunities that Rivers Agency could take at the moment. Clogher Valley Country Caravan Park is an example of a business that was hit badly during the most recent flooding. In fairness, Rivers Agency gave a promise to help it, but I note that that has now been put back for some considerable time.

I want to see action out of all this, not just pretty words. There are opportunities that Rivers Agency, in conjunction, on some occasions, with other agencies and Departments, can take to alleviate serious flooding issues that recur regularly. I ask for that to happen as soon as possible, and I ask that we in the Chamber do not get just nice words or some sort of fluffy response. We need action.

*Adjourned at 3.41 pm.*





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